Korea: Language, Knowledge and Society

Proceedings of the 3rd Biennial Conference
Korean Studies Association of Australasia

Edited by Gi-Hyun Shin

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PREFACE

This volume represents a selection of the papers presented at the Third Biennial Conference of The Korean Studies Association of Australasia (KSAA), hosted by the Centre for Korean Studies, the Australian National University, Canberra, Australia, from 30 June to 1 July 2003.

A principal objective of those in Korean Studies is to increase knowledge and understanding of the language, culture and social organisation of the people on the Korean peninsula from early to contemporary times. The overall theme of the 3rd Biennial KSAA Conference is “Korea: Language, Knowledge and Society”. Knowledge is expressed in and imparted by language, itself a fundamental element of culture; the quest for knowledge and understanding is central to the construction of history, production of literature and adherence to religious and philosophical systems; and the application of knowledge is a subject of political, economic and other social science inquiries. In particular, how the Koreans have understood, formulated and acquired knowledge, and how they have applied their knowledge from individual to national and international levels is the focus of this conference.

Papers selected and presented at the conference encompass a broad range of disciplines and themes within the humanities and social sciences, reflecting diverse research and teaching activities of the KSAA membership and, of course, the individuals’ scholarly interests. The conference panels have been organised in terms of broad themes, rather than in terms of more traditional disciplines. They include: Applied Linguistics, Current Economic & Business Issues in Korea, Inter-Korean Relations, Korean Diasporas, Korean Identity & Images of Korea, Language – from Ideation to Society, New Economic Environment in Korea, Pre-modern Literature, Religion, Thought & Culture, Risk & Transparency, South Korean Politics & Society, and Women’s Studies. However, this volume contains only those papers that were submitted by the authors for publication with minimal formatting changes made in the editing processes – no modifications have been made to the content of the papers.

On behalf of the Organising Committee, we would like to express our gratitude to all the participants of the conference for their enthusiastic interest in Korea, and to the National Institute for Asia and the Pacific at the ANU, the Embassy of the Republic of Korea in Australia, and the ANU Centre for Korean Studies for their generous support. In particular, we would like to document our wholehearted appreciation to the Korean Research Foundation for their continuous support to the KSAA biennial conferences, And, on behalf of all the conference participants, we would also like to express our thanks to Luda Mangos and Jeffrey Choi for all their assistance behind the scene.

Gi-Hyun Shin
June 2003
THE 3rd BIENNIAL KSAA CONFERENCE 2003

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From Posture to Grammar: Korean Posture Verbs, and Their Posture-Based and Aspectual Extensions

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1. Introduction

The objective of this paper is to describe the basic syntax and semantics of four posture verbs, se- ('stand'), anc- ('sit'), nwup- (plain 'lie') and cappaci- (vulgar 'lie') in Korean, and also to study extended uses based on the human bodily postures denoted by these verbs. In Korean, there seems to be a clear division between the posture verb 'stand' on the one hand and the posture verbs 'sit' and 'lie' on the other. The former can be extended to encode the spatial position of inanimate as well as animate entities, whereas the latter cannot likewise be utilized but can only be extended to encode the spatial position of animate entities. Moreover, the same bifurcation, albeit in an opposite manner, is observed in terms of aspectual extension. Thus, the posture verbs 'sit' (i.e. anc-) and 'lie' (i.e. cappaci-) have both been grammaticalized as progressive-aspect-bearing auxiliary verbs, whereas the posture verb 'stand' (i.e. se-) can never be utilized to express progressive aspect. In this paper, an attempt will be made to explore the conceptual basis for these differences in posture-based and aspectual extensions between the two groups of posture verbs in Korean. It will be demonstrated that the basis for the use of the posture verb se- 'stand' in the encoding of the spatial position of animate and inanimate entities is not so much sensorimotor control or postural affinity as height relative to that of humans. Moreover, it will be suggested that the posture verbs 'sit' and 'lie' (vulgar), but not 'stand', can be extended to express progressive aspect, because the postural positions denoted by the former verbs are stationary, whereas that denoted by the latter verb is potentially non-stationary in the sense that standing 'is a prerequisite for [non-stationary activities such as] walking, running, etc.' (Newman 2002b, p. 3; Also see Heine 1993 and Bybee, Perkins, and Pagliuca 1994).

2. The Posture Verbs ‘Stand’, ‘Sit’ and ‘Lie’: Posture-Based Extension

The four posture verbs 'stand', 'sit', 'lie' (plain) and 'lie' (vulgar) will first be examined with a view to identifying which of them can encode the spatial position of animate and/or inanimate entities in addition to that of human entities, and also to describing the limits of their posture-based extension.

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1 I am indebted to Keith Allan, Tania Kuteva and John Newman for their useful comments on earlier drafts of this paper. Needless to say, this must not be taken to mean that they agree with everything I say here. For the sake of convenience, the imperfective, static meaning of 'to be in a standing, sitting or lying position' will be represented by 'stand', 'sit' or 'lie', respectively. The abbreviations used in the main text are: ABL = Ablative, ACC = Accusative, CL = Classifier, COM = Comitative, CONJ = Conjunctive, F = Filler, HON = Honorific, IND = Indicative, INST = Instrumental, LOC = Locative, NOM = Nominative, NR = Nominalizer, PL = Plural, PST = Past, Q = Question, QT = Quotative, RDP = Reduplication, SG = Singular, SUP = Suppositive, and TOP = Topic.
2.1. The Posture Verb se- ‘Stand’

In conjunction with the verb of existence iss-, the posture verb se- ‘stand’ forms the basis for the encoding of the spatial position of humans and animals, as can be seen from (1) and (2):

(1) ku haksayng-i mwun-yeph-ey se-iss-ta
    the student-NOM door-side-LOC stand-is-IND
   ‘The student is standing by the door.’

(2) ku mal-i makwukan-aph-ey se-iss-ta
    the horse-NOM stable-front-LOC stand-is-IND
   ‘The horse is standing in front of the stable.’

Note, however, that, although the posture verb ‘stand’ can freely be used in relation to humans, it cannot always encode the spatial position of animals, as in (3) and (4) (cf. (2)).

(3) *ku kay-ka mwun-yeph-ey se-iss-ta
    the dog-NOM door-side-LOC stand-is-IND
   ‘The dog is standing by the door.’

(4) *ku cwui-ka changmwun-yeph-ey se-iss-ta
    the rat-NOM window-side-LOC stand-is-IND
   ‘The rat is standing by the window.’

The sentences in (3) and (4) can be rendered grammatical by eliminating the posture verb se- from the verb complex, se-iss-ta. Thus, use of the simple verb of existence iss- is sufficient to specify the location of the dog or the rat, as can be seen from (5) or (6).

(5) ku kay-ka mwun-yeph ey iss-ta
    the dog-NOM door-side-LOC is-IND
   ‘The dog is by the door.’

(6) ku cwui-ka changmwun-yeph ey iss-ta
    the rat-NOM window-side-LOC is-IND
   ‘The rat is by the window.’

When applied to the spatial position of inanimate entities, the posture verb ‘stand’ does also not always produce grammatical sentences. Compare:

(7) ku kenmwul-i namdaymwun-yeph-ey se-iss-ta
    the building-NOM South.Gate-side-LOC stand-is-IND
   ‘The building stands next to the South Gate [one of the primary landmarks in Seoul].’

Note that, without the verb of existence iss-, the posture verbs in question do not bear the imperfective, stative meanings of ‘to be in a standing position’, ‘to be in a sitting position’ and ‘to be in a lying position’. For instance, the posture verb ‘sit’ alone will only have the perfective, dynamic meaning of ‘to put oneself into a sitting position’.
Again, the ungrammatical sentence in (8) can be converted into a grammatical one by eliminating the posture verb from the verb complex se-iss-ta. The grammatical sentence in (7) can optionally also appear without the posture verb se- ‘stand’.

2.2. The Posture Verb anc- ‘Sit’

The basic use of the posture verb anc- ‘sit’, in conjunction with the verb of existence iss-, is demonstrated by the following examples, in which human entities are described as being in a sitting position.

(9) ku haksayng-i chayksang-aph-ey anc-e-iss-ta
the student-NOM desk-front-LOC sit-F-is-IND
‘The student is sitting at the desk.’

(10) ku koahakca-ka yenkwusil-ey anc-e-iss-ta
the scientist-NOM lab-LOC sit-F-is-IND
‘The scientist is sitting in the lab.’

The posture verb ‘sit’ can be extended to the encoding of the spatial position of animate entities, but generally not to that of inanimate entities. This is clearly demonstrated by (11), (12), (13) and (14).

3 This is not entirely correct, however. It is possible for the posture verb ‘sit’ to encode the spatial position of a very limited number of inanimate objects which can be thought of as having accumulated on a hard surface by descending from a high position. This is illustrated by the following two examples:

(i) seli-ka hayahkey non-wui-ey anc-e-iss-ta
frost-NOM white paddy.field-top-LOC sit-F-is-IND
‘Frost has covered the paddy field white.’

(ii) menci-ka ppoyahkey theyleybi-wui-ey anc-e-iss-ta
dust-NOM white TV-top-LOC sit-F-is-IND
‘White dust has gathered on top of the TV.’

In (i), moisture in the air (high position) has transformed itself into frost formed on the paddy field (low position). This lowering of the spatial position is also evident in (ii). The descending of such inanimate objects, however, must be slow and gradual, not sudden and abrupt. Otherwise, the spatial position of inanimate objects cannot be described by means of the posture verb ‘sit’, as (iii) demonstrates.

(iii) *phosta-ka ta pyek-eyse tielci-a pang.patak-ey anc-e-iss-ta
poster-NOM all wall-ABL fall-CONJ floor-LOC sit-F-is-IND
‘The posters have all fallen from the wall onto the floor.’

The falling of posters from a wall, unlike the settling of dust, cannot be slow and gradual. Moreover, not all inanimate objects that accumulate gradually on a hard surface by descending slowly from a high position can co-occur with the posture verb ‘sit’, as can be seen from the following example.

(iv) *nwun-i cangtok-wui-ey anc-e-iss-ta
snow-NOM soy.sauce.crock-top-LOC sit-F-is-IND
‘Snow has settled on the crocks of soy sauce.’

Both frost and snow do originate from the atmosphere and settle on a hard surface. But it is not clear why the spatial position of frost can be described by means of the posture verb ‘sit’, whereas that of snow cannot. The foregoing examples demonstrate clearly that the posture verb ‘sit’ may only be used in conjunction with a very small number of inanimate objects under restricted circumstances. It can be concluded that use of the posture verb ‘sit’ for the encoding of the spatial position of inanimate objects is an extremely marginal phenomenon in Korean. In the rest of this paper, then, this heavily restricted use of the posture verb ‘sit’ will be left out of consideration.
(11) *ku kay-ka mwun-yeph-ey anc-e-iss-ta
    the dog-NOM door-side-LOC sit-F-is-IND
  'The dog is sitting by the door.'

(12) *ku hoangso-ka mwun-aph-ey anc-e-iss-ta
    the ox-NOM door-front-LOC sit-F-is-IND
  'The ox is sitting in front of the door.'

(13) *ku hoapwun-i mwun-yeph-ey anc-e-iss-ta
    the flower.pot-NOM door-side-LOC sit-F-is-IND
  'The flowerpot sits by the door.'

(14) *ku khomphyutha-ka chayksang-wui-ey anc-e-iss-ta
    the computer-NOM desk-top-LOC sit-F-is-IND
  'The computer sits on the desk.'

The ungrammaticality of (13) and (14) is caused by use of the posture verb 'sit' alone. As with the other previous ungrammatical examples, these sentences can be turned into grammatical ones if the posture verb 'sit' is deleted from the verb complex anc-e-iss-ta.

2.3. The Posture Verbs nwup- and cappaci- 'Lie'

The two posture verbs nwup- 'lie' (plain) and cappaci- 'lie' (vulgar), in conjunction with the verb of existence iss-, can be applied to the encoding of the spatial position of human and animate entities, as in (15) and (16), but not to that of inanimate entities, as in (17) and (18).

(15) *ku salam-i pang-ey nwuwu/cappaci-e-iss-ta
    the man-NOM room-LOC lie.PLAIN/lie.VULGAR-F-is-IND
  'The man is lying in the room.'

(16) *ku koyangi-ka mwun-yeph-ey nwuwu/cappaci-e-iss-ta
    the cat-NOM door-side-LOC lie.PLAIN/lie.VULGAR-F-is-IND
  'The cat is lying by the door.'

(17) *ku namwu-ka cengwuen han kwusek-ey
    the tree-NOM garden one corner-LOC
    nwuwu/cappaci-e-iss-ta
    lie.PLAIN/lie.VULGAR-F-is-IND
  'The tree lies (fallen) in one corner of the garden.'

(18) *ku cenki-suthayntu-ka chayksang-wui-ey nwuwu/cappaci-e-iss-ta
    the electric-lamp-NOM desk-top-LOC lie.PLAIN/lie.VULGAR-F-is-IND
  'The electric lamp lies (fallen) on the desk.'

The ungrammatical sentences in (17) and (18) can both be rendered grammatical by simply deleting the posture verb 'lie' from the verb complex nwuwu/cappaci-e-iss-ta. Note, however, that the ungrammatical sentences in (17) and (18), unlike those in (3), (4), (8), (13) and (14), are intended to encode an unnatural spatial position of the inanimate entities.
in question. Normally, trees or electric lamps are vertically, rather than horizontally, positioned on a solid surface. Thus, in order to encode the ‘marked’ spatial orientation of the inanimate entities in (17) and (18), a different verb, ssuleci- ‘fall’, may be used in conjunction with the verb of existence iss-, as in (19) and (20).

(19) ku namwu-ka cengwuen han kwusek-ey ssuleci-e-iss-ta
    the tree-NOM garden one corner-LOC fall-F-is-IND
    ‘The tree has fallen in one corner of the garden.’

(20) ku cenki-suthayntu-ka chayksang-wui-ey ssuleci-e-iss-ta
    the electric-lamp-NOM desk-top-LOC fall-F-is-IND
    ‘The electric lamp has fallen on the desk.’

2.4. The Posture Verbs in the Existential Construction

It is worthwhile mentioning at this point that the posture verbs ‘stand’, ‘sit’ and ‘lie’ can also appear in the existential construction with the same restrictions observed above in terms of spatial encoding. For example, the posture verb ‘stand’ can be used in the existential construction with respect to some, but not other, animate or inanimate entities. Thus, if the posture verb ‘stand’ is not used to describe the spatial position of an animate or inanimate entity, it cannot also be used in the existential construction with respect to that animate or inanimate entity. In relation to humans, on the other hand, use of the posture verb ‘stand’ is not restricted at all in the existential construction.

(21) cip-aph-ey acwumeni han pwun-i se-keysiti-ta
    house-front-LOC lady one CL-NOM stand-is.HON-IND
    ‘There is a lady (standing) in front of the house.’

(22) kongwuen-ey mal han mali-ka se-iss-ta
    park-LOC horse one CL-NOM stand-is-IND
    ‘There is a horse (standing) in the park.

(23) hakkyo cengmwun-yeph-ey kinyem-sang-I hana
    school main.gate-side-LOC commemorative-statue-NOM one
    se-iss-ta
    stand-is-IND
    ‘There is one commemorative statue (standing) next to the main gate of the school.

(24) *pwuekh-ey kay han mali-ka se-iss-ta
    kitchen-LOC dog one CL-NOM stand-is-IND
    ‘There is a dog (standing) in the kitchen.’

(25) *sikthak-wui-ey hoapyeng hana-ka se-iss-ta
    dining.table-top-LOC vase one-NOM stand-is-IND
    ‘There is a vase (standing) on the dining table.’

The posture verbs ‘sit’ and ‘lie’ do also participate in the existential construction, but, as expected, only in relation to human and animate entities. This is demonstrated by the following three examples.
(26) **wulicip** malwu-ey eten salam-i
our house floor-LOC unknown man-NOM
anc/nwuwu/cappaci-e-iss-ta
sit/lie.PLAIN/lie.VULGAR-F-is-IND
‘There is a man (sitting/lying/lying) on the floor of our house.’

(27) **wulicip** malwu-ey koyangi han mali-ka
our house floor-LOC cat one CL-NOM
anc/nwuwu/cappaci-e-iss-ta
sit/lie.PLAIN/lie.VULGAR-F-is-IND
‘There is a cat (sitting/lying/lying) on the floor of our house.’

(28) **wuli cip** malwu-ey hoapwun hana-ka
our house floor-LOC flower.pot one-NOM
anc/nwuwu/cappaci-e-iss-ta
sit/lie.PLAIN/lie.VULGAR-F-is-IND
‘There is a flowerpot (sitting/lying/lying) on the floor of our house.’

2.5. Summary

The posture verb **se-** ‘stand’ can be applied to the encoding of the spatial position of animate and inanimate entities. There seems to be a restriction on its posture-based extension, however. The posture verb ‘stand’ can thus describe the spatial position of some, but not other, animate or inanimate entities. The posture verb ‘lie’, on the other hand, can be extended to encode the spatial position of animate entities, but not that of inanimate entities. For the posture verb ‘lie’, then, there is no posture-based extension to the encoding of the spatial position of inanimate entities. This is more or less true of the other posture verb ‘sit’ as well (cf. footnote 3).

3. The Posture-Based Extension of the Verb ‘Stand’

The contrast between the posture verb ‘stand’ and the posture verbs ‘sit’ and ‘lie’ in terms of posture-based extension may suggest that the degree of sensorimotor control manifested in the bodily positions of standing, sitting and lying has a bearing upon the distribution of the posture verb ‘stand’. Standing requires the maximum level of control, because both the upper and lower torsos must be held vertical and sturdy; lying requires no such control, because the whole body is at rest on a horizontal surface; and sitting is somewhere between standing and lying in that the upper torso must be kept erect with the lower torso at rest. This degree of control inherent in the three postural positions is captured neatly by the hierarchy in (29).

(29) ‘stand’ > ‘sit’ > ‘lie’
> = requires more sensorimotor control than

On closer inspection, however, the degree of sensorimotor control cannot be responsible for the distribution of the posture verb ‘stand’ in question. Inanimate entities by definition lack sensorimotor control. Thus, if any of the posture verbs were to be extended to encode the spatial position of inanimate entities, the posture verb ‘stand’, ranked the highest in the continuum of control in (29), would be the least likely candidate.
The posture verb ‘lie’, with its lowest level of control, is the most likely to be conscripted for the posture-based extension. More importantly, the fact that the posture verb ‘stand’ does not apply across the board to animate or inanimate entities, as in (2), (3), (7) and (8) repeated below, indicates clearly that the degree of sensorimotor control has no bearing upon the distribution of the posture verb ‘stand’.

(2)  
\[ ku \quad mal-i \quad makwukan-aph-ey \quad se-iss-ta \]
the horse-NOM stable-front-LOC stand-is-IND
‘The horse is standing in front of the stable.’

(3)  
\[ *ku \quad kay-ka \quad mwun-yeph-ey \quad se-iss-ta \]
the dog-NOM door-side-LOC stand-is-IND
‘The dog is standing by the door.’

(7)  
\[ ku \quad kenmwul-i \quad namdaymwun-yeph-ey \quad se-iss-ta \]
the building-NOM South.Gate-side-LOC stand-is-IND
‘The building stands next to the South Gate [one of the primary landmarks in Seoul].’

(8)  
\[ *ku \quad hoapwun-i \quad cengmwun-yeph-ey \quad se-iss-ta \]
the flower.pot-NOM main.gate-side-LOC stand-is-IND
‘The flowerpot stands next to the main gate.’

The building in (7) and the flowerpot in (8) do not differ from each other in that they both completely lack such control. Nonetheless, (7) is grammatical, but (8) is not. There is also no difference in control between the horse in (2) and the dog in (3). Presumably, horses and dogs, with their bodies supported by four legs, have more or less the same level of sensorimotor control. Thus, the degree of sensorimotor control has nothing to do with the posture-based extension of the verb ‘stand’.

Physical affinity between humans on the one hand, and animate and inanimate entities on the other also is unable to explain the difference in grammaticality between (7) and (8), and between (2) and (3). The inanimate entities in (7) and (8), for instance, can both be construed as ‘standing’ on their base, just as humans stand on their feet. Indeed, buildings and flowerpots, like humans in a standing position, do both exhibit vertical, as opposed to horizontal, orientation. Nonetheless, (7) is grammatical, whereas (8) is not. A similar comment can be made of (2) and (3). Both horses and dogs can easily be construed as standing on their feet, as humans do, although the number of feet involved may be different. However, the posture verb ‘stand’ can be used in conjunction with horses, not with dogs. Thus, something in addition to or other than vertical orientation must be at work in the posture-based extension of the verb ‘stand’ in Korean.

The basis for this ‘selective’ posture-based extension of the verb ‘stand’ in Korean seems to be the height of a given entity relative to that of humans, that is, vertical orientation in comparison with that of humans. In other words, the height of animate and inanimate entities should be at least comparable to that of humans — that is, almost as tall as, or taller than, humans — if their spatial positions are to be described by means of the posture verb ‘stand’. This explains, for instance, why the posture verb ‘stand’ applies to some animals such as horses, but not to other animals such as dogs. Generally, horses are taller, and dogs are shorter, than humans. This also takes account of the fact that tall
inanimate entities such as buildings can be described by the posture verb ‘stand’, whereas short inanimate entities such as flowerpots cannot. This notion of relative height can also explain the posture-based extension of the verb ‘stand’ to animals the height of which is comparable to that of humans when standing on their hind legs. Consider:

(30)  
ku kom-i mwun-aph-ey se-iss-ta  
the bear-NOM door-front-LOC stand-is-IND  
‘The bear is standing in front of the door.’

The sentence in (30) does not mean that the bear is ‘standing’ on its four legs, but that it is standing up on its hind legs (i.e. bipedally). The bear, on its four legs, may normally be shorter in terms of vertical orientation than humans. But it, on its hind legs, may well stand as tall as, or even taller than, humans. Note that an instrumental phrase, twu pal-lo ‘with two legs’, may be added to (30) to make it explicit that the bear is standing up on its hind legs, as in (31). Note, however, that this instrumental phrase is merely optional.

(31)  
ku kom-i mwun-aph-ey twu pal-lo se-iss-ta  
the bear-NOM door-front-LOC two foot-INST stand-is-IND  
‘The bear is standing on its hind legs in front of the door.’

Small animals such as dogs or rats can also stand up on their hind legs (e.g. a ‘party trick’ for some dogs). They are not comparable to humans in terms of height even when standing up on their hind legs, however. This may explain why (3) and (4) are ungrammatical and also why the instrumental phrase, twu pa-lo, must be used when the situation in which these animals are standing up on their hind legs is described, as in (32) and (33).

(32)  
ku kay-ka mwun-yeph-ey twu pal-lo se-iss-ta  
the dog-NOM door-side-LOC two foot-INST stand-is-IND  
‘The dog is standing (up) on its hind legs by the door.’

(33)  
ku cwui-ka changmwun-yeph-ey twu pal-lo se-iss-ta  
the rat-NOM window-side-LOC two foot-INST stand-is-IND  
‘The rat is standing (up) on its hind legs by the window.’

Note that sentences such as (32) and (33) cannot be used in support of the physical affinity between the standing position of humans and that of animals as the conceptual basis for the extension to animate entities of the posture verb ‘stand’. This is so, because the posture verb ‘stand’ alone cannot perform the task of expressing the ‘standing’ posture of the dog in (32) but only in conjunction with the instrumental phrase, twu pal-lo. Thus,

Thus, it is expected that in Korean the location of the place where horses are kept (i.e. a stable) can be described by means of the posture verb ‘stand’, whereas the location of the place where dogs are kept (i.e. a kennel) cannot. This is the case, indeed. Compare:

(i)  
makwukan-i cip-twui-ey se-iss-ta  
stable-NOM house-back-LOC stand-is-IND  
‘The stable is located behind the house.’

(ii)  
kaycip-i cip-twui-ey se-iss-ta  
kennel-NOM house-back-LOC stand-is-IND  
‘The kennel is located behind the house.’
the posture verb 'stand' alone cannot be extended to the encoding of the spatial position of animals such as dogs or rats.

Finally, it will be interesting to determine how the posture verb 'stand' in Korean behaves where the disparity in scale between a given entity and its location is substantial, there being crosslinguistic evidence that this kind of difference may also have a bearing on the use of posture verbs. In Dutch, for example, a choice between the posture verbs *staan* 'stand' and *liggen* 'lie' has to be made, depending upon the size of the location as opposed to that of the entity the spatial position of which is described. Compare:

(34)  *Ons huis staat op een hoek*  
    our house stand on a corner  
    'Our house is on a corner.'

(35)  *Ons huis ligt in Amstelveen*  
    our house lie in Amstelveen  
    'Our house is in Amstelveen [a city].'

According to van Oosten (1986: 138, 145-146), the location in which the house is situated in (34) is such that the house itself is 'rather tall, supports itself and is in a canonical position', whereas the location in which the house is situated in (35) is so vast and extensive that the latter 'represents only a point; as such it has no height, and the question of its rigidity [i.e. vertical orientation] is irrelevant' (van Oosten 1986: 146). This difference in turn is reflected by the alternation between *staan* and *liggen* in Dutch. In Korean, as expected, the posture verb 'stand' can easily be used for a situation like (34) (i.e. (36)), but it cannot likewise be used for a situation denoted by (35) (i.e. (37)). (The ungrammatical sentence in (37) can only be rendered grammatical by removing the posture verb from the verb complex, *se-iss-ta*.)

(36)  *wuli cip-un kil mothwungi-ey se-iss-ta*  
    our house-TOP street corner-LOC stand-is-IND  
    'Our house stands on a (street) corner.'

(37)  *wuli cip-un sewul-ey se-iss-ta*  
    our house-TOP Seoul-LOC stand-is-IND  
    'Our house stands in Seoul.'

This may lead one to argue that the height of a given entity, be it animate or inanimate, relative to that of humans may not be the only determining factor in the posture-based extension of the verb 'stand' in Korean. Following van Oosten (1986: 146), however, it must be pointed out that in (37) the house is construed only as a point on the vast expanses of a city (very much like a dot on a map), whereby its vertical orientation is rendered irrelevant or completely suppressed. In (37), thus, the question of the height of the house actually does not arise or come into the picture, as it were.⁵

⁵ The posture verb 'stand' can sometimes be used also in relation to inanimate entities to emphasize the latter's 'defiance' of age or natural deterioration, notwithstanding the considerable difference in size between them and their locations. For example, consider:

(i)  *wuli cip-un acikto ku tosi-ey se-iss-ta*  
    our house-TOP still the city-LOC stand-is-IND  
    'Our house still stands in the city.'

The sentence in (i) means that the house still exists in the city, contrary to the expectation that it should by now have been demolished or destroyed because of its age, for instance. The function of the posture verb
4. The Aspectual Extension of the Posture Verbs 'Sit' and 'Lie'

Studies in grammaticalization (Heine et al. 1991a and 1991b; Heine 1993; Bybee et al. 1994; Kuteva 1999 and 2001 inter alia) have identified the crosslinguistic tendency for the posture verb 'stand', 'sit' or 'lie' to be pressed into service to express progressive aspect. For example, Lichtenberk (1983, pp. 197-198) demonstrates that in Manam soa?i 'sit' is utilized to express progressive aspect in conjunction with the main verb in a reduplicated form.

(38) siresire di-bulabula-i-be di-soa?i
     grass  3PL.REALIS-set-RDP-3SG-and  3PL.REALIS-sit
     'They are burning grass.'

Heine et al. (1993, p. 192) also mention languages such as Diegueño, in which the posture verb 'stand' is extended to express progressive aspect (also Langdon 1970, p. 168).

(39) 'a.yp ta’yu.w
     I.talk    I'm.standing
     'I'm talking.'

Moreover, Heine et al. (1993, pp. 131-132) point to Tatar as a language in which the posture verb 'lie (down)' is utilized to encode progressive aspect (also Poppe 1968, p. 101).

There has been a good deal of discussion in the literature as to how posture verbs can develop into markers of progressive aspect (Blansitt 1975; Comrie 1976; Heine and Reh 1984; Heine et al. 1991a and 1991b; Bybee et al. 1994; Kuteva 1999 and 2001 inter alia). This will not be repeated here in the interests of space, except for highlighting the conceptual basis for the development of progressive markers from posture verbs. The primary function of progressive aspect is 'to give the location of an agent as in the midst of an activity' (Bybee et al. 1994, p. 133). If, for example, X is eating, X is regarded as being located in the midst of eating; ongoing activities are construed as locations in which agents find themselves in (e.g. They are in the middle of lunch). Thus, Bybee et al. (1994, pp. 127-137) suggest that location is a necessary semantic component of progressive aspect. Posture verbs denote bodily positions which the whole body is literally situated or locked in. For instance, X, in a sitting position, is construed to be located in a particular posture, just as, in the case of progressive aspect, an agent is construed to be located in the midst of an activity. This conceptual similarity may be what motivates posture verbs to (have) develop(ed) into progressive-aspect-bearing elements in many languages of the world. This development may thus involve a metaphorical process whereby the abstract meaning of 'stand' in (i) is not so much to encode the spatial position of the house as to highlight the fact that the house has withstood age or natural deterioration (also see Newman 2002b: 17). This also explains why it, without the adverb acikto 'still', will be rendered ungrammatical, as in (ii).

(ii) *wuli cip-un ku tysi-ey se-iss-ta
     our house-TOP the city-LOC stand-is-IND
     '?'Our house stands in the city.'

Indeed, the posture verb se- in (i) is related closely to the same posture verb used in (iii).

(iii) ku salam-un yekkyeng-eyto.pwulkwuhako kwutkwuthakey
     the man-TOP adversity-in.spite.of uprightly
     se-ase insayng-ul sal-e-o-ass-ta
     stand-CONJ life-ACC live-F-come-PST-IND
     'In spite of adversities, he lived his life uprightly.'
progressive aspect is conceptualized in terms of the concrete meaning of bodily postures (e.g. Heine et al. 1991b).

4.1. The Posture Verbs ‘Sit’ and Vulgar ‘Lie’ as Markers of Progressive Aspect

In Korean, the posture verbs ‘sit’ and vulgar ‘lie’ are utilized to express progressive aspect, as is illustrated below.

(40) ku salam-un pwulpyeng ha-ko anc-e-iss-ta
    the man-TOP complaint do-CONJ sit-F-is-IND
    ‘The man is complaining.’

(41) ku salam-un pwulpyeng ha-ko capacci-e-iss-ta
    the man-TOP complaint do-CONJ lie.VULGAR-F-is-IND
    ‘The man is complaining.’

The sentences in (40) and (41) both also involve the so-called K-conjunctive device, -ko (cf. Song 1991, p. 208). In these sentences, the posture verbs ‘sit’ and vulgar ‘lie’ are conjoined directly with the other verb, pwulpyeng ha- ‘complain’ by means of the conjunctive device -ko. The original function of this conjoined structure is to encode two temporally ordered or simultaneous events. Thus, (40), for example, can also mean: ‘The man complains, and then sits down’ or ‘The man sits down while complaining’. This conjoined structure has been grammaticalized to the effect that in (40) and (41) the posture verbs can function as progressive-aspect-bearing auxiliary verbs (e.g. Heine 1993), with the other verb, pwulpyeng ha- ‘complain’, as the main verb. This is what Kuteva (1999) refers to as ‘auxiliation’ of posture verbs for purposes of aspect marking. Note that in Korean the posture verbs ‘sit’ and vulgar ‘lie’ can be used as progressive-aspect-bearing auxiliary verbs only in relation to human and animate agents, because these verbs, unlike the posture verb ‘stand’, cannot be utilized in relation to inanimate entities (see 2.2 and 2.3).

In addition to aspectual semantics, there are a number of ways in which the posture verbs in (40) and (41), as progressive-aspect-bearing auxiliary verbs, behave differently from when they encode bodily postures. First, the main verb may denote a physical activity which is impossible to carry out in the sitting or lying position which would otherwise be denoted by a posture verb ‘sit’ or ‘lie’, respectively. Consider:

(42) oay ne-nun mayn nal twuimcil man ha-ko anc-e-iss-nya
    why you-TOP every day running only do-CONJ sit-F-is-Q
    ‘Why are you doing nothing but running every day?’

(43) oay ne-nun mayn nal twuimcil man ha-ko cappaci-e-iss-nya
    why you-TOP every day running only do-CONJ lie.VULGAR-F-is-Q
    ‘Why are you doing nothing but running every day?’

It is physically impossible to run in a sitting or lying position! One has to be on one’s feet in order to be able to run. Nonetheless, both (42) and (43) are fully grammatical and acceptable. Clearly, the posture verbs ‘sit’ and ‘lie’ have lost their original postural meanings when expressing progressive aspect as in (42) and (43).6

6 Thus, if (42) and (43) were intended to encode two simultaneous events, they would be semantically anomalous (e.g. ‘Why are you sitting while doing nothing but running?’).
Further evidence can be adduced from the fact that the posture verbs ‘sit’ and ‘lie’ cannot be ‘focused’ by means of questions when they express progressive aspect. This can indirectly be deduced from (44).

(44) A: *ku salam-un pwulpyeng ha-ko anc-e-iss-ta*
the man-TOP complaint do-CONJ sit-F-is-IND
‘The man is complaining.’

B: *pwulpyeng ha-ko mwues-ul han-ta-ko?*
complaint do-CONJ what-ACC do-IND-QT
‘He complains, and does what, you said?’

A: *ani nul pwulpyeng ha-ko-iss-ta-ko*
no always complaint do-NR-is-IND-QT
‘No, I said he is always complaining.’

In (44), Speaker A means that the man is complaining (i.e. the posture verb ‘sit’ expressing progressive aspect), but Speaker B fails to receive Speaker A’s initial message in full, thereby misinterpreting it (i.e. the posture verb as one of the two main verbs in the ko-conjoined structure, whereby the bodily posture of the agent is expressed). Speaker A then corrects Speaker B’s misinterpretation by rephrasing his or her earlier sentence in order to explain that the complaining is an on-going event at the time of reference (in this case, at the time of speech). In (45), on the other hand, the posture verb ‘sit’, being focused, cannot be interpreted to encode the progressive but the man’s sitting position.

(45) A: *ku salam-un pwulpyeng ha-ko mwues-ul ha-nya?*
the man-TOP complaint do-CONJ what-ACC do-Q
‘The man complains, and then what does he do?’ or
‘What does the man do while complaining?’

B: *pwulpyeng ha-ko anc-e-iss-ta*
complaint do-CONJ sit-F-is-IND
‘He complains, and then sits down.’ or
‘He sits down while complaining.’

Another piece of evidence for a posture verb ‘sit’ or ‘lie’ functioning as a progressive-aspect-bearing auxiliary verb arises from so-called VP anaphora, *kulehkey ha-* ‘do so’ (cf. Song 1995). This is a phenomenon similar to the *do so* construction in English. Consider:

(46) *kiho-ka ku chayk-ul ilk-ess-ko cini-to kulehkey*
Keeho-NOM the book-ACC read-PST-CONJ Jinee-also so
*ha-ess-ta*
do-PST-IND
‘Keeho read the book, and Jinee did so, too.’

In (46), the VP anaphora, *kulehkey ha-*, refers back to *ku chayk-ul ilk-* ‘read the book’. However, the VP anaphora cannot refer to the main verb when a posture verb ‘sit’ or ‘lie’ is utilized as a progressive-aspect-bearing auxiliary verb, as in (47).
The sentence in (47) is only acceptable in the sense that: 'The man complains and then sits down, and the woman also does so, and then sits down', or 'The man sits down while complaining, and the woman sits down while doing so'. The point is that, with the VP anaphora in the second conjunct referring back to *puulpypeng ha-* in the first conjunct, the two instances of the posture verb 'sit' in (47) should refer only to the bodily posture of sitting. In other words, the VP anaphora cannot replace the main verb (i.e. lexical) alone, leaving the auxiliary verb (i.e. grammatical) intact. In the conjoined structure, on the other hand, it can replace either one or both of the two main verbs.

The last piece of evidence for the posture verbs 'sit' and 'lie' as markers of progressive aspect can be adduced from so-called subject honorification. In Korean, the speaker must show his or her deference to the subject human nominal (more appropriately the referent of the subject human nominal who deserves the speaker’s respect) by registering the honorific suffix -(u)si in the verb (cf. Song 1995). For instance, (48a) is grammatical with the honorific suffix appearing in the verb, since the subject is worthy of the speaker’s deference. In contrast, (48b) is ungrammatical, because the subject is not worthy of such respect, although the direct object certainly is so.

(48) a. *halapeci-kkeyse
   ai-lul
   ttayli-si-ess-ta
   'Grandfather hit the child.'

b. halapeci-lul
   *ai-ka
   ttayli-si-ess-ta
   'The child hit Grandfather.'

When a posture verb 'sit' or 'lie' is used in conjunction with another verb in the *ko-*conjoined structure to encode the bodily posture, not progressive aspect, the honorific suffix must be added not only to the posture verb but also to the other verb in the conjoined structure, as can be seen in (49). (Note that the verb of existence must appear in honorific form, *keysi-*, which also contains the honorific suffix, -si.)

(49) halapeci-kkeyse
    hangsang
    *puulpypeng
    ha-si-ko
    'Grandfather always complains and then sits down.' or 'Grandfather always sits down while complaining.'

However, when a posture verb 'sit' or 'lie' is utilized to express progressive aspect, the honorific suffix must occur only once on the verb complex as a whole, not on the posture verb and also on the other verb with which it forms the verb complex; in the present case, the honorific form of the verb of existence must only once appear to the right of the posture verb 'sit'. Compare:
The sentence in (50b) is acceptable only if it means: ‘Grandfather always complains, and then sits down’ or ‘Grandfather always sits down, while complaining.’ Incidentally, this is comparable to the distribution of the honorific suffix used in conjunction with the terminative-aspect-bearing auxiliary verb peli-, the original meaning of which is ‘to throw away’, or ‘to discard’. Consider:

(51) halapeci-kkeyse yenkum-ul ta ssu-e-peli-si-ess-ta
    grandfather-NOM.HON pension-ACC all spend-F-discard-HON-PST-IND
    ‘Grandfather spent all of his pension.’

In (51), peli- has no traces of its original meaning, but it as an auxiliary verb expresses terminative aspect. Note that the honorific suffix cannot be attached to the end of the verb ssu- ‘to spend’, as in (52), because (51) does not involve two main verbs in a conjoined structure. The honorific suffix can only once be attached to the end of the auxiliary verb peli-, or, more accurately, to the end of the whole verb complex (i.e. the main verb plus the auxiliary verb).

(52) *halapeci-kkeyse yenkum-ul ta ssu-si-e-peli-si-ess-ta
    grandfather-NOM.HON pension-ACC all spend-HON-F-discard-HON-PST-IND
    ‘Grandfather spent all of his pension.’

Finally, there is also evidence that Korean speakers seem to be conscious of the aspectual extension of the posture verb ‘sit’. This is clearly manifested in the following common verbal exchange between two speakers:

(53) A: wus-ki-ko anc-e-iss-ney
    laugh-cause-CONJ sit-F-is-IND
    ‘You are making me laugh.’ or
    ‘You got to be kidding’ or ‘You must be out of your mind.’

B: nay-ka se-iss-ci anc-e-iss-nya?
    I-NOM stand-is-SUP sit-F-is-Q
    ‘I am in a standing position; am I in a sitting position?’ or
    ‘I am in a standing, not sitting, position.’
In (53), Speaker A is accusing Speaker B of making a ludicrous comment or suggestion, for instance. Note, however, that Speaker B immediately refutes Speaker A’s accusation by saying that Speaker B is in a standing, not sitting, position. What is intriguing about (53) is that Speaker B, though fully aware of the aspect-marking function of the posture verb ‘sit’ in Speaker A’s sentence, is deflecting Speaker A’s accusation by protesting that it cannot be valid because Speaker A is making a factually incorrect statement even about Speaker B’s bodily posture! Incidentally, the example in (53) highlights the tendency of the Korean posture verb ‘sit’ or ‘lie’ to be used to express the progressive in the context of the speaker’s negative assessment of others’ activities (see below for further discussion).

4.2. The Conceptual Basis of the Aspectual Extension of ‘Sit’ and Vulgar ‘Lie’

Though the posture verb ‘sit’ and the vulgar form of the posture verb ‘lie’ may participate in the aspectual extension, the posture verb ‘stand’ is not at all utilized to express progressive aspect in Korean. Nor is the plain form of the posture verb ‘lie’. Compare (40) and (41) with (54) and (55).

(54) *ku salam-un pwulpyeng ha-ko se-iss-ta
      the man-TOP complaint do-CONJ stand-is-IND
      ‘The man is complaining.’

(55) *ku salam-un pwulpyeng ha-ko nwuwu-e-iss-ta
      the man-TOP complaint do-CONJ lie.PLAIN-F-is-IND
      ‘The man is complaining.’

The sentences in (54) and (55) are acceptable only if they are interpreted to encode two temporally ordered or simultaneous events: ‘The man complains, and then stands up/The man stands up while complaining’, or ‘The man complains, and then lies down/The man lies down while complaining’, respectively. These sentences raise two obvious questions, however. First, why is it that the posture verb ‘stand’ is not at all extended to the expressing of progressive aspect, when the other posture verbs ‘sit’ and ‘lie’ are (i.e. (40) and (41) vs (54))? Second, why is it that there is a difference in terms of the aspectual extension between the vulgar and plain forms of the same posture verb ‘lie’ (i.e. (41) vs (55))? The first question can be approached by pointing out that standing, as opposed to sitting or lying, is potentially non-stationary in the sense that it ‘is a prerequisite for [non-stationary activities such as] walking, running, etc.’ (Newman 2002b, p. 3). There are many activities that humans cannot perform unless they assume a standing position. But there are few human activities that can be performed only in a sitting or lying position. For example, although humans normally sleep in a lying position, they are also known to be able to sleep while sitting or even standing. However, humans are plainly incapable of walking or running in a sitting or lying position. Indeed, X, in a sitting or lying position, wants to walk or run from A to B, X must first assume a standing position in order to start walking or running. Standing thus tends to be more of a transitional activity that leads up to other activities e.g. walking or running, than of an activity in itself. So much so that even activities associated closely with standing involve much more than just standing. For example, humans may stand waiting for other humans. In this situation, they do not stand still on the spot, but they tend to walk about or to lean against something, for instance. This may be so, because ‘the standing position, without any additional support, is the one which
humans are least able to maintain for long periods of time’ (Newman 2002b, p. 2). This is why humans, when physically exhausted, choose to sit or to lie, rather than to stand. Of course, humans do also take a break from sitting or lying by standing up. But even in a case like this, they do not just stand still on the spot; they move about in order to relieve pressure on their buttocks (after a prolonged period of sitting) or in order to reactivate their muscles (after a prolonged period of lying down). In contrast, sitting or lying can be an activity in itself (e.g. They are just sitting around or They are just lying around). More importantly, humans in a sitting or lying position continue to be in that bodily posture through time because they are unable to move about freely. (X cannot move from A to B in a sitting or lying position unless X is transported by means of a vehicle.) Thus, sitting or lying, unlike standing, is stationary. This suggests strongly that an agent is construed to be located more securely or firmly in a sitting or lying position than in a standing position. In other words, the location of an agent in a sitting or lying position is more akin to the location of an agent in the midst of an ongoing activity than is the location of an agent in a standing position (See Bybee et al. 1994, p. 133). Thus, it makes sense that the posture verbs ‘sit’ and ‘lie’, rather than the posture verb ‘stand’, have been grammaticalized as progressive-aspect-bearing auxiliary verbs in Korean. The stationary nature of sitting and lying, as opposed to the potentially non-stationary nature of standing, seems to be what differentiates essentially between the posture verbs ‘sit’ and ‘lie’ on the one hand and the posture verb ‘stand’ on the other, insofar as the expressing of progressive aspect in Korean is concerned.

The second question concerns the difference between the vulgar and plain forms of the posture verb ‘lie’ in terms of the encoding of progressive aspect. Clearly, the difference in speech level has something to do with the use of the vulgar, not plain, form of ‘lie’ for aspect marking. Why that may be so needs explanation, however. As has already been pointed out, the standing posture requires the highest level of control and balance. The amount of pressure imposed on the spine, legs and feet while standing is much greater than while sitting or lying. Lying requires little or no active use of muscles or control, as the whole body, whether supine or prone, is at rest on a horizontal surface. Sitting must be somewhere in between standing and lying in terms of control and balance. This is captured in the continuum of control in (29), renumbered here as (56).

\[
\begin{align*}
'\text{stand}' & > '\text{sit}' > '\text{lie}' \\
& = \text{requires more sensorimotor control than}
\end{align*}
\]

Incidentally, the ‘position’ of lying relative to standing and sitting on the continuum of control in (56) is reflected indirectly in one common idiomatic expression in Korean, as in (57).

\[
\begin{align*}
\text{k} & \quad \text{il-un} & \quad \text{nwuuw-ase} & \quad \text{ttek} & \quad \text{mek-ki-ta} \\
\text{the job-TOP} & \quad \text{lie.PLAIN-CONJ} & \quad \text{cake} & \quad \text{eat-NR-IND} \\
\text{('literally) The job is like eating cake while lying down.' or} & \quad & \text{The job is a piece of cake.'}
\end{align*}
\]

The reasoning behind this idiomatic expression — the other posture verbs ‘stand’ and ‘sit’ can never replace the posture verb ‘lie’ in (57) — seems to be that it becomes even easier to do an easy thing (expressed metaphorically by ttek mek-ki ‘to eat cake’) in a postural position that does not require control, balance or use of muscles (i.e. lying) than in a postural position that does so (i.e. standing or sitting). The idiomatic expression as a whole then describes how easy the job in question is.
Between the two forms of the posture verb 'lie', nwup- and cappaci- in Korean, the plain form expresses a higher degree of control than does the vulgar form. This may be related to the original meaning of the vulgar form cappaci-,'to fall backwards (and to sprawl out on one's back)'\textsuperscript{7}. This difference in control is evidenced by the fact that the plain form of 'lie' may not co-occur with adverbials such as silswulo ‘by mistake’, or ‘accidentally’, whereas the vulgar form of 'lie' may, as is illustrated by (58) and (59).

\begin{align*}
(58) & \text{?ku salam-un silswulo nwuwu-ess-ta} \\
& \text{the man-TOP accidentally lie.PLAIN-PST-IND}
\end{align*}

\begin{align*}
(59) & \text{ku salam-un silswulo cappaci-ess-ta} \\
& \text{the man-TOP accidentally lie.VULGAR-PST-IND}
\end{align*}

One is more able to exercise control in lying down than in falling backwards. For instance, one may be physically able to suspend or terminate the process of lying down (e.g. holding oneself in a position intermediate between sitting and lying down or getting up after half lying down), but one may be unable to suspend or terminate the process of falling backwards. In other words, the continuum in (56) can further be refined to (60).

\begin{align*}
(60) & \text{`stand' > `sit' > `lie' (plain) > `lie' (vulgar)} \\
& \text{> = requires more sensorimotor control than}
\end{align*}

Furthermore, as has briefly been alluded to with respect to (53), there is a strong pragmatic implication linked with the use of the posture verb 'sit' or vulgar 'lie' as a progressive-aspect-bearing auxiliary verb: the speaker believes that the agent has somehow lost control over his or her activity (as in exaggeration, engrossment, preoccupation, and the like).\textsuperscript{8} In (53), Speaker A is accusing Speaker B of making a ludicrous comment or suggestion; Speaker A is in effect telling Speaker B that Speaker B is not in control of what Speaker B is saying. This is why the sentences in (53), especially coupled with right prosodic features, are very often exchanged in a fierce argument or confrontation.\textsuperscript{9} Needless to say, making such an accusation is a face threatening act, i.e. a blunt attack on the Hearer's (or Speaker B's) positive face (Brown and Levinson 1978, 1987). Indeed, Speaker B reacts immediately to Speaker A's accusation by retorting that Speaker A is incapable of making a correct statement about Speaker B's bodily posture (i.e. a face threatening act in return). The implication of Speaker B's rebuttal is, of course, that Speaker A is incapable of making his or her accusation, because Speaker A cannot correctly ascertain Speaker B's bodily posture (sitting vs standing) — something that even

\textsuperscript{7} The vulgar form cappaci- contains the inchoative suffix -ci-, butappa- alone is defective in the sense that it cannot appear without the support of the inchoative suffix. Another example like cappaci- is salaci- 'to vanish'; sala-, unable to stand by itself, must also co-occur with -ci.

\textsuperscript{8} This may also explain why the posture verb 'stand' is not at all used to encode progressive aspect. The standing posture requires the highest level of control, but the use of posture verbs as progressive-aspect-bearing auxiliary verbs is normally attested in the context of the agent's lack of control over his or her activity.

\textsuperscript{9} In an acrimonious situation, the vulgar form of 'lie', cappaci-, is more 'appropriate' for expressing progressive aspect than the posture verb 'sit' anc-, as in (i).

\begin{align*}
(i) & \text{wuw-ki-ko cappaci-e-iss-ney} \\
& \text{laugh-cause-CONJ lie.VULGAR-F-is-IND}
\end{align*}

'You got to be kidding,' or 'You are insane' or 'You are deranged.'
very young children can do. Such a face threatening verbal act, however, normally cannot be carried out in relation to someone who the speaker knows is socio-economically superior to him or her. This can perhaps explain why the vulgar form of ‘lie’, *cappaci*-, used in relation to the speaker’s socio-economic inferiors or equals, has been grammaticalized as a progressive-aspect-bearing auxiliary verb, and, conversely, why the plain form of ‘lie’, *nvwup*- , has never been pressed into service to encode progressive aspect. The vulgar form of ‘lie’ certainly is much more ‘appropriate’ for the type of interactional situation in which such face threatening acts are carried out than is the plain form of ‘lie’. This kind of ‘choice’ is, of course, unavailable in the case of the posture verb ‘sit’, which does not make a formal distinction between plain and vulgar.

5. Conclusion

In Korean, the posture verb ‘lie’ can be utilized to encode the spatial position of animate entities, but not that of inanimate entities. This is also found to be generally true of the posture verb ‘sit’. The posture verb ‘stand’, on the other hand, applies to some, but not other, animate or inanimate entities. I have argued that vertical orientation relative to the height of humans has a bearing upon the distribution of the posture verb ‘stand’ in the encoding of the spatial position of animate or inanimate entities. I have also demonstrated that the posture verbs ‘sit’ and vulgar ‘lie’, but not ‘stand’, can be extended to express progressive aspect. The conceptual basis for this aspectual extension is the stationary nature of the bodily posture denoted by the verb ‘sit’ or vulgar ‘lie’, as opposed to the potentially non-stationary nature of the bodily posture denoted by the verb ‘stand’. Moreover, the disparity in control between the plain and vulgar forms of the posture verb ‘lie’ has been demonstrated to have contributed to selection of the vulgar, rather than plain, form of the posture verb ‘lie’ as a progressive-aspect-bearing auxiliary verb. This is also taken to be related to the fact that the aspectual extension of the posture verb vulgar ‘lie’ (or ‘sit’ for that matter), more frequently than not, is observed in the context of the speaker’s negative comments on other people’s lack of control in their activities.

References


Grammaticalization and Conceptualisation of the Relative Clause with its Head Noun

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1. Introduction

The purpose of this paper is to analyse the significance of the linear ordering of elements in the verb phrase to establish the co-relationship between the grammaticalization and conceptualisation of the verb phrase and subsequently the relative clause with its head noun.

One of the salient features of the relative clause in Korean is its head-final, left-branching characteristics. Consequently the relative clause in Korean presents modifying information about the head noun before the identification of the head noun (Hwang 1996). This is one of the major differences between Korean and English in the processing of the relative clause. In English, the head noun is presented first, followed by the relative clause. Hence, the position of the relative clause in relation to the head noun has major implications for language processing. This is because language processing is incremental, as the structure of the sentence is generated “from left to right” as successive fragments of the message become available’ (Levelt 1989, p. 235).

This paper demonstrates that the relationship between the relative clause and the head noun can be determined by examining the composition of the verb phrase and how grammatical elements are mapped out with respect to conceptualisation, because the relative clause is essentially a modified form of the processive verb phrase in Korean.

2. Composition of the Relative Clause and its Relationship with the Head Noun

In this section, I focus on the linear ordering of elements in the verb phrase and examine how this is related to the head noun of the relative clause. In the composition of the verb phrase, a verb phrase can contain up to three main verbs and one or more auxiliary verbs, all joined in a concatenating form. When verbs are linked by \(-a, e, ye\), they have the characteristics of a serial verb (Lee 1992; Sohn 1999). The main characteristics of the serial verb are that the verb phrase expresses a single event shared by the same subject and marked by the same tense and mood, and each verb can add a meaning to the previous verb.

There have been different views regarding the morpheme, \(-a, e, ye\): H.B. Lee (1989) treats it as one of the four concatenating endings; H.M. Sohn (1999) calls it the infinitive suffix; S.H. Lee (1992) argues that \(-a, e, ye\) is only a linking morpheme, not a conjunctive marker and that it does not have any lexical or categorical values, nor any significant grammatical or semantic functions, but is ‘suffixed just to make a bound verb ‘free’ in a purely morphological sense’. On the other hand, K.D. Lee (1993, p.173) argues that, “the verb followed by the suffix \(-e\) means that the process denoted by the verb is at its end point”, which seems to be a plausible observation in considering the types of grammatical morphemes attached after \(-a, e, ye\).

S.H. Lee (1992) has adapted the semantic template of verb serialization in Yoruba
from Awóyalé (1988) and presents the semantic template of Korean serial verb
construction as below. We will discuss the combinations in the next section.

Table 1. The Semantic Template of Korean SVCs (S.H. Lee 1992, p. 205)

<table>
<thead>
<tr>
<th>MODALITY</th>
<th>EVENT</th>
<th>STATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>V1 only</td>
<td>V1 or V2</td>
<td>V2 only</td>
</tr>
<tr>
<td>&lt;A&gt;</td>
<td>&lt;C&gt;</td>
<td></td>
</tr>
<tr>
<td>Simultaneity</td>
<td>Completion</td>
<td></td>
</tr>
<tr>
<td>Purpose</td>
<td>Accomplishment</td>
<td></td>
</tr>
<tr>
<td>(SVC2)</td>
<td>Duration</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Direction</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sequence</td>
<td></td>
</tr>
<tr>
<td></td>
<td>&lt;B&gt;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Retention</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Benefitation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trial</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(SVC1)</td>
<td></td>
</tr>
</tbody>
</table>

2.1. Combination of main verb(s) and auxiliary verb(s) with -a,e,ye

In following the semantic template above, we first examine the combination of V1
and V2 by -a,e,ye, which is a serial verb construction. When the verb phrase is formed in
this manner, we can see that the order of elements within the verb phrase is the reflection
of the temporal order, or how the event took place, as in (1):

(1) yen-i hanul nophi [nala-ola-ka-peli-ess-tal.
kite-NOM sky high fly-up-to-away-PAST-END
'The kite flew up and away high in the sky.'

The verbal head is expanded as the event progresses as shown below:

nalta ‘fly’
nalta ‘fly’ + oluta ‘go up’ → nal-a-oluta ‘fly (up)’
nalta ‘fly’ + oluta ‘go up’ + kata ‘to (direction)’ → nal-a-ol-a-kata ‘fly (up) to’
nalta ‘fly’ + oluta ‘go up’ + kata ‘to (direction)’ + pelita (completion) →
nal-a-ol-a-ka-pelita ‘fly (up) and away’

First, two main verbs, nalta ‘to fly’, and oluta ‘to go up’ are joined to form a verb
phrase nalal-oluta ‘fly up’ and then they are joined with the auxiliary verb kata, denoting
‘direction’. This all appears in apposition to form a verb phrase, nala-ola-kata which
means ‘flew up (and) away’. The verb phrase is further expanded by joining it with the
auxiliary verb –pelita to add the aspectual meaning of ‘completion’ to make a verb phrase
nala-ola-ka-pelita ‘flew right (up) and away’ in a concatenating serial. It is important to
note here that in order to have a concatenating form in apposition, verbs must be
semantically compatible (Dixon 1995), as it would be ungrammatical to put, for example,
the verb meka ‘to eat’ in *meke-nala-ola-ka-pelita *‘eat fly up away’.

Since the auxiliary verb is unable to perform the functions of the verb by itself, kata
and pelita denoting direction and completion are bound to the main verb(s) nalta ‘to fly’
and oluta ‘go up’. The verbs kata and pelita can be main verbs with the meanings of ‘to
go’ and ‘to throw away’ respectively, but when they are used as auxiliary verbs, their function is to modify the main verb(s) and provide aspectual meanings. This serial verb phrase denotes that this is a single event, which took place in temporal sequence; and the tense is marked after the final auxiliary verb. The event is expressed by the VIs depicting that at first the kite flew and went up, and then the auxiliary verbs describing the state of the kite, which has flown away. If verbs are arranged in a different order, for instance as in (2), the sentence is not only ungrammatical but also incomprehensible.

(2) *yen-i hanul nophi ola-nala-peli-ka-ss-ta
    kite-NOM sky high up-fly-away-to-PAST-END

In this serial verb construction, yen ‘kite’ is the only subject. The negation also applies to the whole string of verbs as in (3):

(3) yen-i hanul nophi nala-ola-ka-peli-ci anh-ass-ta
    kite-NOM sky high fly-up-to-away-not-PAST-END
    ‘The kite didn’t fly up and away high in the sky.’

Now if we change this serial verb phrase to a relative clause construction, we can see how the relative clause relates to the head noun.

    name-NON ski high fly-up-go-away REL kite-ACC watch-PAST-END
    ‘Peter watched the kite which flew away high up in the sky.’

The relativizer -n is suffixed to the final auxiliary verb stem -peli and denotes that the tense of the relative clause is past and the aspect is complete. The event is described in temporal order whereby the verb, which is the closest to the head noun, expresses the last activity or state. This consequently affects the semantic interpretation of the relative clause. In other words, the state of the kite is ‘gone’ or ‘disappeared’ which is farther from the beginning of the event, when the kite started to fly away. This demonstrates that the linear order of verbal elements is a reflection of the sequential experience of the head noun. Therefore the more distant that suffixes are from the head, the wider the scope (Newmeyer 1998, p. 116). This is also found in other languages.

Let us take another example to make the temporal order in the verb phrase/relative clause clearer. This time three main verbs that are all intransitive verbs and the auxiliary kata ‘to (direction), are joined in a serial construction to form a relative clause. When three verbs are joined by -a,e,ye, the most natural ordering is manner/cause predicate + path predicate + deictic predicate (Sohn, 1999, p. 381).

    Mtn-of snow-NOM melt-flow-down-to-REL creek-NOM really clear
    ‘The creek, which the snow on the mountain melted and flowed down to, is very clear.’

The expansion occurs progressively as follow:

(5a) nokta ‘to melt’
(5b) nokta ‘to melt’ + huluta ‘flow’ → nok-a-huluta ‘melted and flow’
    = Manner/cause
This illustrates that the linear order of elements in the verb phraserelative clause is logical experiential process (Halliday, 1985) which mirrors how the event has unfolded; first the snow on the mountain melted and then it flowed down and away. This involves the processing of the elements in the verb phrase, as Langacker explains,

... any conception involving ordering or directionality at the experiential level implies some kind of seriality at the processing level, i.e. it incorporates the sequenced occurrence of cognitive events as one facet of its neural implementation (1997, p. 250).

It is also important to note that the relativizer is a dependent morpheme in Korean. Therefore the last auxiliary verb -kata carries the relativizer -nun in -ka-nun. Hence, it denotes the tense and aspect on top of its own semantic function indicating ‘direction’. The grammatical role of the auxiliary verb is therefore central in the verb phrase, as Dryer (1992, p. 99) argues:

What distinguishes tense/aspect particles from auxiliary verbs is that the latter typically bear all or some of the verbal inflections associated with the clause. It is this property, in fact, that provides the clearest argument for treating auxiliary verbs as heads.

2.2. Combination of Main Verb with Main Verb(s)

Following S.H. Lee’s semantic template in Table 1, we now look at the combination of two main verbs. The modality, which is expressed by the first V1 on the left of the event in the template, denotes the ‘manner’ or ‘purpose’ of the event expressed by the second V1. There can be four combinations; and two examples of each are listed to illustrate the point:

1) Transitive (manner) + Transitive (event)

(6) kkak-a mek-un kam  
    peel - eat-REL persimmon  
    ‘the persimmon which (I) peeled and ate’

(7) mantul-e cwu-n inhyeng  
    make- give-REL doll  
    ‘the doll which (I) made and gave’

2) Transitive (purpose) + Intransitive (event)

(8) senmwul-ul sa-a ka-nun salamtul  
    present-ACC buy-go-REL people  
    ‘the people who buy a present and go’

(9) kohyang-ul chac-a ka-nun salamtul  
    hometown-ACC visit-REL people  
    ‘the people who are visiting their hometown’
3) Intransitive (simultaneity) + Transitive (event)

(10) nwu-e po-nun TV
    lie down- watch-REL TV
    'the TV which (we) lie down and watch'

(11) heyemchi-e kenne-n kang
    swim - cross-REL river
    'the river which (I) swam across'

4) Intransitive (simultaneity) + Intransitive (event)

(12) kel-e ka-nun haksayng
    walk- go-REL student
    'the student who goes on foot'

(13) nwu-e ca-nun aki
    lie- sleep-REL baby
    'the baby who is lying down and sleeping'

All of the above relative clauses have serial verb combinations which depict a single event: each verb holds its own semantic value and the first V1 describes the way the second V1 is done, as if asking 'How?' (Lee 1992). In the combination of V1 plus V2, the inflectional ending -a,e,ye can be replaced by -a,e,yese ‘and then’ or ‘by doing . . . ’, which suggests that -a,e,ye is the reduced form of -a,e,yese (Sohn 1999). However, the insertion of -a,e,yese would be ungrammatical in the combination of the V1 and V2 as in (14b):

(14) a. sa-a-se mek-un cemsim → sa-a mek-un cemsim
    buy-and then ate-REL lunch
    'the lunch which I bought and ate'

    b. *ka-a-se-peli-n chinkwu -> ka-a-peli-n chinkwu
    go-and then (complete)-REL friend
    for 'the friend who has gone.'

2.3. Combination of Main Verb(s) with Other Auxiliary Verbs

So far, we have examined verb phrases that turned into relative clauses and that are linked by -a,e,ye, in a serial construction. Now we combine the main verbs with other auxiliary verbs and see how they relate to the head noun. In the following relative clause, the verb phrase is made of two main verbs and two auxiliary verbs:

(15) sa-a-mek- ko sip- ci anh-un umsik
    buy-eat- want- not-REL food
    'The food which I don’t want to buy and eat.'

Before it is relativized, the verb phrase is expanded as follows:
(15a) sata + mekta → sa-a-mek-un umsik
‘buy’ + ‘eat’ → buy-eat-REL food
‘the food which I bought and ate’

(15b) sata + mekta + -ko sipta → sa-a-mek-ko sip-un umsik
‘buy’ + ‘eat’ + ‘want’ → buy-eat- want-REL food
‘the food which I want to buy and eat’

(15c) sata + mekta + -ko sipta + ci anhta → sa-a-mek-ko sip-ci anh-un umsik
‘buy’ + ‘eat’ + ‘want’ + not → buy-eat- want- not-REL food
‘the food which I don’t want to buy and eat’

In the above expansion, the core event is expressed by the two main verbs, sata ‘to buy’ and mekta ‘to eat’ in which the first transitive verb sata describes the manner of the second transitive verb mekta which is an event. The first auxiliary verb -ko sipta ‘want to’ modifies the compound verb sa-mekta ‘buy and eat’ with an added desiderative meaning; the second auxiliary verb -ci anhta ‘not’ modifies sa-mek-ko sipta, adding the negation to the whole verb phrase. The last inflection denoting negation also carries the function of relativizer and influences the semantic interpretation of relative clause. This confirms the conceptual closeness (Haiman, 1985), which is a motivating factor for positioning the relativizer or relative pronouns. Hence, the closer an element is to the head noun, the more direct semantic effect it has on the head noun. We will discuss this in detail in the next section.

3. Grammaticalization and Conceptualisation of the Relative Clause and its Relationship with the Head Noun

In Korean, marking for person, number or gender is not expressed in the verb phrase, but derivational and inflectional morphemes mark for passive, causative, aspect, desiderative, negation, honorific and tense. This section examines how the grammaticalization of the verb phrase is related to its conceptualisation. Croft (1990, p. 190) explains that grammatical morphemes tend to express the same concepts across the world’s languages and they are:

...the standard inflectional and “function-word” categories, including comparison and degree for adjectives; number, size, gender (including classifiers), and spatial and grammatical relations for noun; tense, aspect, modality, evidentiality, formality, transitivity, and speech-act type for verbs and/or clauses.

The following lists some examples of the most complex verb phrase types in Korean, which display rich agglutinative morphological classes. Observe the verbal expansion that begins with the transitive verb capta ‘to catch’:

(16a) cap- ‘to catch’
(16b) cap-hi- ‘to be caught’
(16c) cap-hi-key ha- ‘to get (it) caught’
(16d) cap-hi-key hay-e cwu- ‘to help getting (it) caught’
(16e) cap-hi-key hay-e cwu -ko sip- ‘to want to help getting it caught’

transitive verb stem
passive
passive-causative
passive-causative-aspect (benefaction)
passive-causative-aspect (benefaction)
-aspect (desiderative)
The order of verbal suffixes has occurred in the following grammatical procedure:

1. The passive suffix -hi is applied to the transitive verb and forms a derived intransitive clause; the underlying O (Object) becomes S (Subject) of the passive; the underlying A (Transitive subject) argument assumes a peripheral function, being marked by a non-core case, adposition, etc.; this argument can be omitted, although there is always the option of including it. (Dixon and Aikhenvald 1997, p. 73)

2. The causative suffix -key hata is applied to the intransitive clause and forms a derived transitive clause; the argument in the underlying S function goes into O function in the causative; a new argument is introduced, in A function; (Dixon and Aikhenvald, 1997:81)

3. The aspectual meaning of 'benefaction' is added by the auxiliary verb, -a,e,ye cwuta;

4. The desiderative, -ko sipta is added;

5. The negation is added by the auxiliary verb -ci anhta;

6. The honorific suffix -(u)si is added for the head noun apeci 'father';

7. The relativizer -n is attached to the honorific suffix denoting that the tense is past and the aspect is complete.

The whole procedure is highly regulated by grammatical rules: the passive and causative voice suffixes can occur one at a time, as they are mutually exclusive (Lee 1989, p. 84). The derivational suffixes (i.e. passive and causative) precede the inflectional suffixes as Greenberg’s Universal 28 predicts: “If both the derivation and inflection follow the root, or they both precede the root, the derivation is always between the root and the inflection” (Greenberg 1966, p. 93). This is due to conceptual distance (Haiman 1985), since the derivational morpheme alters the meaning of the verb (i.e., cap-ta ‘to catch’ is inflected with the passive suffix -hi- becomes cap-hi-ta ‘to be caught’). It is therefore the most relevant to the verb and needs to be the closest to the verb stem, whereas the inflectional morpheme ‘only adds semantic properties or embeds the concept denoted by the root into the larger linguistic context’ (Croft, 1990, p. 176), as in cap-ko sipta ‘want to catch’. The order of aspectual meanings added by each auxiliary verb is also determined by the concatenating rules (Lee 1989).

Thus, in the above relative clause the order of verbal suffixes is as follows:
-relativizer (tense and aspect encoded)-HEAD NOUN

When the verb phrase is modified as the relative clause, by suffixing the relativizer onto the last verb stem, the linear ordering of the elements in the relative clause and its head noun exhibits the ‘iconicity of distance’. Otto Behagel (1932) explains this syntactic phenomenon as ‘This is the most important principle: that which is closely correlated mentally will also be closely associated physically’ (cited in and translated by Newmeyer 1998, p. 116). Along the same principle, Greenberg (1963, p. 103) also notes the significance of linear ordering in syntax, commenting that ‘the order of elements in language parallels that in physical experience or the order of knowledge’.

When Bybee studied fifty language samples for iconic-distance in the ordering of verbal affixes, she found that the proximity of elements is directly related to their semantic relationships. Her findings are particularly relevant to the Korean verbal phrase and the relative clause construction, which she describes:

> While elements whose position is defined in terms of the position of the verb would have meanings that modify or relate some way to the meaning of the verb or verb stem. Similarly, elements whose position is determined with respect to the whole clause would have the entire proposition in their semantic scope (1985:II).

We can observe the ‘Iconicity of distance’ in the following relative clause.

(17) koyangi-eykey cui-lul
    cat-to mouse-ACC
    [cap-hi-key hay-e cwu-ko sip-ci anh -usi-n]
catch-passive-causative-aspect(benefaction)-aspect(desiderative)-negation-honorific-REL
    apeci
    father

    ‘My father who doesn’t want the mouse to get caught by the cat’

The verbal expansion in the above relative clause illustrates that grammatical information is processed step-by-step, registering the concept denoted by each grammatical morpheme. The concepts that are critical to the core event verb are closer to the verb stem in the passive and causative order. The aspectual modification is added by each auxiliary verb, but they are not directly relevant to the core event verb as valence (transitivity) or voice. This is because aspect applies to the verb phrase rather than the verb (Croft 1990, p. 177). Therefore the position of aspect is after valence. The exception is when a descriptive verb is changed to a processive verb by suffixing the inchoative –a,e,ye hata. Then the meaning is altered drastically, i.e. from cohta ‘to be good’ to cohahata ‘to like’. In this case, the aspectual inflection occurs after the verb stem and before the causative. The negation applies to the whole string of verb phrases, farther from the content verb but closer to the head noun since it affects the interpretation of the relative clause. The honorific suffix is not relevant to the verb. Therefore it is the most distant from the core content verb but is the closest to the head noun, since it is directly related to the head noun, which is apeci ‘father’ in this case. Most importantly, the relativizer is bound to the last suffix positioned immediately before the head noun, which indicates that the relativizer is conceptually closest to the head noun.

This complex grammaticalization in the verb phrase reveals that each grammatical morpheme is directly related to conceptualisation. Conceptual closeness or distance is
plainly evident in the construction of the relative clause and its head noun in Korean. Bybee’s (1985) major work on the semantic determinants of inflectional expressions clearly demonstrates this phenomenon. Newmeyer (1998, p. 116) summarizes the relationship that:

... the more relevant an inflection is to a head, the closer it is likely to be to that head and the more likely to be bound to that head (as opposed to occurring as an independent word), where the ‘relevance’ of an inflection is measured in terms of the degree to which it directly modifies the head.

Below is Bybee’s ranking of conceptual closeness of inflectional affixes to the verb which is congruent with the order that I presented for the Korean verbal affixes, (disregarding language-specific suffixes such as person, number and honorific).

Valence<voice<aspect<tense<mood<person/number agreement
(leftmost = conceptually closest) (Bybee 1985, pp. 24-25; Croft 1990, p. 177)

In sum, the linear order of elements in the verb phrase and relative clause reflects how the event proceeds, or is perceived in a temporal, experiential sequence. In other words, ‘Iconicity of order is illustrated by the fact that the order of morphemes or words tending to reflect logical relations among their referents’ (Newmeyer, 1998, p. 117).

Langacker (1997, p. 249) identifies the critical aspect of conceptualisation:

Conceptual structure emerges and develops through processing time; it resides in processing activity whose temporal dimension is crucial to its characterization. A dynamic view of conceptualisation is essential to a principled understanding of grammar and how it serves its discourse and interactive functions.

Langacker also argues that this processing involves not a single ordering or concept, but the multifaceted character of conceptualisation, typically comprising numerous cognitive domains, many structural dimensions, and multiple levels of organization. As evidenced by the examples that have been examined, Newmeyer’s observation that ‘in the realm of syntax, conceptual and structural complexity tend to go hand in hand’ (Newmeyer 1998, p. 117) holds true for Korean.

4. Summary

In this paper, I have demonstrated that the linear ordering of elements in the verb phrase in Korean is based on logical grammaticalization, which reflects how the event is progressed or perceived in a temporal, experiential sequence. The syntactic and semantic function of the auxiliary verb in the verb phrase is centrally important in establishing the semantic relationship between the relative clause and the head noun. The iconicity of distance holds true in relative clause construction in Korean, showing the conceptual closeness and distance in the ordering of elements in the relative clause, with respect to both the core content verb and the head noun.

As lexico-grammatical information is processed, the processor also builds up the conceptualisation. In fact, we now know that processors construct semantic frames before grammatical structures. In other words, the head noun cannot affect the relative clause semantically or syntactically in Korean because of its position in the linear ordering of the relative clause construction in which the relative clause is processed before the head noun.
References


1. What is 'Phatic'?

In communicating to one another, we make use of utterances. Most utterances we use are to state various propositions, such as declaring, questioning, suggesting, requesting, warning, promising, apologizing or congratulating. Still there is another type of utterance called phatic expressions. Phatic expressions are used not for their propositional content but rather for their affective value as indicators that one person is willing to talk to another and that a channel of communication is either being opened or being kept open (Wardhaugh 1986, p. 283).

According to Malinowski, who used the term phatic communion for the exchange of phatic expressions for the first time, it is a type of speech in which ties of union are created by a mere exchange of words. In phatic communion words do not convey meanings. They fulfil a social function, and that is their principal aim. Each [phatic] utterance is an act serving the direct aim of binding hearer and speaker by a tie of some social sentiment or other. ... language appears to us in this function not as an instrument of reflection but as a mode of action (Malinowski 1923, p. 315).

1.1. Ice-Breaking and Meaninglessness

There are two major characteristics of phatic communion which appear to recur throughout the literature—i.e., its 'ice-breaking' function and its 'meaninglessness'. Both ice-breaking and meaningless views of phatic communion appear to originate from Malinowski's comments that:

> to a natural man, another man's silence is not a reassuring factor, but, on the contrary, something alarming and dangerous (Malinowski 1923, p. 314)...A mere phrase of politeness, in use as much among savage tribes as in a European drawing room, fulfills a function to which the meaning of its words is almost completely irrelevant (Malinowski 1923, p. 313).

In this respect, the exchange of customary greetings in any language can be phatic communion. For example, when someone says "How are you?" to you, you do not normally respond with 'Well, I am not well today because I have a severe headache and ...' unless you are talking to a medical doctor or someone who would not mind hearing your real state of health. Even if you are in a miserable state, most likely you would say something like '(I'm) fine, thanks, and you?' The exchange of this type of formulaic greetings is obviously for 'ice-breaking' and is 'meaningless.' We say "How are you?" to indicate that I saw you as an ice-breaker, and it is meaningless because we say or hear only a positive response to such a greeting, regardless of what the real situation is.

The meaningless nature of phatic communion has been reinterpreted by Laver (1975). Laver (1975, p. 222) points out that the 'surface meaning' of the words used in phatic communion is by no means irrelevant:
I would wish to take the position that the semantic meaning of the tokens selected in phatic communion is relevant to the nature of the interaction.

because, as he explains, the choice of the first phatic tokens in an opening phase constrains the semantic theme within which the participants must make their choices of tokens on a particular occasion of phatic communion. He claims that the choice of a particular type of phatic opening (or closing) remark establishes or consolidates the particualr type of relationship (in terms of status and/or solidarity) which is to hold between the speakers for the duration of the encounter. We will come back to this point later with some relevant data in Korean.

Conversation can be divided into three parts—opening, medial and closing phases. The ‘main business’ is carried out in the medial phase and the opening and closing phases serve to provide a framework for this ‘main business.’ Much of phatic communion happens in the opening and closing phases of conversational encounters, although there are some in the medial phase.¹

In the following sections, we will look at some phatic expressions in Korean mainly in the opening and closing phases of conversation, classifying them by type, which have different social functions.

2. Phatic Expressions in Korean

2.1. Opening Phase: Greetings

Like any other language, as exemplified in (1), there are many ways of saying “Hello!” in Korean. The tokens used in greetings can be related to well-being of oneself, one’s children or one’s business, etc. As these tokens are language-universal, greetings in (1) are not surprising to English-speakers. In most cases, you will hear a positive response to any of these greetings. The worst response you will get will be kū jō gurae yo ‘So so.’:

(1) a. annyōnghashimnikka? ne, annyōnghashimnikka? How are you? (lit. Are you in peace?) Yes (I’m fine), how are you?
b. yojum ottōk’e chinaeseyo? ne, tōkpun-e (chal chinaemmida). How are you getting along these days? Yes, (I am fine) thanks to you.
c. yojum sao-p’în chal toeshijiyō? ne, tōkpun-e (chal toemnida). Is your business going well these days? Yes, (it goes well) thanks to you.
d. aidurin chal k ’üjiyo? ne, tōkpun-e (chal k’ümndida). Are you children growing well? Yes, (they are) thanks to you.

One thing to note is that whether it is about the state of oneself, one’s business or one’s family, you may respond with the set phrase ne, tōkpun-e ‘Yes, thanks to you.’; you do not need to complete the whole sentence to deliver the message. The expression tōkpun-e is used not only in spoken Korean, but also in written form: It is often used at the greeting part of a personal letter to a superior such as in (2) below:

¹ According to Cheepen (1988, pp. 20-21), however, phatic communion is not confined to the opening and closing phases but it occurs as short words or phrases (e.g., well, or you know) among other, non-phatic speech, and it can also (and often does) extend over a whole encounter (such as a chat), which may last for several hours.
There are some other similar greetings, such as those below, which might be surprising to English-speakers:

(3) a. ődi kaseyo?  
   ne, ődi kayo. ődi kaseyo?  
   lit. Are you going somewhere?  
   lit. Yes, I'm. Are you going somewhere?  

b. ődi tanyōsyeo?  
   kūrae, pyōllil ōpsōtchi?  
   lit. Are you returning from somewhere?  
   lit. Yes, I'm. Was there anything special?  

c. harabōji, choban-ūn tūsyōssūnnikka?  
   kūrōm, pōllsō mōgōtchi. nōn mōgōnnya?  
   lit. Grandpa/Old man, have you had breakfast?  
   lit. Yes, I did. Did you?

For example, (3a) ődi kaseyo? ‘Hi! (lit. Are you going somewhere?)’ often creates a great deal of confusion for foreigners. Since ődi can be ‘where’ as well as ‘somewhere’, it can be interpreted as ‘Where are you going?’ I personally have encountered many foreigners, who have been in Korea for a considerable length of time, wondering why Koreans are so keen to know others’ destinations when they meet people on the street. Obviously, it is a misunderstanding of the utterance: Koreans do not ask for your destination by saying ‘Hi!’ and even if we are allowed to interpret the utterance literally, it should be a yes-or-no question not a WH-question. What you have to say in response is ne, ődi kayo. ‘Yes, I am going somewhere’, ne, ődi kaseyo? ‘Yes (I’m), are you going somewhere?’ or even ne, annyōnghaseyo? ‘Yes (I’m), how are you?’

As a junior member of a group (e.g., a family or a company), you can use the expression (3b) ődi tanyōsyeo? ‘Are you returning from somewhere?’ to a senior member, who appears to be returning from somewhere, expressing your bona fide concern about the senior’s current outings or activities.

Because Korea has developed from a rural agrarian society, asking elderly members if they have had a meal as in (3c) became a customary greeting in farming villages, and it is still useable within family and close neighbourhood.

Of course, each of the above greetings is possible under certain conditions: That is to say that, as Laver (1975, p. 222) points out, the choice of a particular type (or a token) of phatic opening remark (greeting expressions in this case) conforms, establishes or consolidates the particular type of relationship as summarized in table (4) below:
(4)

<table>
<thead>
<tr>
<th>Expression</th>
<th>participants</th>
<th>setting</th>
<th>token</th>
<th>social function</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1a)</td>
<td>strangers, acquaintances</td>
<td>most places</td>
<td>one’s peacefulness</td>
<td>greeting</td>
</tr>
<tr>
<td>(1b)</td>
<td>acquaintances</td>
<td>most places</td>
<td>how one spends time</td>
<td>greeting</td>
</tr>
<tr>
<td>(1c)</td>
<td>acquaintances</td>
<td>most places</td>
<td>one’s business</td>
<td>greeting</td>
</tr>
<tr>
<td>(1d)</td>
<td>acquaintances</td>
<td>most places</td>
<td>one’s children</td>
<td>greeting</td>
</tr>
<tr>
<td>(3a)</td>
<td>inferior to superior, acquaintances</td>
<td>on the street</td>
<td>one’s destination</td>
<td>greeting</td>
</tr>
<tr>
<td>(3b)</td>
<td>inferior to superior, acquaintances</td>
<td>on the street, near one’s home/office</td>
<td>one’s recent outing</td>
<td>greeting</td>
</tr>
<tr>
<td>(3c)</td>
<td>inferior to superior, in-group acquaintance</td>
<td>at home, in office</td>
<td>one’s meal</td>
<td>greeting</td>
</tr>
</tbody>
</table>

In a formal business setting, strangers should follow a fixed fool-proof ritual of phatic communion such as those below:


Nice to meet you (lit. I see you for the first time). I am A from ABC.

B: *ne, ch’ëüm poepketsúmnida. MBC-ùi B-imnida.*

Nice to meet you. I am B from MBC.

A: *chal put’ak türirmnida.*

I request your guidance.

B: *won pyùl malssùm-ùl (ta hashimnida). che-ga put’ak türîyoyajyo.*

You shouldn’t have said that. I am the one who should ask for your guidance.

Since this is a mode of action (or a ritual) to follow, you do not need to pay much attention to the literal meaning carried by each utterance, except when you mention your name and company. Related to this meaningless nature, for example, both sentences *ch’ëüm poepketsúmnida* and *chal put’ak türirmnida* are often translated as ‘Nice to meet you.’ However, you have to respond with the set phrase *won pyùl malssûm-ùl ta hashîmînîta.* ‘You shouldn’t have said that (lit. You are saying some strange words)’ when you hear *chal put’ak türîmînîta* (lit. I request your guidance).

2.2. Opening or Medial Phases

2.2.1. Flattering Expressions

When people visit other’s place, often the visitors, as an inferior or just to be polite, may use some phatic expressions which are flattering. Most of these flattering phatic expressions make use of elevated other-oriented tokens, such as the listeners themselves, or their children, property, or foods:
(6) a. aid ır-i ch’am chal saenggyönneyo.
    Your children look very handsome.
b. cib-i ch’am k’ūgo chotsümndida.
    Your house is very big and good.
c. chōgōdo shimnyôn-ŭn chôl’mopoishımndida.
    You look at least ten years younger.
d. ŏtchômyôn kūdong’an hanado an pyŏnhasyōtsōyo.
    You haven’t changed a bit since we last met.
e. ūmshig-i ŏtchômyôn irŏk’e mashissōyo.
    How delicious your food is!

2.2.2. Humble Expressions

A hostess of a sumptuous dinner party usually says ‘Although I didn’t prepare much
(lit. There is nothing prepared), please eat a lot,’ which sounds contradictory to the ears of
westerners. Here, the speaker makes use of a humble self-oriented token (the supposedly
small amount of food that the speaker prepared), whereas you as a listener should eat a lot
(an elevated other-oriented token). You, as a guest, may respond to her by saying ‘You
shouldn’t have said that. The table’s legs are about to break (since you prepared lots of
food)’ making use of an elevated other-oriented token (i.e., big amount of food) as in
(7b):

(7) a. ch’arin kŏn ŏpchiman manhi tūseyo.
    I didn’t prepare much, but eat a lot.
b. won pyōl malssüm-ul (ta hashimnida). sangdari-ga purōjigenneyo.
    You shouldn’t have said that. The table’s legs will be broken.

As exemplified in (8), there is another ritual to follow when one gives and receives
a gift: When one presents a gift, the giver usually says ‘Although this is nothing special,
please accept it for me.’ Once again, the gift item, which is supposedly nothing special, is
a humble self-oriented token. Then, the receiver should say ‘You shouldn’t have brought
this. (lit. You even brought something special.)’ making supposedly nothing something
special (an elevated other-oriented token), and finally and reluctantly he/she accepts it
‘although it is shameless behavior.’ Here, again, your shameless behaviour as a humble
self-oriented token.

(8) a. igō pyōlgō anijiman pada chuseyo.
    This is nothing special, but please accept it for me.
b. won pyōlgŏl ta kajyŏsyōssŭmnida.
    You shouldn’t have brought this. (You even brought a something special.)
kūrŏm, yŏmch’i ŏpchiman patketsŭmnida.
    Then, although it is shameless I will accept it.

Koreans do not say komapsŭmnida or kamsahammida ‘Thank you’ immediately
after being praised or being offered something by others, since it is generally considered
impolite to accept nice comments or offers right away: For example, when they are invited
for a party, they would say pappūshilt’ende, kûrŏshichi anhado toenündeyo... ‘You
shouldn’t do that, since you must be busy...’ Also, traditionally when Koreans receive
praise, their immediate response would be that it is not worthy of compliment, saying *won pyŏl małššŭm-ŭl ta hashimnida* ‘Not at all’ instead of *komapsŏmnida* ‘Thank you.’

(9)  
A: *ibŏn t’oyo-ri e urijib-ĕs ŏchŏnyŏg-ina kach’i hapshida.*
This Saturday, let’s have dinner together at my place.
B: *pappŭshilt’ende, kŏrŏshijĳi anhado toenŭndeyo...*
As you must be busy, you shouldn’t do that...

(10)  
A: *chib-i ch’am k’yŏgo chottsŏmnida.*
Your house is very big and good.
B: *won pyŏl małššŭm-ŭl ta hashimnida.*
Not at all. (You said something extraordinary.)

(11)  
A: *türessŭ-ga ch’am mŏshitsŏyo.*
Your dress looks great.
B: *won pyŏl małššŭm-ŭl ta hashimnida. anieyo, ssaguryŏyeyo.*
Not at all. No, it’s a cheapie.

2.2.3. Neutral Token

When one is unable to find anything to say, especially at the beginning of a conversational encounter, one may refer to the weather or anything trivial, as a neutral token: For instance, in an old Korean comedy, one rainy night a shy man who was struggling for words to woo a girl says *tar-i ch’am palchiyo?* ‘The moon is so bright, isn’t it?’ In this sense, ‘weather chat’ is a real ice-breaker:

(12)  
a. *nalssi-ga manhi ch’uwojŏchīyo?*
The weather has become very cold, hasn’t it?
b. *pam-i manhi kirŏjŏchīyo?*
The nights have become much longer, haven’t they?
c. *tar-i ch’am palchiyo?*
The moon is so bright, isn’t it?

2.2.4. Other Phatic Expressions: Polite Refusal

When you have to refuse an invitation, you should do it politely using some phatic expressions such as ‘I would really like to go, but since I already have a previous engagement...’ or ‘Perhaps, next time...’. Once again these phatic expressions can be a just polite gesture, having a mere social function at the time of conversation, since you may, in fact, do not have a previous engagement or you may not wish to go anywhere with the person who invited you.

(13)  
a. *kkok kago shipchiman īmī sŏnyag-i issŏsŏyo...*
I would really like to go, but since I already have a previous engagement...
b. *taŭm-e kach’i kapshita.*
Let’s go next time.

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2 Nowadays, however, young Koreans, especially those who have been exposed to an English-speaking community or its culture, tend to respond with *komapsŏmnida* ‘Thank you.’
2.3. Closing Phase

Laver (1975, p. 230) claims that while the opening phase sets up the interpersonal framework for the bulk of encounter, the closing phase of conversation sums up what the interpersonal relationship has been, and very often makes reference to possible future meetings, thus helping to present the current encounter as part of a chain of meeting. The person who initiates the closing will most likely make reference to some factor outside the encounter, which is presented as a reason for closing. Good reasons are needed so as to 'mitigate' the potential sense of rejection that a participant might feel when his fellow participant initiates the closing phase.

A typical closing expression will use other-oriented tokens (e.g., mentioning time) or self-oriented ones (e.g., another appointment, or time for children to go to bed) as shown below:

(14) a. ani pôlssô yolhan shi-ga twaenne.
   Oh no, it's already 11 o'clock.
b. chô-nûn iman tarûn yaksog-i ìssôsóyo...
   Now, since I have another appointment...
c. cha ije aidûr-i chal ttae-ge twaesôyo...
   Now as it is time for the children to go to bed...

Or, it could employ so-called indirect speech, such as 'It has been nice to meet you' or 'I am sorry for having taken up too much of your time' implying that the speaker wants to quit the encounter at this moment:

(15) a. irôk’ë manna poeôsô pan’gawotsûmnida.
   It has been nice to meet you.
b. shigan-ûl nómu manhi ppaetsôsô chosesonghamnida.
   I am sorry for having taken up too much of your time.

Or, as Laver indicates, it could refer to possible future meetings, such as a lunch meeting or a golf game as in (16). However, one thing to point out here is that these suggestions (or utterances in the propositive form) can be just meaningless closing remarks, as usually they are. I have a friend, for example, who keeps telling me ônje ürîjib-e han pôn wayahanûnde ‘You should come to my place sometime’ instead of ‘Bye.’ I know that he has been using that as a meaningless phatic expression, because he has not invited me to his house for the past nine years. Therefore, the listener of these kinds of closing remarks should not pursue or confirm further details about the next meeting, while s/he may casually repeat what s/he has heard, or could use another meaningless expression like ne, kûrôpshida. ‘Let’s do that.’

(16) a. kûrôm uri ônje uri kach’i han chan hapshida.
   Then, sometime later let’s have a drink or something.
b. kûrôm uri ônje chômshim-inâ kach’i hapshida.
   Then, sometime later let’s have lunch together.
c. kûrôm uri ônje kolp’û-na kach’i ch’ipshida.
   Then, sometime later let’s play golf together.

(17) ne, kûrôpshida. ‘Let’s do that.’
3. Summary

In this paper, we have looked at some typical phatic expressions in Korean, which appear mostly in the opening and closing phases of conversation. The Korean phatic expressions of customary greetings, flattering and humble expressions, and conversation closing remarks examined here confirm the two major characteristics of phatic communion—ice-breaking function and meaninglessness. That is to say, they are not intended to deliver their literal contents, but they function as a code of action or ritual to follow in the society.

References

The Discourse-Pragmatic Function of \(-canh-a\)

1. Introduction

The aim of this paper is to discuss an interactional function of \(-canh-a\), and of a set phrase \(iss\)-\(canh-a\). More specifically I will discuss how the specific function of \(iss\)-\(canh-a\) as a turn reservation device is attributable to a context-bound meaning of \(-canh-a\) within a certain linguistic environment. I will also show that the context-bound meaning of \(-canh-a\) that indicates the speaker's reservation of a turn contributes to one of the aspects of Modal Contextualization within Discourse Modality (Maynard 1993), in this case 'participatory control-exchange structure.'

The functions of \(iss\)-\(canh-a\) have been observed in the literature as opening conversation (Kawanishi 1994a; Shin 1988; Ahn 1992), and also as drawing the addressee's attention (Kawanishi 1994a; Im 1995). Although all of these studies have provided perceptive analyses of \(iss\)-\(canh-a\), I will adopt Kawanishi's (1994a) analysis as a starting point of my discussion since Kawanishi (1994a) is alone in discussing the 'speaker's indication of keeping the floor'. Kawanishi (1994a, p.108) postulates one of the functions of \(iss\)-\(canh-a\) as an 'indication of keeping the floor'. She claims:

\[
\text{the phrase } iss\text{-canha (yo) is clearly depended on what follows after it. This cohesive/inferrable [sic] power is so strong that the speaker cannot give up his turn but must provide more information after this expression, and the interlocutor cannot interrupt the speaker and expects that more information is coming.}
\]

I agree with Kawanishi's (1994a) claim as my data also shows many cases of \(-iss\)-\(canh-a\) functioning as an indication of keeping the floor. However according to my data it seems to be the case that such a function is not limited only to the particular expression \(-iss\)-\(canh-a\) per se. \(-Canh-a\) alone, when it is used with a compound determiner within a pragmatically incomplete Turn Constructional Unit (henceforth TCU), also functions in the

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1 In this paper the Yale romanisation system is used for Korean transcription. Although it is morphologically possible for \(-canh-\) to be conjugated with suffixes other than \(-a\), the infinitive suffix, I will regard \(-canh-a\) as a whole in this paper for two reasons. One, \(-canh-a\) occupied 100 per cent of my data, that is conversation between friends, and two, cases of \(-canh-a\) conjugated with other speech level suffixes seem to be closely related to other sociolinguistic factors such as politeness, and those factors are beyond the scope of this paper.

2 In Korean linguistics the morpheme \(-canh-\) has mainly been treated as a contracted form of the suffix \(-ci\) and the negative suffix \(-anh-\) (Lee 1989, p. 111, 129; Martin 1992, p. 323; Lee 1993, p. 332; Sohn 1994, p. 132; Chang 1996, p. 101). The exceptions to this are Kawanishi (1994a and 1994b), Kawanishi and Sohn (1993), and Lee (1999) in which \(-canh-\) has been defined as a grammaticalised single morpheme that carries particular interactional functions (See Kawanishi and Sohn (1993) for a detailed discussion of the grammaticalisation of \(-canh\)-). Elsewhere, \(-iss\)-\(canh-a\) in its entirety has been analysed as a discourse marker (Im 1995; Ahn 1992), and as an interjection (Shin 1988).

3 Although \(-canh-\) contributes to all aspects of Modal Contextualization, which are a) information qualification (information status), b) speech action declaration and qualification (self-justification), c) participatory control (exchange structure, and designing speaker turns), and d) interactional appeal (sociolinguistic style) length only permits the presentation of a part of one aspect of Modal Contextualization.
same way. To illustrate this point I will adopt the concept of a turn-taking system (Sacks, Schegloff & Jefferson 1974) and show that such a function of iss-canh-a is attributable to canh-a being used in a pragmatically incomplete TCU with a compound determiner. This has the consequence of the speaker achieving the reservation of an extended turn.

With regard to -canh-a, although all the existing literature (Lee 1999; Kawanishi 1994a; Kawanishi 1994b; Kawanishi and Sohn 1993) offers slightly different characterisations, they agree that -canh- functions to solicit the interlocutor’s agreement, an assessment that I adopt for the purpose of this study.

2. Data

The analysis of this study is based on conversational data collected in Seoul in December 2001 and January 2002. It consists of 120 minutes of audio-taped face-to-face conversations in a casual setting between friends, involving 5 native speakers, 2 males and 3 females. All the participants were in their early 20s, and either undergraduate or postgraduate students at universities in Korea. They were born and educated in Korea until 18 years of age.

3. Analysis

Sacks, Schegloff and Jefferson (1974) claim that turns consist of TCUs that are recognised by the possible completion of Transition Relevance Place syntactically, intonationally, and pragmatically. Sacks, Schegloff and Jefferson’s (1974, p. 706) turn-taking system: “allocates single turns to single speakers; any speaker gets, with the turn, exclusive rights to talk to the first possible completion of an initial instance of a unit-type—rights which are renewable for single next instances of a unit-type under the operation rule Jc”, that is to say that the ‘current speaker continues’. The speaker however may be able to keep the floor through other methods, such as by carrying out: a “project of gaining a multi-unit turn at one of three points in a turn: the beginning, the middle and the end” (Liddicoat 2001, p. 21). My discussion, with respect to -canh-a as an indication of keeping the floor, is related to deploying a ‘prospective indexical’ (Liddicoat 2001, p. 21). Before going into a discussion of the cases in which -canh-a is used as a ‘prospective indexical’, the term ‘prospective indexical’ needs to be clarified. The use of ‘prospective indexical’ in English is observed in the middle of a TCU as in (1) below:

(1) (from Liddicoat 2001, p. 21, example (22))

Andy: I jus’ can get anythin’
Bert: i’ s a bugger when tha’ happens
Andy: so this is what I did. I went down to the shop and I took the antenna...

With respect to the example (1) above, Liddicoat (2001) states that “Andy produces an initial TCU in which the word this points towards to a future telling, which then unfolds as a multi-unit turn” (Liddicoat 2001, p. 22-emphasis in the original). The use of ‘this’ in (1) is a ‘prospective indexical’. I will now discuss iss-canh-a used in conjunction with a prospective indexical, within a pragmatically incomplete TCU.

3.1. Prospective Indexical and iss-canh-a
In example (2) Mina’s utterance in line 2, kuke, is a compound determiner; it refers to a certain thing, is used as a prospective indexical, and is followed by iss-canh-a.

(2)

Mina and Jiwoo are talking about home shopping.

1. MINA: (omitted) kuntey nay chinkwu ka kuttay mak=
   anyway my friend SUB that time like
 → 2. ku hom syophing ey mak= kuke iss-canh-a way...(7)
   DET home shopping to like CDET iss-canh-a you know how
3. mwe maycin ep ku myech sikan [cen @@]
   what sell out selling DET several time before
   ‘A friend of mine sometime ago...you know how home shopping
   has that ‘before the sell-out sale’”
4. JIWOO: [a @ @]
   yeah
   ‘yeah’
5. MINA: [@ mak mak phanmay ollaka-pnita mwe swuchi
   like like selling go up-SE what numerical value
6. ollaka-pnita@>
   go up-SE
7. MINA: [@ mak kule-kwu@>]
   like CDET-SE
   ‘like “sales are going up, more and more people are buying”’
8. JIWOO: [e, e maycin meych kay nama-ss
   yeah yeah sell out several QF leave-PAST
9. supnita (omitted))
   SE
   ‘yeah, yeah, like “we have only a few left before it’s sold out”’ ...

The compound determiner in (2), kuke used in the middle of the TCU, functions in a similar way to ‘this’ in (1). In addition, iss-canh-a at the end of the TCU implies that there

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4 I follow the transcription convention of Du Bois et al. (1993):

. continuing (slight rise)
? appeal
. final
[ ] speech overlap
(H) audible inhalation
@ laughter
<@ @> laugh quality over a stretch
= lengthening
(0) latching
...(N) long pause (.7 seconds or longer)
... medium pause (between 0.3 and 0.6 seconds, inclusive)
(( )) transcriber’s comment
$ nontranscription line
is an extended turn coming up, since *kuke* has been used without any specific reference within the discourse up to that point and thus, indicates a future telling. The use of a compound determiner with *iss-canh-a*, as shown in the example, delays Jiwoo’s next utterance. As evidenced in the discourse, Jiwoo comes in after Mina has provided what she referred to with *kuke iss-canh-a*, which turns out to be a ‘sell-out sale’ as shown in line 3. The fact that Jiwoo does not come in after *iss-canh-a* in line 2, despite the 0.7 seconds of pause where he could have projected his utterance, demonstrates that Mina has indicated that she will keep the floor by projecting *kuke* and *iss-canh-a*. Taking the meaning of *canh-a* as ‘eliciting agreement’ as mentioned above, we know that it is not possible for Jiwoo to agree or disagree with something unless he knows what Mina is referring to, therefore –*canh-a* in conjunction with Mina’s use of a prospective indexical signals Jiwoo to yield his turn as Mina has more information to pass on.

3.2. Prospective Indexical and *-canh-a*

The next example shows that a speaker’s achievement of keeping the floor is not limited to the use of a compound determiner and *iss-canh-a*. Even just –*canh-a* and a compound determiner that functions as a prospective indexical can produce the same outcome.

(3) $\text{Data 301201-M1F1 (060-805)}$

$\begin{array}{l}
\text{Male and female pair- Mina and Jiwoo- at a restaurant} \\
\text{-canh-a #256} \\
\text{Part 4-graduation} \\
\text{-canh-a in line 5, and 7 are irrelevant as they are used in a complete TCU}
\end{array}$

Mina and Jiwoo have been talking about their mutual friend, Woomin

1. **MINA:** woomin i oppa twu ipen ey colep
   Woomin VP older brother also this time at graduation
2. ani ya?
   NEG SE
   ‘Isn’t Woomin also graduating this time?’
3. ...(9)
4. **JIWOO:** colep ha-na yo ku hyeng i,...
   graduation do-CN POL DET older brother SUB
   ‘I doubt that he would’
5. hwuhak toykey manhi hay-ss ess canh-a yo....(1.1)
   suspension very many do-PAST PAST canh-a POL
   ‘He has suspended his course quite a few times, as you know’
6. kuntey iltan un ceki tuleka canh-a yo.
   but for the moment TOP CDET enter canh-a POL
7. yen yenkwu, yen yenswu wen?
   re- research tr- training centre
8. yenswu wen tuleka canh-a yo.
   training centre enter canh-a POL
   ‘But he’s been accepted to there you know, a research, a training centre’
9. **MINA:** pyenlisa twu yenswu wen tuleka?
   accountant also training centre enter
   ‘Do accountants also get into a training centre?’

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In lines 4 and 5, Jiwoo is telling Mina that he does not believe Woomin will graduate, as he (Woomin) has suspended his course several times. This was in response to Mina's question in lines 1 and 2 about whether Woomin will graduate this year. In lines 6 to 8 Jiwoo provides additional information about what Woomin will be doing instead of graduating, marking the particular utterance with \(-canh-a\) and the compound determiner \(ceki\) which indicates a certain location. As clearly shown in lines 7 and 8, Jiwoo has managed to add information, immediately after line 6 without Mina asking a question. Jiwoo used the combination of a compound determiner (a prospective indexical, \(ceki\)) and \(-canh-a\) to construct an utterance with the same function that we saw in (2), where a compound determiner and \(iss-canh-a\) were used. This suggests that when a compound determiner without a specific reference is used with \(-canh-a\) it is understood by both interlocutors that more information is coming before the end of the turn. More specifically, Jiwoo’s utterance ‘He is going to go there for the moment you know’ does not provide enough information for Mina to identify where ‘there’ is. Therefore, unless Mina already knew about Woomin’s situation to the extent that Jiwoo did (in which case she could have come in with \(yenswuwen\), ‘training centre’ herself in line 7 resulting an overlap with Jiwoo’s utterance in line 7), she does not take her turn after line 6, and lets Jiwoo finish his extended turn. This result is attributable to Jiwoo’s use of a prospective indexical (\(ceki\)) and \(-canh-a\).

The next example further demonstrates how the speaker’s use of a prospective indexical with \(-canh-a\) within a pragmatically incomplete TCU enables the speaker to successfully reserve an extended turn.

(4)$^5$

Data 301201-M1F1 (060-805)
$\$ Male and female pair- Mina and Jiwoo- at a restaurant
$\$$ -canh-a #441-I, #441-II
$\$$ Part 7- girly style
$\$$ -canh-a in line 4 is irrelevant as it is used in a complete TCU

Mina and Jiwoo have been talking about their mutual friends who talk and dress in their ‘unique ways’. In the previous turn Jiwoo has said about one of them, “At first I wondered why she talks like the way she does but I realised that she does talk like that all the time”.

1. MINA: oymo ttalaka nun ken kapwa,
   appearance follow TOP NOM perhaps
   ‘Perhaps it (i.e. the way one behaves) reflects their appearance’

2. JIWOO: cim kheyli ka kuleh thay canh-a yo= ...
   Jim Carrey SUB CDET QM canh-a POL
   ‘you know they say that Jim Carrey does that’

3. cim kheyli ka...
   kukey iss tay canh-a yo=
   Jim Carrey SUB CDET exist QM canh-a POL

$^5$Jiwoo’s use of \(canh-a\) in line 4 is used in a pragmatically complete TCU and thus, it is the beyond the scope of this study. However, it is interesting to note that this \(canh-a\) is associated with other turn reservation techniques, such as a ‘rush through’ (Schegloff 1982 #92, cited in Liddicoat 2001, p. 22): a “decrease in the transition space between two TCU’s involving speeding up delivery, withholding falling intonation and bridging the juncture between the two TCUs”. Jiwoo uses a rush through in between ‘\(canh-a\) yo’ in line 4 and ‘\(kuntey\)’ in line 5, without which it would have been an end of his already extended turn. This makes Mina lose her projectability and as a consequence, Jiwoo continues to keep the floor. Also in line 5 ‘\(kuntey\)’ produced with a slight rising intonation, and followed by an audible inhalation indicate that he has not yet finished his talk.
'you know they say Jim Carrey has that'

4. phyoceng yenki toykey ope ha canh-a yo
   facial acting very over do canh-a POL
   '(you know) he overacts with his face'

5. kuntey, (H) eynci na-n-ke po-myenun eynci
   but mistake happen-CN-NOM see-CON mistake

6. na-n-ke po-myen ku caki eynci
   happen-CN-NOM see-CON DET oneself mistake

7. na-n-ke swusup ha-l ttay twu
   happen-CN-NOM get under control do-CN when also

8. <@ kule-n tay yo@>
   as such-CN QM POL
   'but I heard that if you look at the takes that didn't go through, if
   you look at the takes that didn't go through, it is even funnier
   when he tries to get things under control after he's made
   mistakes'

9. MINA: e kulem kay nun saynghwal i ope ya?
   alright then he TOP everyday life SUB over SE
   'Alright, then is his everyday life full of overacting?'

Notice Jiwoo's utterance in line 2, and 3, both contain prospective indexicals, *kuleh* and *ku-key* respectively, both referring to a certain attributes of Jim Carey that have not been mentioned within the discourse. In this example, Jiwoo's use of the prospective indexicals and *-canh-a* not only does not provide Mina with enough information to either agree or disagree, but also signals that he has more information to convey. Due to Jiwoo's indication of an upcoming extended turn, marked with a prospective indexical and *-canh-a*, Mina does not take her turn after line 2, where there is a considerable duration of the pause: 1.0 second. Mina does not take her turn until line 9, after what Jiwoo was referring to with those prospective indexicals has been provided, that is Jim Carey is even funnier or overacts when he tries to control his mistakes.

4. *-Canh-a* as a Discourse Modality Indicator

Although this paper has focused on the function of *-canh-a* as a turn reservation device, I want to briefly introduce a different approach that is examining *-canh-a* as a Discourse Modality indicator. The term ‘Discourse Modality indicators’ is used in Maynard (1993) for the analysis of linguistic devices within a framework of Discourse Modality (Maynard 1993). This framework “conveys the speaker’s subjective emotional, mental or psychological attitude toward the message content, the speech act itself or toward his or her interlocutor in discourse” (Maynard 1993, p. 38). Maynard (1993, p. 47) provides the definition of Discourse Modality indicators as “non-referential linguistic signs whose primary functions are to directly express personal attitude and feelings”. *-Canh-a* is a non-referential linguistic device, and it has been mentioned in the literature that *-canh-a* also has a certain aspect of the speaker’s feelings or attitude and thus, it qualifies as a Discourse Modality indicator.6

The function of *-canh-a* as a turn reservation device may be regarded as contributing to the ‘exchange structure’ aspect of Discourse Modality. The use of Discourse Modality

6For example, a certain attitude of the speaker (e.g. “non-challengeable attitude” in Kawanishi (1994a), “assertive attitude” in Kawanishi and Sohn (1993), “subjective perspective” in Kawanishi (1994b), and “speaker’s strong belief” in Lee (1999)).
indicator “contextualizes each utterance, and thereby constraints the semantic interpretation of the relevant proposition” (Maynard 1993, pp. 55-56). Therefore, by examining the meaning or function of a Discourse Modality indicator, it is possible to identify how a certain utterance is contextualized to mean what it means (Maynard 1993, p. 56). In this paper we have looked at how the speaker deploys –canh-a within a certain discourse to indicate an upcoming extended turn. This also means that –canh-a has been used to express the speaker’s interactional attitude. As a result, the utterance is contextualized to mean that the speaker wants to keep the floor and thus, signals the addressee to yield their turn.

5. Concluding Remarks

In this paper I have demonstrated that the function ‘indication of keeping the floor’ can occur in a pragmatically incomplete TCU when the utterance has a compound determiner that acts as a prospective indexical, and –canh-a (which elicits the addressee’s agreement). I have also shown that iss-canh-a functioning as an indication of keeping the floor is attributable to –canh-a used in a pragmatically incomplete TCU with a prospective indexical.

Language is not only a device to convey propositional meaning, it also has the important function of expressing one’s personal attitude and feelings that are realised by non-referential linguistic devices. Without them language would only be a tool for conveying matters of fact. I have shown throughout the paper how speakers use canh-a within a discourse to convey not only just a propositional meaning, but also to manipulate interaction from the interlocutor, such as yielding the turn. I conclude therefore, that a study of non-referential linguistic devices, such as Discourse Modality indicators, contributes to an understanding of the language beyond grammar.

References


Abbreviation

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>CDET</td>
<td>Compound determiner</td>
</tr>
<tr>
<td>CN</td>
<td>Connective</td>
</tr>
<tr>
<td>CON</td>
<td>Conditional</td>
</tr>
<tr>
<td>DET</td>
<td>Determiner</td>
</tr>
<tr>
<td>NEG</td>
<td>Negative marker</td>
</tr>
<tr>
<td>NOM</td>
<td>Nominal marker</td>
</tr>
<tr>
<td>PAST</td>
<td>Past tense</td>
</tr>
<tr>
<td>POL</td>
<td>Polite marker</td>
</tr>
<tr>
<td>QF</td>
<td>Quantifier</td>
</tr>
<tr>
<td>QM</td>
<td>Quotative marker</td>
</tr>
<tr>
<td>SE</td>
<td>Sentence enders</td>
</tr>
<tr>
<td>SUB</td>
<td>Subject marker</td>
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<td>TOP</td>
<td>Topic marker</td>
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<tr>
<td>VP</td>
<td>Vocative particle</td>
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In 1968 the new approach to national history research, in which certain elements of Marxist dialectics and historical materialism were intricately interwoven with the nationalistic principle of Juch’e (self-reliance), was devised and promulgated in North Korea. The crucial role in its creation was played by a Moscow-trained philosopher and historian, Hwang Chang-yŏp. Assuming that both the primitive and communist modes of production were based on classless societies, Hwang started critically revising the orthodox Marxist tenet of class struggle as the cornerstone of the historical process. His assumption was that history must be viewed not from the viewpoint of “class” but from the viewpoint of “people – the subject of history”.

It took a decade for North Korean historians to recover from the historiographical crisis of 1967-1968, and finally The Complete History of Korea or Chosŏn Chŏnsa (1979-1982) was produced as the model for the Juch’e approach to national history in the DPRK. Eighteen of its 33 volumes were dedicated to Kim Il-sŏng, his family, and his anti-Japanese and socialist state-construction activities. The other fifteen volumes, which treated Korean history from the Neolithic age to the fall of the Korean Empire, tended to glorify every fragment of national history. But by restoring Korea’s “glorious past”, historians in the North came to conclusions that now have become extremely fashionable in contemporary South Korea. This paper examines the pedigree of this ultra-nationalistic approach to history, which is likely to become instrumental in the process of Korean unification.

Historical Research and Ultra-Nationalism

In scholarly life, particularly in science, concocting false data or presenting fraudulent research results is both disgraceful and pointless. The laws of the universe will inevitably debunk the fraud. But history, as a scholarly discipline, which always accompanies politics, creates a special temptation for the scholar to resist. Those who lived in the past cannot testify against mistakes and distortions committed by contemporary historians. The frustration that comes from the scarcity of historical data and the pressure of a sponsors’ burning interest are often so strong that faking a discovery becomes extremely tempting. When political considerations or research money is at stake, scholars are put in a precarious position and often vacillate between two options – to make a brisk conclusion based on available facts, or to interpret facts in a way that would justify a premeditated conclusion.

There are plenty of examples of researchers ready to make up facts when necessary to please the public. The 1928 book by a famous Cultural Anthropologist, Margaret Mead, titled "Coming of Age in Samoa" (Mead 1928) was, for many years, considered the most groundbreaking study ever conducted on South Pacific islanders. But it later came out that
she lied and basically invented most of her research findings. Mead was a powerful academic politician. The facts did not come out until decades after the publication of the book and she was not disgraced. On the contrary, Mead's book was praised because it promoted racist stereotypes consistent with Neo-Social Darwinist thinking of the non-European races as culturally inferior (Freeman 1983).

Another telling example of corrupt scholarly integrity is now being widely discussed in Japan. On 24 May 2003, a special panel of the Japanese Archaeological Association discredited 162 sites in nine prefectures where the disgraced archaeologist Fujimura Shinichi had been involved. Fujimura, the former Vice Director of the private Tohoku Palaeolithic Institute, claimed that the artefacts unearthed at the Kamitakamori ruins in Tsukidatecho, a site which is believed to have been settled and inhabited as early as 700,000 years ago, dated back to the early and middle Palaeolithic period. However, during a shocking press conference at the Miyagi prefectural government offices, Fujimura admitted that he buried 61 stoneware fragments from his own collection (Yomiuri Shimbun, 6 November 2000). The stoneware, said to be 600,000 years old, had actually been excavated elsewhere in Miyagi Prefecture.

Fujimura apologized and said that he faked the discoveries because he had been “under intense pressure from colleagues to make discoveries” (Asahi Shimbun, 6 November 2000). His record of making discoveries almost every time he participated in an excavation led colleagues to say he had “god's hands”. Fujimura’s discoveries have greatly influenced studies of the Old Stone Age in Japan and some experts have even said that his discoveries “changed the history of archaeology”. Each discovery became front-page news and drew greater funding for Japanese archaeologists in general. World history was about to be re-written with Japan as the cradle of civilization. When that many people wanted to believe in such an entertaining and flattering history -- boosting national pride -- nobody wanted to blow the whistle (Japan Today, 26 May 2003).

If such deliberate falsifications have been happening in the “free world”, one can only imagine the scale of historical truth alterations that took place behind the iron curtain. The remodelling of historical fact became widely accepted in North Korean historiography as it tried hard to make the national past fit a quickly changing ideological scene. The development of historical scholarship in the DPRK between 1956 and 1967 saw the rise of a completely new tradition based on the nationalist doctrine of Juch’i, or “self-reliance”. To satisfy their nationalistic aspirations, the DPRK rulers insisted that the earliest episodes of Korean history were to be pushed back deeper into ancient times. Simultaneously, North Korean historians were required to emphasise the “traditional superiority” of the northern kingdoms that would demonstrate the historical inferiority of their southern neighbours. Such an attitude was necessary to prove the legitimate right of the North to unify the whole country under the banner of Juch’i-style communism.

Presenting history as an inexorable process inspired by class struggle and aimed towards social progress, North Korean historians demonstrate that none of the Marxist historiography stages is at variance with the history of their country. National history, thus, became an orderly continuum of self-reliant shifts in socio-economic formations inexorably leading from primitive communal society through slave-owning, feudalism, and capitalism to the victory of Korean-style socialism. No foreign influences can be admitted, while the influence of Korean culture on neighbouring nations is especially emphasised.

In South Korea, as well, many scholars of history argue that the birthplace of the Korean nation was in the wilds of Manchuria. The inauguration issue of the new historical magazine The Exploration of History (Yôksa t’amhmôm) – a supplement to the Monthly Chungang Ilbo – opens with an interview by Sin Yong-ha, Emeritus Professor of Seoul
National University, where he claims that his discoveries concerning the history of Old Choson warrant a total reconsideration of world history. The implication, once again, is that the Korean peninsula and Manchuria were the cradles of human civilization, and the traces of this proto-culture can be found as far west as Turkey, France and Finland (Sin Yong-ha 2003, pp. 6-9).

There are many other hypotheses arguing that the real birthplace of the Korean nation was along the shores of Lake Baikal in Siberia. In the pages of the same Exploration of History magazine, Kim Chong-rok declares that Baikal is the cradle of Siberian shamanism and the local people look like modern Koreans. Therefore, there is no doubt about the origins of the Korean nation. The culture was apparently moving eastward— from Baikal, to Manchuria and Korea, and finally to Japan (Kim Chong-rok 2003, pp. 36-46). In other words, we can see strong similarities in historical research in North and South Korea (as well as in Japan) in the fixations on the origins of the nation and the attempts to present such origins as ancient and glorious. Any available historical fact, regardless of how dubious or even fictitious, is grist for the mill. The claims that some ancient Korean territory was the cradle of human civilization are increasingly commonly heard in North and South Korea, and any means that support these claims are welcomed.

This paper sets out to analyse the establishment of Juch' e historiography in the DPRK, and compare its research results with a resurgent irredentism in South Korean historical scholarship. A close examination of the North Korean historical literature of the period will help reveal numerous discrepancies that existed between the early, Marxist-Leninist official historiography of the DPRK and its later, Juch' e version. Among the sources used below are certain writings by North and South Korean historians, the reminiscences of Hwang Chang-yôp, who claims the credit of creating Juch' e historiography, and the recollections of prominent Soviet historians, Professors Mikhail N. Pak and Yurii M. Ryrikov (Ryu Hak-ku). Also, I would like to express special thanks to various colleagues, particularly James B. Lewis, and to the Academy of Korean Studies, which sponsored this research.

North Korean Historiography during the 1960s

The dramatic conversion of a class-centred, internationalist Marxist-Leninist tradition of history research into a leader-centred, nationalistic historiography affected the course of academic development in North Korea. From the diminishing variety of academic opinions, the Central Committee of the Koreans Workers’ Party (CC KWP) would choose one to become the official hypothesis. All other views would be outlawed as anti-Party and anti-revolutionary, leaving their authors little or no chance for survival. In such circumstances, any remaining common sense in historical writings was gradually emasculated, and the chain reaction of academic fraud finally plunged North Korean historical scholarship into the dark ages of the 1960s.

Although the ideological course formally remained faithful to the internationalist tenets of Marxism-Leninism, starting from the early 1960s, North Korean academic circles were systematically exposed to the influence of Juch’ e ideology. The previous search for ways to apply “the inexorable law of objective development” (happôp ch’iksông) to national history was replaced by an ostentatious demonstration of unique national characteristics. DPRK historical circles rapidly began to rewrite national history in order to make it comply with the principles of nationalism and self-reliance. In order to avoid even the slightest suspicion of foreign occupation of the Korean peninsula, all Chinese-made
seals and artifacts that happened to be found in DPRK territory were said to be "fake" or simply non-existent (Kim Sŏk-hyŏng, 20 September 1963, pp. 5-6).

Moreover, strong nationalism and a desire to retaliate against the Japanese colonial historiography created a new hypothesis, according to which the ancient Korean kingdoms had their own enclaves on Japanese territory (Kim Sŏk-hyŏng 1963). Following this logic, the search for Wanggŏmsŏng – the ancient capital of Old Chosŏn and precursor of P’yŏngyang – was conducted, not in Korea, but in China. Between 1963 and 1965, North Korean archaeologists in cooperation with their Chinese colleagues discovered the Gangshang and Loushang tombs in the Liaodong peninsula, both dated as the eighth to seventh century B.C. Their conclusion was that the capital, Wanggŏmsŏng, was located there, because the artifacts (pip’a-shaped bronze daggers), found in the two Chinese tombs, were roughly of the same period and possessed the same properties as those found in the Misong-ri and Mukpang-ri sites in northern Korea (Lee Ki-dong 1999, pp. 27-28).

A passion for imperial grandiosity tempted North Korean scholars to continue the discussion on the history of Old Chosŏn and its mythical founder Tan’gun. Historian Yi Chi-rin, who learned classical Chinese during his studies in Beijing in the late 1950s, led the discussion. In his book, Research on Old Chosŏn (1963), Yi attributed the establishment of this legendary state to the fifth or fourth century B.C. (Yi Chi-rin 1963). At that time, North Korean historians were still denying any historical validity in the Tan’gun myth, treating it merely as a product of primitive totemism. Yi Sang-ho, for instance, stated that the story was simply "a popular legend that reflected some important changes in socio-economic life" (Yi Sang-ho 1963).

In the frenetic struggle between Kim Jong-il, the eldest son of Kim Il-sŏng, and his uncle, Kim Yong-ju, for the role of the Great Leader’s official successor, Kim Jong-il got the upper hand and soon was praised as the guru of academics. Among some 1,400 articles and essays, which were allegedly written by the young Kim during his four years of tertiary education, half a dozen were dedicated to the issue of national history (Interview with Yi Song-ch’ŏl 1999). In one of these early works, Reconsidering the Problem of the Three Kingdoms’ Unification (1960), Kim claimed that the southern kingdom of Silla had never really unified the nation. In the seventh century A.D., Silla managed to integrate under its rule only two thirds of the former Three Kingdoms’ territory (Kim Jong-il 29 October 1960). Kim Jong-il’s prejudice against Silla apparently appeared in reaction to Silla’s lack of nationalism and patriotism. Indeed, while struggling for domination on the peninsula, Silla solicited the military might of the Chinese Tang Dynasty to overwhelm its neighbours, Paekche and Koguryŏ.

In another work, On the Correct Understanding of the Socio-economic Character of Koguryŏ among the Three Kingdoms (1960), the freshman Kim criticised the "old" Marxist-Leninist historians for dogmatism and argued that the kingdom of Koguryŏ, if compared with Paekche and Silla, boasted a higher level of socio-economic development (Kim Jong-il 18 October 1960; Kim Jong-il 10 November 1960).

In 1963, Kim Jong-il acclaimed the discovery of the Palaeolithic culture in Korea (Kim Jong-il 3 May 1963). And, in 1964, he declared that Koguryŏ was established not in 37 B.C., as was recorded in the Samguk Sagi chronicles, but in 277 B.C. (Kim Jong-il 10 February 1964; Kim Jong-il, 16 September 1964). These claims were necessary for the DPRK leadership to deprive the government of the Republic of Korea (South Korea) of any historical legitimacy to unify the nation. It is obvious though that the teenager Kim Jong-il had little to do with these historiographical experiments, but who was standing behind him is still not clear. These early writings have never again been included in any of Kim’s recent Selected Works. It is obvious that his intervention brought a great deal of
havoc to historical scholarship and led to its major reorganisation.

By the mid-1960s, there was no topic in Korean history that had not been revised or corrected in accordance with the guiding recommendations of the Kim clan. The contribution of Korean Marxist historians to the development of left-wing nationalist historiography during the colonial period was denied, and the “old” Socio-economic school was not even mentioned. Prominent scholars of philosophy, history, and economics were to declare their allegiance to Juch’e ideology. Those who did not rush to do so formed an obstacle in Kim Il-sŏng’s pursuit of absolute domination in the ideological sphere. In such circumstances, historical facts in the hands of North Korean scholars began to play the role of bit players in the politicised reinvention of mythological discourses. The staggering simplicity of this historical narrative would help the former anti-Japanese guerrillas to control ideas and detect the first signs of political dissent. After 1967, all historiographical debates were closed, the publication of professional journals was discontinued, and scholars were assigned to the duties of docile bureaucrats.

The Creation of Juch’e Historiography

Juch’e theoreticians in the DPRK maintain that the emergence of this ideology in North Korea was not accidental. They claim that the history of Korea has provided a legitimate nursing ground on which the peculiar ideas of Juch’e can be articulated: the objective historical condition and the subjective human condition. Only when both conditions are simultaneously present will they become sufficient (Park 2002, p. 17). But the advent of Juch’e historiography as a unique scholarly phenomenon can be attributed simply to the practical necessity of the DPRK rulers to inculcate the populace with the “correct” perception of the national past.

On 25 May 1967, Kim Il-sŏng announced to the nation his new Ten-point Political Program, reminiscent of the Ten-point Program formulated by Kim in May 1936 for his anti-Japanese Association for Fatherland Restoration (Choguk Kwangbokhoe). Among the key strategies which related to academic life were the establishment of Juch’e ideology in all spheres of life, the advancement of science and technology, the building of a socialist culture, and the “revolutionisation” and “proletarianisation” of all members of society (including the peasantry and the intelligentsia) under the leadership of the KWP and the working class (Scalapino and Lee 1972, pp. 612-613). In this light, the pressure exerted upon the history-writing scholar-politicians became enormous.

In his recent book written after his defection to South Korea, I Saw the Truth of History (1999), Hwang reveals the circumstances of creation and substantiation of the Juch’e-style historiography in the late 1960s. At that time, Hwang was the President of Kim Il-sŏng University in Pyongyang and a candidate member of the Central Council of the KWP. In his article The Moving Force of Social Development (1966), which he contributed to a collection of research papers published to commemorate the twentieth anniversary of Kim Il-sŏng University, Hwang inadvertently put too much emphasis on the role of the intelligentsia in the process of societal development. Although the response from academic circles was generally positive, this article caused Hwang serious problems and nearly ended his career.

To remedy the problem, he was instructed by Kim Il-sŏng and the DPRK Vice-Premier Kim II to “rectify theoretical mistakes by theoretical means” (Hwang 1999, p. 150). Assuming that both the primitive and communist modes of production were based on classless societies, Hwang started critically revising the orthodox Marxist tenet of class
struggle as the cornerstone of the historical process. His deduction was that history must be viewed from the perspective of “people”, not class. To support his idea, Hwang provided examples from the Stalinist reprisals (1937-1938) and the Maoist Cultural Revolution (1966-1969). In both cases, crimes and injustices were committed under the pretext of struggle for the establishment of the dictatorship of the proletariat. According to Hwang’s hypothesis, the new ideology of the DPRK was to rely neither on the classical Marxist concept of class struggle nor on the Stalinist or Maoist notions of one class dictatorship, but on the idea of “humanism”. Similarly, history research was also to address the issues of the national past only from the perspective of human development and creativity (Interview with Yi Sŏng-ch’ŏl 1999).

Certainly, Hwang Chang-yŏp’s theoretical formula was as misleading as the real intentions of the North Korean communist rulers. Kim Il-sŏng and his clan simply needed a strong nationalistic alternative to the class-centred and internationalist Marxist-Leninist ideology. In the apogee of the Sino-Soviet conflict, such a standpoint allowed the DPRK to distance itself from the quarrelling “big brothers”. Hwang correctly discerned that the Kims would like to have a theory of history where the major emphasis was put on nation. In addition, the ambiguity created by the image of “man as the master of his own destiny” offered a perfect solution to difficult questions arising from the dictatorial rule of Kim Il-sŏng. Thus, a new approach to national history research in North Korea was devised, in which certain elements of Marxist dialectics and historical materialism were intricately interwoven with the principle of Juch’ e self-reliance. Since then, a nationalistic and Leader-centred historical tradition has enjoyed the status of official DPRK historiography, and the phrase “man is the center of the universe” has become almost a cliché.

Ironically, Juch’e, as an ideology of socialist and self-proclaimed Marxism, challenges materialism as a driving force in history. Juch’e, like Confucianism, rejects the material determinism of Marxism-Leninism. According to both doctrines, human behaviour is guided not by the conditions of mode and relations of production but by the direct guidance of the “brain” (nwesu). (Park, 2002, p. 34, 64) The Marxist premise of economic or material structure as the “substructure” upon which all “superstructures” will be founded is unequivocally denounced. Instead, spiritual consciousness determines the course of history, and it alone underlies all other structures. Han S. Park believes that Juch’e’s fundamental deviation from Marxism begins at this point. (Park, 2002: 33-34) It can be only added that at this very point the real rapprochement between North and South Korean historiographies begins.

**Juch’e Historiography and the Unification of Korea**

Juch’e theoreticians assess the events of the national past using two main dimensions – the level of military power and the level of national consciousness. For example, they attribute the ultimate victory in the Imjin Wars (1592-98) to two factors: Korean naval superiority and consolidated nationalism. Similarly, the colonization of the nation by Japan in the early twentieth century is attributed to military inferiority and the weak nationalism of the late Yi Dynasty. For the same reason, the North Korean propaganda machine constantly reminds the populace that Kim Il-sŏng’s life-long struggle was dedicated to military preparation of the country for self-defense and to ideological consolidation of the people through nationalism (Park 2002, p. 18). In this, North Korean historiography comes very close to how history is often popularly understood in South Korea.
Indeed, militant nationalism has always been the most salient factor in the belief system of Juch’e, as it invokes hostility against foreign hegemonic powers and promotes the sovereignty of Korea’s heritage and its people. In fact, the kind of sovereignty that P’yŏngyang claims is more than just independence. Juch’e views Korea as a chosen land, and the people are told constantly that world civilization originated on the Korean peninsula. (Park, 2002, p. 31-32) This theme was first emphasized in the massive 33-volume entitled The Complete History of Korea or Chosŏn Chŏnsa (1979-1982).

Mikhail N. Pak of Moscow State University believes that it was Chosŏn Chŏnsa that manifested the final triumph of Juch’e over Marxism-Leninism in North Korean official historiography (Interview with Pak 1999). Indeed, Juch’e was originally designed to convey the doctrine that Korea, like any other sovereign nation, should be self-sufficient. But when history is viewed as having been specifically designed and devoid of any accidental development, a sense of predestination sets in it. The notion that a people are predestined to inspire and “lead the world’s oppressed peoples” makes North Korean nationalism ultra-ethnocentric (Park 2002, p. 31-33).

The National History Museum in P’yŏngyang stores and displays documents and artifacts that are designed to convey the notion that human civilization originated from Korea and that Korean ancestors enjoyed a position of physical and cultural superiority. In this museum, for example, stone-age tools are displayed with the inscription that they were excavated in north-eastern China, which was formerly inhabited by ancestors of present-day Koreans. These tools allegedly predate any archaeological finds known to mankind. Regardless of the issue of authenticity, this physical “evidence” is effectively used to bolster the people’s sense of pride and ethnic superiority (Park 2002, p. 70).

In the 1970s, a special excavation team of the Archaeology Institute of the Academy of Social Sciences discovered several sites, including Kŏmŭnmorō, Sangwŏn County that date back a million years. Paleolithic stone implements and dozens of fossilized animal bones were found at Kŏmŭnmorō. Another site on Mt. Sŏngni, Tŏkch’ŏn City, revealed fossilized bones of Paleolithic and Neolithic men, many fossilized animal bones, and stone arrowheads, scimitars, beads, ring-shaped axes, and a layer of Bronze Age culture. Cave sites called Ryonggok No.1 and No.2 were also discovered to have belonged to a later period than the Kŏmŭnmorō site. Here human bones for several ancient people were unearthed, along with many other animal bones and stone tools.

The discoveries of sites in Taehyon-dong, Ryŏkp’o District of P’yŏngyang, Kulp’o in Rason City and others that belong to the Paleolithic Age were hugely important discoveries that provided materials to “prove scientifically” that Korea was one of the cradles of human civilization. The excavation team also found sites from the Neolithic Age, including the Kungsan site in Unha-ri, Onch’ŏn County, and Kumt’an-ri site in Sadong District. They became invaluable finds that testify that Korean Neolithic men were the descendents of the residents of the earlier sites. North Korean archaeologists have also made many discoveries that prove the links between Koryŏ and Koguryŏ. They believe that evidence from the Manwoldae site, the tomb of King Wang Kŏn, the founder king of the Koryŏ Dynasty, the tomb of King Kongmin, and the Ryongt’ong Temple (all in the Kaesŏng area), suggest that Koryŏ was the first state to unify Korea and the first state to establish the territorial integrity of the country. (Ku Chong-gŏn 2002, p. 8)

Unlike theories of the 1970s, the most resent opinion of North Korean historians on the position of Old Chosŏn’s capital, Asadal, is not that it was moved from Manchuria or China to the basin of the Taedong River, but that it was set up there from the outset. Although last year P’yŏngyang officially celebrated its 1,575th anniversary, The Pyongyang Times claimed that it had been the capital of ancient Korea since the early 30th century B.C.,
basically since the mythical kingdom of Old Chosŏn was established by Tan’gun in 2333 B.C. The newspaper argued “it was designated as the capital of the two, the first ancient and feudal Korean states, for it had favourable topographical features and the environment to be a centre of gravity for social progress”. According to the North Korean media, ancient finds in P’yŏngyang “prove that this area is the cradle of human civilization in which human beings evolved and lived and it has witnessed the different periods of a 5,000-year Korean history” (Cha Ho-nam 2002, p. 8).

Pyongyang, that boasts a time-honoured history as a cradle of human civilization and the old capital of the first ancient and feudal states, adds brilliance to its history as the capital of the DPRK, playing the role of political, economic and cultural centre (Cha Ho-nam 2002, p. 8).

Reading these assertions, one cannot avoid the feeling that the twelfth century rebellion of Myoch’ŏng and the claims of DPRK scholar-bureaucrats have a similar point of view. The advisor to the Koryŏ ruler, the Buddhist monk Myoch’ŏng, petitioned the King, arguing that the political and economic difficulties that beset Koryŏ were caused by the ill-fated geographical position of the current capital. Myoch’ŏng (originally from P’yŏngyang) pressed the court to move the capital from Kaegyŏng (Kaesŏng) to Sŏgyŏng (P’yŏngyang), which supposedly boasted a much more propitious position. But the real intention was to prepare a military campaign to regain old Koguryŏ territory (the choice was also about stabilising the northern frontier at a time when the Chinese world was collapsing before a rising and unstoppable tide of barbarians). This sentiment was apparently very strong in Koryŏ, at least until the early twelfth century. Romanticism about the wilds of Manchuria was even implicit in the name of the dynasty. Koryŏ was an alternate name in antiquity for Koguryŏ. A divided national consciousness prior to the Mongol invasion (1232) considered Koguryŏ as continental and Silla as peninsular.

Although Myoch’ŏng’s claims quickly found support among the local elite, the King, who had to pay for any future campaigns, was significantly less enthusiastic. In 1135, a frustrated Myoch’ŏng led a rebellion that was brutally suppressed by Kim Pu-sik, a Confucian scholar-politician. Kim Pu-sik and his associates advocated exactly the opposite concept of Koryŏ’s future development. Kim argued for continuity from Silla’s legacy and favoured Sinitic statetcraft and state building. His views were later expressed in the Samguk sagi (1145) and were reflected in the Samguk Yusa (1280s). The author of the Samguk yusa, the Buddhist monk Iryŏn, was in fact the product of a “Silla clan”, hailing from Changsan-gun, Kyŏngju. From that point onwards, official and unofficial histories of Koryŏ were focused on the peninsula, not the continent. In other words, by suppressing Myoch’ŏng and his confederates, barricaded within the walls of P’yŏngyang, the “march north” movement was suppressed and irredentist claims to Manchuria set aside.

Romanticism and the search for the mythical origins of the Korean nation, always associated with Tan’gun, inspired many Korean nationalist historians in the early twentieth century to dream of the expansive “Han Minjok” as a retort to the Japanese “Jimmu Tenno” myth. Today, some South Korean historians argue that “Koreans” originated from the far northwest in the region of Lake Baikal. However, contrary to such speculation by Kim Chong-rok and other South Korean ultra-nationalists, most historical opinion places the Tan’gun myth near Mt. Paektu, not Lake Baikal. The historical sections of the Samguk yusa that follow the foundation myth all lead southwards down the peninsula. No reference can be found about distant forebears getting to the peninsula by going across 5000 kilometers from Lake Baikal to Korea.

South Korean historian Sin Yong-ha, in the lead interview of the Yöksa t’’amhŏm magazine, fundamentally argues in parallel with his North Korean counterparts that the
centre of Old Chosŏn was located in the Taedong River basin, near contemporary P'yŏngyang. On the other hand, he also claims that the “Hanjok” people came from the banks of the Han River, the area of contemporary Seoul:

There are two main hypotheses on the origins of our nation, one is the 'theory of Yemaek' by Yi Byŏng-do and the other is the 'theory of Ye and Maek' by Kim Sang-gi. But, on the basis of available material, I have developed my own hypothesis focused on the Han tribes. My hypothesis can be called the 'theory of 3 tribes – Han, Ye, and Maek'. The Han settled on both sides of the Han River, the Maek lived south along the Songhua River, and the Ye inhabited the Liaodong peninsula. All three tribes managed to establish themselves in the basin of the Taedong River, P'yŏng'an Province, as the kingdom of Old Chosŏn, which was a tribal state called in Korean ‘Asanara' with its capital at Asadal' (Sin Yong-ha 2003, p. 8).

Possibly, the recent reappearance of this romanticism is a subliminal way to displace fears associated with Korean re-unification. Finding a common origin somewhere outside the peninsula can obfuscate the regional contest between the North and the South. Interpreting Old Chosŏn as a multicultural society can appeal to tolerance for the differences that have arisen since 1950. Yuri M. Ryurikov (Ryu Hak-ku) of the Sejong Institute, for example, believes that ultra-nationalism could become the catalyst that could ultimately bring two halves of the Korean nation together (Interview with Ryurikov, 2003). Should the Juch’e historiography of North Korea be officially recognized and embraced by the nationalistic tradition of history writing developed in South Korea, the result might be quite synergistic.

In creating a glorious past, scholar-politicians from the North and South could lay the ground for national reconciliation and even participate in the process of unified state building. In such circumstances it should not really matter whether the result of their concerted effort is called the Democratic Confederal Republic of Koryô or the United Democratic Republic of Korea.

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The DMZ in the Head: Adjustment Problems of North Korean Defectors and Implications for Korean Integration

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1. Introduction

Consistent with most governments' concerns with infrastructure and financial matters, the majority of studies conducted on the unification experience in Germany, and that which may occur in Korea, have focused primarily on economic policy and structural unity. Not as much attention is paid to social and psychological issues. The human costs of unification do not seem to be as important as economic costs. It is the belief of this writer that human costs are at least as important, if not more so, because resentment and ill-feeling caused by them can last longer, or could even lead to greater problems such as civil unrest and societal instability.

One indicator of possible future social and psychological problems in a united Korea is the situation of defectors from the DPRK that live in the Republic of Korea (ROK or 'South Korea'). Although numbers of defectors coming from North to South have been surprisingly small, they have been growing steadily since the 1990s, and are now approximately doubling every year.

Defectors have many peculiar characteristics of their own, but this paper will argue that there are enough commonalities between the experiences of defectors adjusting to life in South Korea and North Koreans' possible experiences after an event on the Korean peninsula leading to the integration of large numbers of North and South Korean citizens. Although it is the fervent desire and expressed intention of both Korean states to bring about unification between the two, it is not taken for granted in this paper that unification will actually happen, nor that if it does it will be according to the plans of either Korea. Furthermore, despite the fact that some observers, included my learned friend Dr Petrov on this panel, believe that some sort of event that will fundamentally change North Korea will occur within the next few years, discussions of what this cataclysm may be or what the probabilities are is beyond the scope of this paper.

This paper aims in its own small way to contribute somewhat to the English language debate on the human costs of Korean unification and/or integration, and to stimulate more research on firstly, what factors have ensured that German social unification, while rocky, has remained relatively peaceful, secondly what factors stand in the way of North Korean defectors integrating into South Korean society and how to counter these, and thirdly, what could happen at a time of future Korean integration and how to make this process smoother.

2. The Wall in the Mind in Germany

The German phrase *Mauer im Kopf* ('a Wall in the mind') is not a new one. The concept of a non-physical barrier existing between East and West Germans may go back to shortly after the building of the Berlin Wall in 1961 (Smith 1998, p. 149). It is different things to different people. Laurence McFalls suggests that among cultural elites from the
former GDR – artists, academics, managers or dissidents – the Wall might refer to an explicit critical stance towards some or most west German values, while among ordinary east Germans it refers to “an ambivalent posture in which they seek to reconcile past and present values” (Smith 1998, p. 149). There is also a concomitant ambivalence in the minds of west Germans as they struggle to accept their east German brethren into a united Germany.

In 1995 Der Spiegel, probably the most popular weekly news magazine in the Federal Republic of Germany, published the results of research conducted for the magazine by the Emnid social research institute of Bielefeld. The subjects of the research were 1000 men and women, representative of the adult population in the former GDR. A series of multiple choice questions were asked to gauge the subjects’ stance on a number of issues, and also two open-ended questions were asked about the subjects’ best and worst memories of the GDR. Since there are so many interesting results from the survey, only a selection can be provided here.

Almost two-thirds of east Germans surveyed (64%) believed that the depictions of life in the former GDR were too negative, and a surprising 15% would like to return to the ‘good old days’, regretting that unification had ever happened. When asked specifically if they felt that although the Berlin Wall was gone the ‘Wall in the Minds’ was growing, 67% of east Germans agreed with this.

Peter Schneider, the German author who was among the first to popularize the phrase ‘Wall in the Mind’ in print, wrote in a 1996 New York Times editorial that “the [Berlin] wall created the illusion that only the [physical] separated East and West Germans,” referring to the failure of Germans to properly discuss the significant social and cultural differences between the two sides (Grinker 1998, p. xv). Reading about this and contemplating the possible future of an integrated or united Korea made me consider the possibility of a similar phenomenon happening in Korea – in a small scale now with defectors, but potentially on a larger scale should unification or integration occur. I tentatively decided to call this phenomenon, ‘the DMZ in the Head’.

3. North Korean Defectors

3.1. Background

From 1945-1953 a continuous stream of people fled from north of the 38th parallel to what is now the Republic of Korea. After the armistice was signed and the DMZ was fenced off and mined, the stream stopped. From then until 1994 only very small numbers of people came to South Korea. Initially the defectors were made up of soldiers who crossed the DMZ or spies who were in the south already before deciding to turn themselves in and live in the south, so they were primarily young, healthy men under retirement age who came alone (Koh and Baek 1999, p. 473).

Table 1 shows official data on the numbers of defectors from 1949 to 2002. It is difficult to obtain accurate figures, as official statistics are not often released, and various sources have different calculations.
<table>
<thead>
<tr>
<th>Year(s)</th>
<th>Number of defectors</th>
<th>Cumulative Total</th>
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<tbody>
<tr>
<td>1948-59</td>
<td>275</td>
<td>275</td>
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<tr>
<td>1960-69</td>
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<td>583</td>
<td>1990</td>
</tr>
<tr>
<td>2002</td>
<td>Estimated 1,200</td>
<td>3,190</td>
</tr>
</tbody>
</table>

Note: as at June 30th 2001, some 223 defectors had died or emigrated, leaving a total of 1410 North Koreans resident in South Korea. The period 1948-1959 does not include the millions who fled during the Korean War.

(Based on figures from the South Korean Unification ministry, as presented in Yoon 2001b, p. 76 and Seo 2002, p. 48.)

The immediately striking thing about the numbers of defectors is their extremely small scale; this is partly because of the geographically limited number of available paths to the south, as well as the collaboration between the governments of China and the DPRK to ensure escapees are sent back.

From 1994 the number of defectors began to increase, and since 1998 the figures have almost doubled each year. At the same time the number of mass defections has increased, particularly this year as a number of mass defections through diplomatic missions in China have garnered much media attention. These mass defections have included many family groups, sometimes extending to three generations. In the years 1999 and 2000 61.5% of the defectors came in a family group, compared to 0% in the years 1990-1993 (Yoon 2001b, p. 108). The effect of this is that the demographic make-up of the defectors has become more varied, and this has made the adjustment process more complex.

Before 1990, most defectors cited political reasons for their leaving the north, but after 1990 the motivations are more varied. According to internal statistics gathered by the South Korean Ministry for Unification by November 1998, 9% of those who defected since 1990 stated the search for freedom as their motivating factor, while 18% cited dissatisfaction with the system, 31% feared punishment of some sort, and 28% left to accompany their family member(s) (Yoon 2001b, p. 84). Interestingly, only 6% specified survival hardships as their motivation (Ibid). This figure may have increased since 1998 as the increasing effects of prolonged food shortages caused more people to leave North Korea in search of sustenance.

3.2. Defector Satisfaction with Life in South Korea

Until the late 1990s, the number of defectors living in South Korea was so low that little
attention was paid to what occurred to them after they arrived in South Korea. Rather, upon arriving they were repeatedly interviewed and asked to tell about the conditions of life and society in North Korea. This served a dual function of providing the ROK government with up-to-date information, and providing effective propaganda in line with the ROK’s rigid anti-Communist policies. Apart from some well-known and well-to-do defectors, such as the entertainer and restaurateur Kim Yong, they were seldom interviewed publicly or academically about their lives in their new homelands.

When American cultural anthropologist Roy Richard Grinker wrote his study on South Korean attitudes towards and visions of unification in 1997, he wrote that remarkably little has been written about the defectors... The only substantial scholarly works I know of written by non-defectors are those by [four authors mentioned] and most of those are unpublished manuscripts. Most of these authors relied on surveys to assess the defector’s adaptation to south Korean life. The picture they present of a people struggling with an uncertain identity and future is worth thinking about because the defectors may reflect, in microcosm, the future of north Koreans living in a unified Korea (1998, p. 237).

Since 1997, the amount of academic research on Defectors, published and unpublished, has increased dramatically as public awareness and attention has also gone up (See, for example, Jeon 2001; Kim and Oh 2001; Yoon 2001a, 2001b). The amount of media space in print and broadcast devoted to discussing defectors has expanded too.

In December 2001 the Korean wire service, Yonhap News Agency, published the findings of psychiatry professor Chun Woo-taek, who is a researcher at Yonsei University’s Institute for Korean Unification Studies, in various newspapers and magazines in both Korean and English. Professor Chun questioned 553 Defectors who arrived in the South after 1980 about their lives and mental states (Yonhap News Agency 2001, p. 37). This was one of the most profound studies of defector sentiments yet. Not being able to locate the original paper in Australia, I was forced to rely on the news reportage.

Rather than simply an opinion poll, the study consisted of interviews and a written component. The findings showed that of the 553 defectors, 18% were “very satisfied” with their lives in South Korea, 30% were “somewhat satisfied”, 33% replied “so-so” and 19% were “dissatisfied” (Ibid). When asked what was most difficult about living in the South, 18.3% cited financial problems (27.5% are unemployed), 12.4% finding a job and working, 11.7% were lonely, 11.5% felt prejudice against North Koreans, 8.2% stated language was a problem, and 10% said the problem was their adaptability. If the last four responses can be loosely categorized into social and psychological difficulties then we can see 41.4% of respondents experienced an invisible barrier to full integration into South Korean society.

This is further illuminated by the question which asked defectors to speculate about the future and predict the most serious area of conflict between Koreans from north and south after Korea is politically unified. Cultural differences were mentioned by 28.3%, lack of mutual understanding by 13.4%, differences in ideology and institutions by 10.9%, and 10% stated language differences. The remaining 25% chose economic divisions. Here, 62.6% of respondents have cited social and psychological obstacles to integration (Ibid).

Other media reports have written about Defectors who desire to emigrate (Shin 2001; Sydney Korean Herald 2001) or who have even returned, or attempted to, to the DPRK (Colgan 1997). According to one set of statistics, 34 defectors have gone on to emigrate to third countries after living for a time in the ROK (Yoon 2001b, p.1).

Crimes committed by defectors have increased. In the 1970s and 80s, 20 crimes by defectors were reported, while in the 1990s the number of reported crimes was 43 (Koh and Baek 1999, p. 482). This may be put down to the number of defectors having increased, but one Korean, sociology professor Yoon In-jin, states that maladjustment to Korean society often leads to “deviation and criminal activities” (Yoon 2001a, p. 14).
One recent study by a pair of Korean researchers investigated a previously untried method of study on defectors. Professor Do-yeong Kim and Dr Hye-jung Oh conducted two complex psychological tests on a group of Defectors and a group of South Korean college students (Kim and Oh 2001). Since defectors' own accounts can be said to be biased too because they are usually speaking to a South Korean audience in South Korea, the studies were designed to avoid the bias of South Korean representations of differences between the North and the South and measure the explicit (outwardly expressed) attitudes towards South Korean and North Korea, and check that against the implicit (unconsciously held) attitudes towards same.

The results were interesting, displaying the ambivalence of defectors towards South Korea. To quote Kim and Oh:

[The study] illustrates that South Koreans displayed a consistently positive evaluation toward the South on both the explicit and implicit measures [which was predicted], whereas North Korean defectors were inconsistent in their attitude responses, displaying a positive evaluation toward the South on the explicit and towards the North on the implicit measures... The implicit measure showed a gender difference among North Korean defectors... North Korean men, but not women, showed a stronger preference for the North than the South on the implicit measure (Kim and Oh 2001, pp. 276-277).

Kim and Oh also conducted a second study, reported in the same paper, that used similar methodology to test for explicit and implicit national self-identity. In the results it was reported that:

North Korean defectors revealed noticeable inconsistency in both measures. [They] indicated a neutral identity on the explicit measure, presumably reflecting their dual affiliation with both South and North simultaneously. However, the implicit measure revealed strong self-association with the North, which suggests that their implicit old identity continues to exist and is not easily changed even after their explicit new identity, including South Korean citizenship, has been established (Kim & Oh 2001:280-281).

These studies were important because they were the first to test and show prejudicial attitudes that had long been assumed to exist between North and South Koreans, as well as a continuing North Korean identity within defectors, some of whom had lived in South Korea for more than 4 years. These results echo the continuing GDR identity existing in the minds of most east Germans. Perhaps, as the Germans have their ‘Wall in the minds’, the Koreans have a ‘DMZ in their heads’.

3.3. Causes of ‘the DMZ in their Heads’

There are four main sources of obstacles to North Koreans adjusting comfortably to life in South Korea: their life experience and socialization in North Korea; their lack of knowledge about life, culture, customs, language etc in South Korea; barriers placed before them by South Koreans - consciously and unconsciously; and their experiences they underwent during their journey from North Korea to South Korea.

3.3.1. Life in North Korea

Kim and Oh, in their discussion of the results of their study, argued that the dissociate responses given by defectors on the implicit and explicit self-report measures may reflect traces “expressed without awareness, of past social experience and affection associated with the North, in which they spent a significant part of their lives” (Kim and Oh 2001, pp. 282-283). This is quite true. Just as the GDR bred a kind of German different to those in the FRG, the DPRK has raised a kind of Korean very different from their southern cousins.

In 1990, shortly after the fall of the Berlin Wall, East German psychiatrist and
psychotherapist Hans-Joachim Maaz wrote a ‘psycho-gram’ of the East German people, diagnosing himself and his whole nation with “emotional damming up” (See Maaz 1995). Although there has not yet been a North Korean equivalent of Maaz, or an internal psycho-gram of the DPRK’s brand of ‘Our-style Socialism’, there have been some studies of North Korean society, using data collected from the DPRK’s own literature and defector accounts. Granted, these studies are limited by not having any direct access, and relying on jaded ex-citizens, the consistency painted in these word pictures over the years and from various authors shows there is validity (See, for example, Hunter 1999; Oh and Hassig 2000).

The Kim II Sung/Kim Jong Il/juche cult has succeeded in completely making over North Korean public life in its own image.

In a very short period of time, the Communists managed nothing less than the complete remaking of the social structure. While Kim [II Sung]’s methods may not have been as dramatic of as violent as those of the Soviet Union and China, his success in effecting fundamental social change would seem to have been much greater. The changes reported in North Korea go far beyond anything reported in other Communist states. Although the North Korean society of [23] million people is far smaller and less complex than the societies of either the [former] Soviet Union or China, it was presumably no less resistant to change. Thus, Kim must be judged to have accomplished one of the most successful and intensely coercive social engineering feats of modern times (Hunter 1999, p. 5).

Detailed explanation of juche ideology is here redundant, as Dr Petrov has already done so, but the point here is that no other country in the world devotes as much time and energy to ideological promotion and education (See Oh and Hassig 2000, Chapter 1).

The level of control, through ideology and surveillance, breeds a kind of person who cannot express their true feelings easily and who can appear deceitful because they have learned to hide their thoughts and feelings (Cho 2001, p. 60). This often masks an inability to make up one’s own mind, according to Maaz’s assessment of his fellow East Germans (Maaz 1995). One defector says:

In the north, I did what I was supposed to do. If I was supposed to get in line, I got in line. If I was supposed to applaud, I applauded. But in the south, I never know what to do. People do whatever they want to do (quoted in Grinker 1998, p. 244).

3.3.2. Ignorance of Life in South Korea

North Koreans are totally cut off from any communication and contact, especially with South Korea. There are no international phone lines, no mail to or from South Korea, and radio dials fixed to prevent reception of foreign broadcasts. When defectors enter South Korea they have no accurate information about life there (Yoon 2001b, p. 93). North Koreans are also deterred from defecting to South Korea by North Korean propaganda, which teaches that any North Korean who falls into the hands of the South Korean authorities “will be tortured to extract information and then executed” (Oh and Hassig 2000, p. 139).

There are language differences. The North Korean accent is easily detectable by its sing-song intonation, and consonantal ‘r’ at the beginnings of words where that consonant does not exist in Seoul Korean. About 72% of Defectors who settled in South Korea are troubled by the language barrier, and say their accent is a liability (Yonhap 2002). Then there are all the foreign loan words in Korean, especially the English words used in business names and advertising displays, etc which are totally unknown in the North.

In North Korea the work environment is the main area for adult socialization and orientation. “In short, one’s life is altogether determined by one’s job, the central point of reference in North Korea’s Communist society. One lives, eats, works, studies, shops, and vacations with the same group.” (Hunter 1999, p. 195) Loss of a job means more than loss of work for a North Korean, so defectors who come here do not know how to set up their
own network of friends and acquaintances.

### 3.3.3. Barriers placed before them by South Koreans

The American anthropologist Grinker explores the theme of homogeneity throughout his book on Korean unification, and he highlights how South Koreans believe that unification is equivalent to *dong-jil-seong hoe-bok*, or a recovery of homogeneity. This myth is dangerous, as it “stifles relations between south and north and prevents either side from recognizing that a unified Korea must also be a somewhat diverse Korea” (Grinker 1998, p. 9). Defectors show up the myth for what it is -- a fantasy. This may be why, in a 1996 *Chosun Ilbo* poll, more than 60 percent of those surveyed believed that “defectors from North Korea have a negative effect on reunification” (Koh and Baek 1999, p. 469). Conversely, 33.3 percent of a group of 41 defectors polled by KINU (Korea Institute for National Unification) described South Koreans as cold, and 25.6% said their new neighbours act contemptuously towards them (Koh and Baek 1999, p. 471).

There are perceptions of defectors as being disloyal because they have betrayed their own family by leaving them in North Korea or China. This is a taboo in an ostensibly Confucian culture like Korea. Common expressions of this are “‘How ruthless are they to leave their family back in the North, just for their own well-being?’ ‘Don’t trust them, because someone who has betrayed once is likely to do it again’” (Yoon 2001a, p. 15).

Some defectors feel spoken down to by South Koreans. A seemingly sympathetic attitude can be close to patronizing. One defector says:

South Koreans’ sympathy towards North Koreans can weaken their sense of independence. Also, excessive sympathy can hurt their pride. Especially in South Korean society there is a tendency for the haves to look down upon and think little of the have-nots, and if it should happen that they do the same thing to North Koreans the latter might become violent or it could cause conflict. Furthermore, isn’t sympathy something that only arises when one person is better than the other? South Korean people’s sympathy can only be maintained if North Koreans continue to do poorly... So therefore, rather than sympathy, lack of interest is better to North Koreans when they first come. And if South Koreans say to them “You take care of yourselves,” that will waken self-reliance within them (Cho 1999).

He is not speaking out against government assistance programs, but against the tendency of some South Koreans who fancy themselves as philanthropists or charity workers, who dole out material aid to the North Koreans rather than helping them to stand on their own two feet.

### 3.3.4. Experiences Suffered during Defection Process

Fears for the safety and well-being of family members the majority of defectors have left behind either in North Korea or in China are both well-founded and numerous (Kim 2002, p. 402). These fears cause great stress to the defectors and prevent them from focusing on adapting to South Korea.

Many defectors have spent at least some months in a third country – usually China. As illegal immigrants, they live a dangerous existence trying to avoid the authorities while sustaining themselves somehow and seeking passage to South Korea. This experience can occasionally make it easier to adapt to life in South Korea, but it can also lead to negative attitudes towards the rules and structures of South Korean society (Hong 2001, pp. 73-74).

Job problems – defectors easily start jobs and then quit them soon afterwards, either due to problems with interpersonal relationships at the workplace, or a lack of qualifications to be able to do the job that makes them perform poorly (Cho 2001, p. 61). There are frequent invitations to give lectures about how bad life is in North Korea, for
which attractive lecture fees are paid. It is argued by some that being paid to speak about one's life experiences encourages a poor attitude to working for a wage, and does not help defectors to develop a work ethic (Koh and Baek 1999, p. 483).

Control and strictures on movement and behaviour – because of the unique situation of Korea in that the Korean War is not officially at an end, and South Korea is trying to engage the North under the sunshine policy, rather than enrage the north under the old anti-Communist policies of previous administrations. The National Intelligence Service places restrictions on defectors. They cannot obtain passports easily, are discouraged from speaking to the media, cannot choose where they want to live (Colgan 1997; Yoon 2001c, pp. 42-44). Moreover, the current government in South Korea finds it politically unhelpful to publicise the bad conditions in North Korea or the fact that defectors come to South Korea; it is contrary to the policy of engagement. This leads some defectors to feel that they are muzzled by their own government, for the second time in their lives.

4. Support Programs

In 1999 the South Korean government opened Hanawon, a defectors' training and re-education facility south of Seoul. It was designed to provide a more organized and practical way of introducing defectors to the realities of South Korean life through a structured 3 month course, though this was later shortened to 2 months due to an inability to keep up with demand from increasing numbers of defectors. The course deals with theoretical issues such as understanding liberal democracy etc, as well as more practical issues such as basic computer skills and getting a driver's licence (Yoon 2001b, pp. 126-127).

Despite all this, a number of critical articles have been published in the media by both defectors and non-defectors, and at least two studies have been conducted that have highlighted problems with the Hanawon (See Yoon 2001a; Jeon 2001). After leaving Hanawon, apart from the police officer assigned to each defector, there is no organized government support. Although there is a central consultation center in Seoul, this is limited by lack of staff, and there are no localized support services in other areas. Consequently, the responsibility for helping the defector falls on the accompanying police officer, who already has a full workload as a police officer, and is not trained in social work and psychological counseling (Hong 2001, pp. 75-76; Moon 2000). Having the police officer there all the time only makes defectors more dependant on others and ill-equipped to fend for themselves when the personal protection service ends.

4.1. Educating South Koreans

It would be correct to say that while many South Koreans welcome the idea of unification they have little idea what this would entail in practice. Some have an idea that it will mean increased taxes and an economic burden on the country but view have ever met any defectors or know much about their lives in South Korea (Koh and Baek 1999, p. 475). Little work has been done to educate South Koreans en masse about cultural sensitivity towards North Koreans to prepare the country for large-scale integration. There has been some discussion in popular and academic literature of the role education must play in unification, but this area is still extremely problematic and largely untouched.

One sign of this is the case of law professor Lee Chang-hee, who published a book in 1997 whose title translates as "I am the first generation of unification" (Lee 1997). This book was written to educate primary school South Korean children about what life will be like after unification, focusing on things like breaking down the barriers between North Koreans and South Korean children, what language will be spoken in a united Korea and
what will happen to Kim Jung Il. Two years after the book was published a conservative newspaper campaigned successfully to have Prof. Lee charged with violating the National Security Law, which states that it is illegal to say or write things that are friendly towards North Korea (Hoaas 2001).

Also in the area of educating South Koreans, a unique tool has been created by psychology Professor Jean-kyung Chung. It is the ‘South-North Korean Culture Assimilator.’ This tool is a series of hypothetical situations, referred to as ‘critical incidents’, that might arise at some future point of mass integration of North and South Koreans. The situations pose questions about why North Koreans might behave in certain ways in certain situations, and is designed for use in small discussion groups or classes to “develop an openness to the plurality of values, and to reduce possible prejudice and conflict” (Chung 1999, p. 1). Although the focus is on future Korean unification, it is useful now to reduce stereotypes and overcome prejudices. However, the assimilator is not used much outside of university classrooms. What is lacking is an approach that targets the broad mass of Korean citizens.

5. Conclusions

Korea has a long way to go before it is ready for any kind of cultural integration or unification to occur. There exists a ‘DMZ in the heads’ of not only North Korean defectors, but also South Korean citizens. The problems of North Korean defectors in adapting to life in South Korea are very instructive because “[t]he defectors are a model for the potential costs of unification, whatever the peace dividend” (Grinker 1998, p. 226). Defectors who come south and North Koreans post unification do naturally have some things in common, for example they have been educated and socialised in the Juche system of thought, and have participated in the worship and practice of the Kim cult. These are things not easily forgotten or erased from one’s identity.

As Kim and Oh’s studies have shown, defectors continue to maintain a North Korean identity to some extent, and that will not cease to exist with a collapse or change of the DPRK system. It is predicted that younger North Koreans will struggle with their identities after unification or integration, in a similar way to east German youths getting involved in the extreme right. Seoul University associate sociology professor Kark-bum Lee suggests that, although right-wing violence against foreigners may not appear in North Korea, disgruntled North Korean youths may find an object of attack in South Koreans who come north to buy cheap land and businesses (Lee Kark-bum 1996, p. 260). Ideology of the extreme right can replace that of the extreme left relatively easily because North Korea has no liberal tradition, and people have been trained in absolutism almost from birth. So support and assistance to North Korean defectors should assume a more long-term perspective, teaching them and helping them to become self-sufficient in South Korea.

More also needs to be done to educate South Koreans about living together in one society with North Koreans. This means encouraging acceptance of the different natures of people from either side of the DMZ, and not expecting a fictitious cultural homogeneity. To quote South Korean cultural anthropologist Professor Chung Byung-ho, “rather than trying to force the defectors to do things our way too quickly, or pestering them by saying, ‘Why aren’t you the same?’ we should admit the fact that we have changed and are different. To respect and understand that difference, I think we need that kind of cultural training. In that sense South Korean society would start to recognize cultural variety and practice becoming a multicultural society” (Kim 2002).

It is important to conceptualize unification as a long-term process. It will require sincere efforts to acknowledge and accept the differences, to prevent stereotyping and
prejudice, and to avoid hierarchical social stratification. The South Korean government should lead the way in rejecting the dangerous and destructive myth of homogeneity and accepting a new inclusive view of Korean society that admits that North and South Koreans are different, but seeks to understand and appreciate. If integration becomes the goal, not assimilation, that will be a big step on the way towards true social and psychological unity. South Korean society must learn lessons from Germany and the example of North Korean defectors and work from that starting point to bring about a unity of peace and tolerance. Only this will help to break through the DMZ in Koreans’ heads.

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Video Materials

Glimpses of the Colour of the Australia-Korea Relationship

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This paper aims at merely hinting at the wealth of material dealing with Korea contained within the National Archives but which seem to have received limited attention. That this is the situation is not really surprising, given that Australian interest in Korea and the study of Korea, apart from the Korea War and perhaps missionary activity, only really developed with the increase in the importance of Korea as a trading partner. In fact Australians have maintained a continual presence in Korea since 1889, except for a four year intervals during the Pacific War. Australian contact and involvement with Korea will always be overshadowed by the activities of major powers both within the region and from outside. Despite being in a penumbral position Australia’s role has not been without substance and perhaps of an importance greater than Australia’s relative size might suggest. The Australian role was often the result of the juxtaposition of personality, policy/philosophy and presence that was not always of Australia’s making. Like any relationship between two countries the relationship between Korea and Australia underwent periods of varying degrees of intensity and focus.

If the extend of the involvement between Australia and Korea is often understated in quantitative terms then clearly any qualitative measure might also be marginalised. By presenting a type of kucholp’an of some of the incidents in Australian/Korean relations it is hoped, perhaps, to offer a small glimpse of some of the colour of the relationship as indicated by a few materials in the more than 3000 files relating to Korea. It must be acknowledged, from the outset, that the materials presented are in no way meant to be a representative sample of different materials available but simply a self indulgent choice of items that have an interest to the author and which due to restraints can only be discussed in a very superficial manner.

1. The Use of Koreans in the Australian Pearling Industry

Although it is generally accepted that Japanese were widely used in the early Australian pearling industry the actuality might be slightly more complicated than generally accepted. On 4 August 1924 the Sub collector of Customs in Queensland passed a request to the Secretary, from a local pearl-sheller on Thursday Island, for information on the government’s attitude to the “importation” of Koreans for use in the pearling, Trochus Shell and Beche-de-mer industries. The request was based on a statement from the company that “the Koreans are a superior type of Asiatic, good seamen and nationally very much opposed to the Japanese.” The request gave no indication where the company obtained such an assessment but it would be unlikely that such an assessment was based on actual observation overseas. The reply from the Home and Territories Department on the

1 AA A1/1 24/22073 Sub-Collector of Customs, Thursday Island to Home and Territories Department, Melbourne 4 August 1924
27 August 1924 indicated that the Department would have no objections to the importation of Koreans as part of the indentured labour systems on the understanding that Koreans would be regarded as Japanese and would so be recorded. Such a ruling was based on a handwritten note which went further by stating that as Koreans were now Japanese citizens under Japanese rule there should be no separate nationality "as it may not be appreciated by the Japanese Government."

3. Not only would any Korean be recorded as a Japanese national but would also be included as Japanese in relation to the ratio of nationalities as determined by the government.

Since and Korean who came to work in the industry would be recorded as a Japanese it is difficult to determine if any Koreans actually came to Australia to work in the pearling industry. Research would need to concentrate on the actual landing cards of workers of possibly on tombstones in the cemetery on Thursday Island in the hope that the place of birth is actually recorded. One might speculate however that the observation of the "superior type of Asiatic" as based on the possibility that there were Koreans already working in the industry surreptitiously as Japanese.

2. Disagreement between Australian Government and British Government Regarding a Protest to the Government General of Chosen over the Introduction of Regulations Relating to Mission Schools

In response to the 24 March 1915 regulations that prohibited the teaching of religion as part of the curriculum or the observance of religious ceremonies the Presbyterian Church In Victoria decided to protest the regulations and addressed a communication to M.Komatsu, Director of the Bureau of Foreign Affairs, Seoul, Chosen. To add weight to the expressions of concern the Presbyterian Church sought the assistance of Minister for External Affairs to forward their letter through official channels. The ten page letter not only expressed the concerns of the Church but attempted to allay the government's fears by describing the education system in Victoria in which the religious sector was highlighted. In support of their propositions F.H.L. Paton Foreign Mission Secretary, included letters of support from the vice Chancellor of Melbourne University; Dr. Smyth, Principal of the Government Teacher Training College; The Principal of the Scotch College and the Principal of the Presbyterian ladies College. The letter was subsequently forwarded to the Prime Minister's Department who in turn forwarded it to the Governor General who in turn forwarded the letter to the Secretary of State for the Colonies requesting onward transmission through the British Embassy, Seoul to the addressee in Seoul. The accompanying letter for the Governor-General stated that he was sending the letter "at the insistence of my Prime Minister." The letter thus had support from the Australian Government which also believed that the actual letter was reverential and should not cause offence. The British Government however returned the letter in reverse order with the explanation "that as the letter, which contains criticism of Japanese
internal legislation, render it undesirable that it should in any way appear to proceed officially from His Majesty's Embassy at Tokyo". 7

3. The Use of Korean POW'S on Nauru

On 17 August 1945 the Australian Department of External Affairs informed the British Government it was prepared to accept initial responsibility for Nauru and Ocean Island, even though it had no reliable information on the size of the Japanese forces at either site. Even before moving to the islands the Australian Government was forced to develop a strategy for the actual surrender that would satisfy the sensibilities and ego of General MacArthur. Once a formula had been agreed upon8 the British Phosphate Commission (B.P.C.) approached the Australian Army to accompany the Department of External Territories Interim Nauru Administration Authority. The B.P.C. wanted to determine the extent of damage to the infrastructure and hence estimate the time that would be necessary for the export of phosphate to recommence.

Because of the importance of superphosphate to the post war revitalisation of Australia's rural industries permission was granted on 24 August 1945. Once it had received permission the B.P.C.'s approached the Australian Army with a second request. The Commissioners stated that clearly they would have difficulties in sourcing labour and hence requested that any labour found on the islands surplus to Army Administration requirements be made available until direct repatriation could be arranged or all alternate sources of labour be developed.9 Acquiescence to the Commissioners' request sowed the seeds for a policy in relation to the Koreans later found at Nauru.

When Nauru was re-occupied on 13 September 1946 it was discovered that in addition to the Japanese there was over five hundred Koreans. Australian Army policy, based largely on a purely legalistic approach, was that the Koreans were Japanese nationals and that therefore they were Japanese prisoners of war. Despite Army reservations it was agreed that, despite the Koreans being considered Japanese POWs they could be supplied to the B.P.C. while "Japanese" Japanese were to be moved to a staging camp in the Solomons to be repatriated with other Japanese POWs held there. The Koreans although working on Nauru were clearly under Army authority. Any Korean working for the B.P.C. was to be paid according to the scale set for labourers before the war and were to receive similar rations and quartering for the pre-war employees.

By early November 1945 the Army planned to remove the garrison from Nauru and the question of the Koreans needed further consideration10. Even though the Army continued to maintain that under international conventions they were still responsible for disarmed POWs Ministerial approval was sought on 16 November 1945 to (a) retain the five hundred Koreans on Nauru, (b) reduce the guard to one platoon (c) retain necessary medical personnel. Approval being granted three days later. In mid December, in an apparent effort to placate the Army which continued to push for the removal of the garrison, informed the Director of Military Operations, that in two or three months civil administration could be totally responsible for the Koreans.11

7 AA A11 16/8960 letter 16/7866 External Affairs to F.L.Paton 22 March 1916
8 The formula meant that the Australians accepting the surrender would sign in the first instance on behalf of the Commander in Chief (US) and secondly on behalf of the territorial authority – AWM123(378) Australian Minister Washington to Department of External Affairs.
9 Prior to World War 11 labour was largely obtained from the Gilbert and Ellis Colony and Hong Kong.
10 AWM123(378) B.P.C. to Secretary Department of Army 28 August 1945
11 AWM123 MP742/1/0 255/13/944 Argus 14 September 1945
12 AWM123 MP742/10 255/12/944 Minute Paper Department of the Army DRCA December 1945
A conference on 12 January 1946 between Nauru Force, the Nauru Administrators and the B.P.C. managers agreed that on the evacuation of the garrison full responsibility for the Koreans would be undertaken by the Administration and the B.P.C. E. Ward, Minister for External Territories advised the Army on 16 January that he endorsed the agreement reached with the proviso that any matters of administration concerned with the treatment of the Korean POWs would be determined by Army headquarters.13 Thus despite relinquishing physical control of the POWs the Army continued to maintain an interest in their well being and acknowledged complete responsibility for their repatriation.

In response to Army enquiries the B.P.C. reiterated to the Army that Korean POWs were paid on the same scale as Chinese labourers employed on similar work prior to the war. They also stated that as many of the Koreans were in rags at the time of their transfer to B.P.C. control each had been issued with two singlets and two yards of khaki cloth.14 A perusal of monies earned in Army pay summaries15 indicate that two hundred and sixty five Koreans earned a total of £A264-7-7 or ¥12690.20. By the time of their actual repatriation such meagre amounts were almost halved in value by inflation.

4. A View of the Koreans Made Available to the Australian Government

Until the end of the Pacific war the Australian Government received little information on Korea, a fact that was of little concern for Australia as it had only limited interest in Korea and had accepted the annexation and occupation of Korea, leading to its incorporation into the Japanese Empire. What information it did receive, largely in the 1930’s, was merely the occasional copy of a Chosen-General publication passed on from the Foreign Office in London. In general the publications were a type of annual report which contained a series of statistical tables. The tables were generally incomplete as the production of certain commodities and the importation of some materials were considered as restricted information, a type of state secret.

Although the Australian Government had been willing to intervene on behalf of the Victorian Presbyterian Church in 1915, in relation to education regulations it had little effect Korea. Once exception was a report presented by Dr. Elkington16 for the League of Nations of the Tour of Japan, Korea and Manchuria, October to December 1925. Although Dr. Elkington’s primary interest was in leprosy and its treatment he did present comments on the level of personal hygiene among Koreans and the level of public health within the country. The report, a lengthy document in some ways perhaps indicates the bias of Dr. Elkington as well as his seeming acceptance of Japanese statements at face value. Apart from his reference to missionaries, working in leprosaria, as “troublesome people” who the Japanese authorities “treated with extraordinary patience and courtesy” and “even palliated their obvious disloyalty and discourtesy”.17 In relation to health protection Elkington’s comments on Koreans are revealing. Elkington states that the “Japanese have done an immense amount of work”.18 Praise for the Japanese is magnified by Elkington’s statements of the Koreans. “The Korean is an almost hopelessly filthy person.”19

13 AWM742/1/0 255/13/944 BPC to Department of Army 16 January 1946.
14 AWM742/1/0 255/13/944 BPC to Department of Army 22 January 1946
15 AWM MP742/1 255/3/317 Transfer of Korean wages
16 At the time of the Tour Dr. Elkington was Director of Tropical Hygiene, Department of Health & Quarantine
Services (Queensland)
19 ibid
such a primary feature of that of inducing the Korean to refrain from habitually relieving his bowels or bladder on the floor of his own living apartment nearly caused a revolution and was regarded by Koreans as an unwarrantable infringement on personal liberty and ancient custom."\textsuperscript{20} "As a sanitary problem, the Korean is infinitely more difficult than any primeval savage."\textsuperscript{21}

Whether Elkington's comments are based on personal observation or merely a repeating of Japanese statements is not indicated. They were, however, seemingly presented as facts and clearly represented a serious view when little if any information was available and when proffered by a government official.

1. Australia and the U.N. Recognition Resolution

The General Assembly on the 12 December 1948 adopted a joint US/Australian, and at their own insistence the Republic of China, sponsored resolution that in some ways was the culmination of a process, in which Australia was involved but with which it had serious reservations. Australia's co-sponsoring the resolution was the result of a belief that by staying involved in the process, it might still be able to achieve a somewhat acceptable outcome. The resolution contained three parts (a) acceptance of UNTCOK's report on the elections held, b) the establishment of a new commission to continue the work of UNTCOK and c) provide a form of recognition to the government formed and declared in the southern zone. The acceptance of the report was realistically, for Australia, a fait accompli since being a member of UNTCOK it would have difficulty disavowing its report, although it had pushed for no formal acceptance due to its reservations. The new commission was not a real problem as Australia was already a member of the temporary commission and saw some merit in such work, but the recognition question was of real concern. Basically there were two divergent views. The U.S. wanted as much support and recognition of the Republic of Korea (ROK) Government as possible, while Australia did not wish to imply any recognition that the ROK Government was the government of the whole of Korea.

The problem of drafting the resolution, which started in October 1948, was left to Joseph Jacobs (US delegate) and J. Plimsoll (the Australian delegate). Plimsoll was successful in limiting the extent of recognition by referring to the Rhee government as the only government formed from the only elections the commission was able to observe and was thus the only legitimate government in the area in which it had effective control. As the commission had no knowledge of the elections held in the north, it having been refused entry, it could have no opinion of any government so formed. Plimsoll's phrase ending paragraph 2 of the resolution "and that this is the only such government in Korea" satisfied the Australians but was misinterpreted by others who used it to imply that this government was the sole legitimate for the whole of Korea. That no such interpretation was meant nor believed could be implied is clearly demonstrated when the UN crossed the 38° parallel. Areas occupied did not become incorporated immediately into the ROK and UNCK insisted on a formula being devised whereby de jure control could be passed to the ROK. The 12 December 1948 Resolution gave the ROK no claim to be the legitimate government over such areas.

\textsuperscript{20} ibid
\textsuperscript{21} ibid
The US views exposed to the U.K. on 4 October 1948 alarmed Australia with the extent to which they wished to extend recognition.22

6. Dr. Rhee’s Health

It is know that after his exile to Hawaii, Dr Syngnan Rhee was treated for cerebral atherosclerosis and general atherosclerosis. Given the nature of the illness, particularly the time the disease takes to develop and the level of diagnostic tools available at the time it would be reasonable to speculate that the actual onset of the disease could be ten to fifteen years before. Such a supposition would seem to indicate that President Rhee may have actually had the disease in the early 1950s or even the late 1940s. The disease is characterised by a reduced flow of oxygen, which may be on an intermittent basis, resulting in mood swings, periods of vagueness followed by periods of lucidity. As the disease progressed the periods of vagueness increased in intensity. Such situations were observed by Australians on the various U.N. Commissions in Korea and recorded in their reports to the Australian Government. This was particularly true during the UNCOK and UNCURK Commissions.

At the February 1952 meeting of Bullock and Smyth (Australia’s representative on UNCURK)23 reported that Rhee’s answers to questions were vague and often bordered on the naïve. They believed he had little real knowledge of what was happening.

Even though Plimsoll, the replacement Australian on UNCURK, had only made one specific reference to Rhee’s health by the middle of June he was beginning to express serious doubts. What worried Plimsoll most seemed to be Rhee’s constant change of moods rather then what he perceived as the simple decline he believed he observed. By 21st June Plimsoll advised Canberra that although Rhee had appeared alert when visited by Alexander and Lloyd during his visits, which were on a relatively frequent basis, he found Rhee forgetful and had shown signs of senility which he believed might explain why he did not seem to be fully aware of what was being done in his name. So seriously did Plimsoll take Rhee’s health that he indicated that it could necessitate intervention24 and in discussions with Mnuscio and Lightner, of the US embassy, his observations were reinforced by their assessment. Rhee’s health was also considered a factor when the plan “Everready” was formulated although never implemented.

These periods of “confusion” need to be contrasted with Rhee’s periods of what Plimsoll referred to as classic Rhee such as the visit to the naval base at Chinhae. It is the swing in Rhee’s behaviour which tends to support the supposition that the disease for which he was treated for in Hawaii may have indeed have had its onset at such an early stage and when more advanced expressed itself in his behaviour prior to his exile.

7. Australia’s Case of Sedition

Although both the Australian Government and Opposition supported UN action in Korea and there was widespread public support Leftist dominated and Communist controlled trade unions began attacks on Australia’s role in Korea beginning in July. Perhaps the most virulent attacks were in the Tribune which acted largely as the

22 AA1838/278 Cable 00709 [?? Indicator numbers illegible] External Affairs to Australian Delegate to the UN, Paris 1 October 1948
23 AA1838/T184 3127/3 pt.3 Cable 00303 External Affairs to Embassy Washington 29/2/1952
24 AA1838/2 250/10/4/54 pt. 7 Cable 18787.93 Plimsoll to External Affairs 21/6/1952
mouthpiece of the Communist Party. By 12 July 1950, the Government had under consideration the possible application of the Crimes Act 1924-41 largely in response to resolutions passed by the Seamen's Union and later the Waterside Workers Federation, the Federated Iron Workers Association, the Australian Railways Union, the Painters and Dockers Union and the Australian Miners. The government however saw the articles published in the Tribune as a way of “intimidating” unions which could prove disruptive to the war effort. It would base its attacks on three articles published in the Tribune. A 1 July article accused the US, Britain and Australia of “direct aggression in flagrant violation of the UN Charter” while in the 5 July article Australians were “killing Koreans in a filthy war of imperialised invention” while the 12 July praised “the patriotic opposition to the war by the Seamen's Union.”

These three articles became the basis of an action by the Commonwealth against W.F.Burns, the publisher of the Tribune on 10 August 1950 and the subsequent appeal to the Quarter Sessions and the Supreme Court. The case was largely one of legal argument as there was little dispute concerning the facts of the case. Only two witnesses were called to establish the facts, both Officers in the Commonwealth Investigation Service who told the Court that Burns had admitted that at the time of the offence he was the publisher of the Tribune. Sedition had already been defined by a higher Court as meaning “to execute disaffection” which meant “implanting, arousing, stimulating in the minds of the people that the Sovereign and Government should be opposed”. The Chief Justice, Justice Latham had gone further by stating encouragement to excite disaffection in time of war was encouragement to active disloyalty and thus the question of whether Australia was or was not at war would be central to a definition. Counsel for the Commonwealth outlined the developments in Korea and quoted relevant sections of the UN Charter, as proof that Australia was responding to a call for assistance from the Security Council and that as the Charter had been adopted by the Australian Parliament it was legally responding to such a request. In support he would leave to tender a certificate from the Minister for External Affairs to which the defence objected as it stated that north Korea attacked south Korea. In judgement for the Commonwealth, although two charges were dismissed, the SM found that one article, July 12, went “far beyond pointing out errors or defects in the Government or Constitution of the Commonwealth” and imposed a nine month gaol sentence. Burns was immediately granted bail pending an appeal.

The November appeal in the Quarter Sessions Appeal Court before Judge Berne who also indicated that the question of whether Australia was at war was central to the soundness of the judgement and that he would be seeking answers from the Commonwealth in deciding whether Australia was or was not at war. What followed was a slanging match degenerating within two days, into a farce as the Judge indicated his attitude to the Government vis a vis his court and the counsel for the Commonwealth his reservations about the judge, eventually resulting in Shand K.C. for the Commonwealth applying for a writ certiorari transferring proceedings to the Full Bench of the Supreme Court to determine the facts as well as points of law.

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25 Particularly Section 24A Subsections D & K and Section 30 Subsection J & K
26 AA1838/1 3123/7/3/3 Daily Telegraph 16 August 1950
27 ibid
28 AA1838/278 505/13/12/3 Daily Telegraph 14 November 1950
29 AA838/278 3123/7/3/3 Sydney Morning Herald 17 November 1950

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What is of interest in this case is the Commonwealth Attorney General’s answers to Judge Berne’s questions. Answers which involved input from Mr. Menzies, himself a respected barrister.

Q.1. Is the Commonwealth of Australia at war with North Korea?
A.1. The Government of Australia acting on a Security Council Resolution has sent sea, land and air forces to Korea to assist in restoring international peace and security as provided in Chapter 7 of the Charter of the United Nations. On the interpretation that Australia is at war de facto or Australia is at war de jure depends on the interpretation of the Charter to the circumstances.

Q.2. Is North Korea at war with Australia?
A.2. See answer to Question 1.

Q.3. What is the nature of the warlike operations at present north of the 38° parallel?
A.3. The military operations have proceeded against North Korean forces. The Security Council is at present considering this.

Q.4. Is Australia at war with Malaya?
A.4. No.

Q.5. In either case, when was war declared?
A.5. There has been no declaration of war in either case.

Q.6. What is the nature of the operations in Malaya?
A.6. Australia has sent forces to assist His Majesty’s Government to defend Malaya against guerrillas prejudicing the safety of His Majesty’s subjects and territories.

Defence counsel continued to maintain that even if Australia was at war or not did not change the fact that such a war was illegal and thus could be opposed. The adopting of the UN Charter by Australia did not make it the law of the land, as submitted by Paterson, was upheld by Judge Berne, particularly as the Charter was “approved” not “ratified” by the Australian Parliament and there was a question as to the validity of the UN resolution given the absence of the Soviet Union.

8. Australia & The Korea Trusteeship

On 8 March 1945 the Dominion Office in London informed Australia of the proceedings of the Crimean Conference including the secret protocol which stated that it had been agreed that the five nations which will have permanent seats on the Security Council should consult each other prior to the UN Conference on the question of territorial trusteeships. Trusteeships were to apply in three cases (a) existing mandates of the League of Nations, (b) Territories detached from the enemy as a result of the recent war and (c) any other territory which might voluntarily be placed under trusteeship.

30 AA317 46/45 WR213/32 “D” Notice #429
31 ibid
Importantly, as far as Australia was concerned, "no discussions of actual territories is contemplated at the forthcoming UN Conference or in preliminary consultations and it will be a matter for subsequent agreement which areas might be placed under trusteeship." 32

Even though the conferences at Cairo and Yalta had discussed Korea, to the extent of indicating possible trustee powers, Australia still believed the assurances, particularly with regard to consultation, would apply. Even if it became necessary to accept a non United Nations trusteeship, it was presumed it would still be under the general direction of the ideals of the new international body. Australia clearly believed that the Cairo and Yalta conferences as well as the Postdam Declaration 26 July 1945 meant that prior to the Japanese surrender there was a commitment by the four powers to the independence of Korea coupled with an outline for a four power trusteeship but NOT a formal agreement.33

The result of this belief was Australia's continued reiteration in its belief that the best trusteeship would be one under the UN mantle. Thus up to and during the Moscow Conference in December 1945 Australia stated that it still held that position but that if that was not possible the trusteeship body should be of at least five powers, including Australia and preferably taken from the Far Eastern Commission. Unable to achieve even this objective Australia bowed to reality and accepted a proposal by the United Kingdom to notify the powers concerned, when the trusteeship proposals had been accepted, that it wished Australia to take the U.K. seat on the Four Power Trusteeship Body.34 It would appear that in fact the initial proposal was actually made by Australia, however, to accord with accepted procedures the proposal was made to appear as a British initiative whereby the U.K. formally requested Australia's comments on the proposal.

In addition to an acceptance of the compromise position Australia forcefully indicated to the British that in addition to its objection regarding the trusteeship itself, it had serious reservations regarding the U.S. intention to have the trusteeship chaired by a High Commissioner, either Swiss or Dutch. The idea that it was to be chaired in such a manner had, as far as Australia was concerned, overtones of the veto problem already highlighted in the Security Council. A Dutch High Commissioner was felt to be particularly unacceptable as it might suggest an approval of Dutch methods in Indonesia.35

At this time Australia wanted to maintain as high an international profile as possible to ensure a distinct voice at any and all peace negotiations as well as regards any discussions concerning the Pacific area in which Australia believed it had a special and particular interest. Australia's efforts in this direction were based on the belief and an enunciation of that belief that it was entitled to such status as a consequence of its contribution to the defeat of Japan.36 Australia's overriding aim was to ensure that it was given the rank and position of a Party Principal in all negotiations as it felt its contribution was extremely important and its relative contribution, on no other basis than a per capita basis, was outstanding.

Although the trusteeship never eventuated, due largely to Korean resistance, it is important to note that if the trusteeship did eventuate Australia would be a trustee member as the Soviet Union and the U.S. had indicated that they would accept Australian membership.

32 ibid
34 A4311 52/1 138580 Secretary of State Dominion Affairs London to External Affairs
12 December 1945
35 A4311 52/1 Korea: Australian Participation in Trusteeship undated
1. Background Sketch/Purpose of Study

Kim Sisūp was born in the early years of Chosŏn, and naturally, his early intellectual training was appropriate to that era. Judging by his writings and actions, he was temperamentally well suited to the Neo-Confucian tenets upon which the dynasty was founded. Yet he was equally ill suited to accommodate the reality of political power and what people will do to obtain it.

When Prince Suyang deposed his nephew, the boy-king, Tanjong, Kim was twenty, immersed in study outside the capital, preparing for what could have been a stellar career in officialdom. One primary classical source, a biography by Yi I (1536-1584), reports of his reaction to this news: “He closed all the screens and did not leave [his dwelling] for 3 days. Then he came out and burnt all his books as he wept. He was so crazy that he fell into the latrine, and then he fled, entrusting traces [of himself] to Buddhist temples and taking Sŏlcham [Snow Peak] as his Buddhist name.”

Although Kim’s peripatetic existence over the next ten years seems to have been typical of a wandering Buddhist monk, it was in this role that he entered the ambit of King Sejo (formerly, Prince Suyang), who was willing to include Kim in Buddhist cultural activities and did so at least once successfully: in 1463, Prince Hyoryŏng, a devout Buddhist, asked King Sejo to permit Kim to proofread the vernacular translations of the Lotus Sūtra then being prepared at the King’s request, and Kim seems to have spent 10 days or so in the capital working on this project; in 1465, Kim was invited to attend a Buddhist ceremony to commemorate the reconstruction and renaming of a temple, and though it seems that he did attend, accounts differ on what actually transpired, with some saying that the occasion passed without incident and others stating that, yet again, he plunged into the temple’s latrine, thus adding to his reputation as a madman.

Yi I’s well-known summation of these years is the best among several similar accounts: “For fixing his mind on Confucianism and entrusting his body to Buddhism, he was criticized [for being] strange in those days. Thus while purposely acting crazy, he hid his true self.”

What Kim hid from public view is, in fact, a defining characteristic of the best of his extant poetry and prose writings: a hard, ethical clarity that does not grow tiresome and provides clear insight into how he saw himself and others. In such pieces we see how he envisioned himself as a participant in a much longer history of conflict between Confucian ethics and political injustice. He sees himself as condemned to an imperfect present, and he condemns the present in return.

This attitude made for tense relationships with other prominent men who advanced through the ranks of officialdom during Sejo’s rule. The most notable of these was Sŏ Kŏjŏng (1420-1488), an important political figure and a literary giant in his own right, whose career serves as a reminder of all that Kim had forsaken. Given the numerous
references to Sŏ throughout Kim’s writings and other literary/historical materials, it is safe to say that each was acutely aware of the historical significance to be found in the choices that the other had made.

For the next twenty-eight years, Kim moved about sporadically, settling in one place before wandering off and settling in another. He continued to write much as he had before, but during this time he also began addressing specifically Buddhist philosophical issues.

At the age of 46, however, he briefly returned to secular life. He let his hair grow, took a wife, and performed sacrificial rites for his ancestors, thus marking his return to normal society. Yet this return proved to be short lived, and two years later he was on the move again, apparently because his wife had died. For the next ten years prior to his death, he seems to have lived a solitary existence, cutting off contact with even his close friend Nam Hyoŏn (1454-1492). Appropriately, he died at a Buddhist temple; inappropriately, his last words were “don’t cremate me,” a request at odds with normal Buddhist practice. By his own admission, however, he lived in conflict with the world, and we are also told that in early youth, his skill in writing was unmatched by skill in speaking. Thus it was at the very end.

My aim in this paper is to provide a critical overview of certain essential elements found Kim’s writings, giving special attention to close readings of some of his poems and their relationship to other poems and prose writings by him. I regard this as preparation for further work on the fictions in his Golden Turtle, a collection of supernatural tales written in his mid-thirties. In the conclusion, I will raise one fundamental question regarding that collection’s relationship to ideas found in his other writings, as discussed below.

2. Time, Dust, and the Smallness of Man

Among Kim’s poems, his “Ancient Style, number 7 of 19” (Yi and Hŏ 1995, p. 149) deserves special attention. The commonplace title belies both the vigour poem and its significance in the context of his extant writings, for despite the variety and quantity of his oeuvre, three central themes found therein are ultimate human frailty, frustrated hope, and the repetition of history. A keen awareness of the intransigence of time underlies these themes, and this sense of human weakness in the face of time is encapsulated in his meditation on Qin Shihuangdi, the infamous First Emperor of Qin, whose defeat of six other kingdoms led to China’s unification in 221 B.C.E.:

Shihuang unified six kingdoms with his own,
and at the time, the name was Strong Qin.
He torched the books of earlier kings;
then the whole world could begin.
He named himself the First Emperor,
and called subjects all within his domain.
To block the barbarians, he built the Long Wall,
and gazed out to sea, aiding the East expedition.
His palace at Black Horse Mountain was grand,
with doubled passageways traversing high heaven.
After one from Chu set it alight,
in vain there lingers dust upon the plain.

This piece captures at once the sheer audacity and absurdity of the inimitable First Emperor. There is nothing superfluous in this poem. Each line contains specific details which in sum provide an accurate representation of Qinshihuang who, at the zenith of his
power, attempted to erase the past and make himself the starting point for the past yet to come.

His destruction of books that might somehow challenge his authority was merely a necessary precondition for this vast undertaking of temporal isolation, for such destruction, if wholly successful, would have meant that the past would have ceased to exist in any transmittable form. This attempt to cut off the past was mirrored in the mammoth undertaking of the Long Wall (Great Wall), an attempt to secure geographical isolation.

Qinshihuang’s stopping and restarting history could not provide relief, however, from the intransigence of time on one important level, the biological. Kim’s poem makes this point obliquely by noting that Qinshihuang “gazed out to sea, aiding the Eastern expedition.” This line refers to his efforts to escape death by procuring elixirs for immortality thought to exist among thaumaturges residing in the Eastern Sea, and he succeeded in neither his ambition for physical immortality nor dynastic longevity: Qinshihuang died in 210 B.C.E., and his dynasty ended some four years later after finally succumbing to Xiang Yu—the “one from Chu”—who founded the succeeding Han dynasty.

This piece illustrates the absurdity of life through a grand example, and this attitude towards the world is no mere anomaly. Rather, it is the cumulative effect of Kim’s poems, and this perspective relies on his twin interests in time and human accomplishment.

In a recently discovered poem (Lee and Hō 1995, p. 194, 299; Hō 1996, p. 105; Sim 2000 b, p. 52), he quite unexpectedly praises King Sejo, noting his accomplishments, the new beginning marked by his rule, his excellent administration effected through adherence to ancient models, and even his personal Buddhist faith.

Yet none of this means much when viewed in the longer term. Although the poem concludes with Kim’s wish that King Sejo—“our king”—have ten thousand years, this line is immediately preceded by another which provides the necessary perspective: “The Buddha has a mirror, like turning and blinking.” The implication is clear: ten thousand years is but a moment, like a reflection caught in a mirror.

In another poem, from the same cycle in which he treated the First Emperor, he asks, “what sort of man was Confucius?”, “what sort of man was Shakyamuni?” (Yi and Hō 1995, p.150). His response to each of these questions concludes with an image of death, and he reminds us that neither the Buddha—at least the historical Buddha—nor Confucius are able to shelter one from the inescapable trap of existence. Their disciples too must die; the only difference is how the corpse is treated: followers of Confucius are buried whereas Buddhists are cremated. Significantly, he calls neither a sage; instead, they are both men, and despite the ambiguity of the poem, it seems safe to conclude that he is drawing our attention to the fact that both Confucius and Shakyamuni were men, too, and thus had to die. Kim’s personal preference is for “no thing”—“one’s whole life, futile with so many things; not as good as no thing!” One can read this as a desire for a carefree life as a opposed to an eventful life, but given the broader context—the references to Confucius and Shakyamuni—it also can be read as an expression of desire for oblivion, that is, the annihilation of individual, personal memory.

The problem of memory is, of course, a product of time, and though Kim could look to historical examples as illustrations of degeneration, he himself had more immediate problems. One which we feel acutely is his problem of having no one to care for him in his old age. In “Singing to myself” (Cha t’ an), he notes that he is “fifty, still without a child / my remaining years, truly can be pitied.” Yet it is “not necessary to resent man or heaven.” He does have the benefit of freedom, a life of wandering through beautiful landscapes, as made clear just before he concludes with “what remains of my life, nothing to be desired / daily sustenance, left to my convenience” (Yi and Hō 1995, p. 182).
A similar attitude is found in “A futile accomplishment” (Man sŏng). Unlike the previous poem, this one seems to have been written earlier, or at least from the perspective of a younger man. Here the primary tension is between movement and stasis, that is, the poet’s physical ability to move freely in contrast to his expectation that he will one day no longer have the strength to do so (Yi and Hŏ 1995, p. 154):

In old age, where will I go?
Unconcerned with things, in a house with no other.
Moreover, no phenomenal restrictions;
only the property-owner.
The moon rising above lily-magnolia beds;
the wind coming through the bamboo cluster.
Dragging a bamboo walking stick, chants unending;
flowers’ shadows, east of the little tower.

The first couplet forecasts the poet’s eventual inability to move freely and his expectation that he will end up alone, with no family. He will also have nothing to constrain him, an idea given in general terms in the second line and reinforced in the third, where it seems, in the original, to be more specific: the “phenomenal restrictions” suggest such external controls that arise from attaining scholarly honour, wealth and official rank. In other words, although the poet does not have much, he is the master of what little he has; he is the property-owner, the master of the house, and in a neat coincidence, the word for this (chuin’gong) is the same as the literary term for “protagonist.”

There are several ways of interpreting the broader implications of final two couplets in the poem as a whole. However, I would suggest two points common among all possible interpretations. First, the natural imagery of the final two couplets suggests a shift in perspective, from the future to the present and back to the future, and from enclosed isolation to the expansiveness of the natural world. Moreover, this shift in perspective provides contrast with the first two couplets: a shift from eventual old age and loneliness to the present moment in which the poet is still capable of moving through the natural landscape, finally culminating on the image of death.

If this is correct, then the reference to the “lily-magnolia beds” seems to have a double significance. Flowers are part of the natural world, and yet the expression used by Kim (K. sinio; C. xinyiwu) is not commonplace and seems to be taken from Wang Wei (701-761), the great Tang poet, who listed “lily-magnolia beds” as one of the scenic spots surrounding his villa. Furthermore, Kim’s borrowing from Wang Wei can be seen as no mere accident, but instead as a critical element in the poem as a whole for Wang Wei, unlike Kim, did attain prestigious positions in government, though like Kim, he too was a devotee of Buddhism. Just as important, Wang’s poetry is noted for its Zen-inspired contemplation of nature, an appreciation of natural beauty that recognises the fleetingness of such beauty.

The reference to “lily-magnolia beds” thus draws our attention to the relative poverty of Kim’s imagined home in contrast to Wang’s villa, even as Kim’s attention turns to freedom offered by his lack of attachments. He is at once like and unlike Wang. The poet’s connection to the natural world is most strikingly manifested in the “bamboo walking stick,” an implement, or thing, that does not bind the poet to the world of mundane responsibilities, but rather aids the poet in his escape from such duties. This stick, a tool for his personal freedom, also directly connects the poet to the natural world of the preceding line, the “bamboo cluster.” This general shift from the individual and personal to the broader, impersonal world of nature culminates in the final line of the poem, but prior to that resolution, the poet presents himself as merging with nature. That is, the poet turns again to the personal and does so in such a way that his identity becomes one with his surroundings, and the likeness of the bamboo cluster/walking stick is pushed one step
further through the poet’s singing without cessation—his “chants unending”—insofar as
the breath required for chanting is wind in a diminished, personalised form.

At first glance, “flowers’ shadows, east of the little tower” seems unremarkable. Yet
this line brings the poem to its logical conclusion where merging with nature is completed,
and such completion is not for the moment, but for ever. The image is that of physical
death, which is the necessary culmination of the poet’s life. This resolution is
accomplished with great subtlety, and despite the economy of expression, there are two
specific images or symbols in this line worthy of attention.

The first is the “flowers’ shadows,” a compound image emphasising insubstantiality
and fleetingness: if a flower is itself subject to decay, is there anything less substantial than
its shadow? The second is “east,” and I think that this reference to “east” ought to direct
our attention to the fact that the sun has passed its zenith: shadows are cast eastward when
the sun is to the west, when the day is in the processing of coming to an end, and when
even the shadows will cease to exist.

This final line ultimately answers the question posed in the first line of the poem, and
that empty house marks nothing more than one stage in the march of time. Yet the poem is
finally ambivalent with respect to its title. What is the “futile accomplishment”? Old age?
Freedom from duties and responsibilities? Or are all accomplishments ultimately futile, as
with Qinshihuang?

Sim Kyongho has briefly noted the Zen aspects of Kim’s poetry in relation to Wang
Wei (Sim 2000a, p. 312), and though the issue of Zen and poetry is multifaceted and
belongs to a complex discourse on poetics with a long history in the Chinese tradition, it
seems fair to say that Sim is focussing on the single issue of transcendence through nature,
what can be called “‘transcendental’ landscape poetry” (Lynn 1987, p. 406). There are
such qualities to be found among Kim’s many and varied poems. Nonetheless, a
conspicuous feature of his poetry is his engagement with memory. In this respect, there is
a quality in Kim’s poetry that seems to be almost anti-transcendental.

This engagement does not necessarily prevent any general discussion of Buddhism in
Kim’s poetry, but it does necessarily draw attention to the gulf between Zen-like
transcendence and worldly concerns which are to be transcended. And the idea of fame is
particularly important in this context.

The question of fame is but one issue treated by Yi Chino in his comparative
treatment of Kim and Hyujông (1520-1604), and he brings into relief the ambivalent and
often conflicting ideas found in the writings of each: despite Kim’s adherence to Buddhism,
he believed that attaining renown in the real world (i.e., serving the country as a
government official) was what made a life worthwhile, whereas Hyujông ultimately
rejected the value of worldly renown (Yi 1997, pp. 171-172).

Central to Yi’s argument is the issue of escaping from reality which, on the simplest,
level refers to the fact that Kim and Hyujông left the mundane world to live secluded in the
mountains (1997, p. 172). Yet as Yi points out, neither Kim nor Hyujông ignored the real
world (1997, p. 180). I take this paradox to be the core of his argument, and he develops it
at length (Yi 1997, pp. 180-189), taking into consideration the fundamental intellectual and
political differences between the times in which Kim and Hyujông lived (Yi 1997, pp. 184-
187).

However, the very method Yi adopts forces one to recognise at least one major
historical factor that distinguished Kim’s and Hyujông’s eras and to which Yi pays
insufficient attention: that is, the Japanese invasions (Imjin Wars) of 1592-1598 (c.f. 1997,
pp. 175-176). These events occurred late in Hyujông’s life, and his participation in
organising Buddhist monks for national defence offered him a chance to attain renown.
By contrast, the single defining event of Kim’s life was Prince Suyang’s seizure of power, which led to Kim abandoning hope for a stellar career in officialdom. This event occurred relatively early in Kim’s life, but after Kim had seen the likelihood that he would attain fame, and as Yi has pointed out, Kim seems to have “been unable to get free of his lingering attachment to fame, whereas [Hyujong] candidly criticised those Confucians pursuing futile fame alone” (1997, p. 189). There is at least one significant source justifying Yi’s claim, a letter Kim wrote to Yu Chahan (?-1504) around 1486.

One key segment mentions that when he was still a youngster, word of his precocious intelligence reached King Sejong who was impressed enough to suggest that ultimately he would like to put Kim to much use (Yi and Hō 1995, pp. 267-268). Although some have doubts whether or not Kim actually wrote this letter, Sim Kyongho (2000 b, pp. 16-17) finds such doubts ultimately to be untenable, and I am inclined to agree insofar as there seem to be general correspondences between this letter and his other writings, particularly his poems, where we find him insisting that fame and glory pollute oneself (Yi and Hō 1995, p. 180)—though elsewhere admitting that he seeks fame despite appearances to the contrary (Yi and Hō 1995, p. 167)—fretting over being misunderstood, lamenting the fact that his intentions are in conflict with the world (Yi and Hō 1995, p. 158, 166, 183), or apparently chiding Sō Köjong for not realising that impurities have settled on his white-haired head (Yi and Hō 1995, p. 163).

One such general correspondence is found at the end of the letter when he expresses his hope that his true intentions will be known, even if it takes “one thousand years” (ibid.: 274)—a point important enough that Yi I (1536-1584) quoted the passage verbatim in his biography of Kim (Yi and Hō 1995, p. 274). More specifically, there is a series of six autobiographical poems under the title “Expounding My Anguish” (Sō min), and in the second of these (Yi and Hō 1995, p. 188), Kim mentions King Sejong and unmistakably refers to the event mentioned in the letter to Yu Chahan. In the third of his “East Peak, six songs” (Tong pong yuk ka), the incident is recounted again, and here it is firmly placed in the context of his life: as the poem concludes, “my aspirations (lit., intentions and wishes) unfulfilled, myself and the world out of sync” (Yi and Hō 1995, p. 185; See also Yi and Hō 1995, p. 192).

In the letter to Yu Chahan, he describes three significant points of his life in virtually identical terms (Yi and Hō 1995, p. 268, 270) before mentioning his failed attempt to return to normal society: “Yet I had come to see how often I was at odds with the world, and had come to feel as if [I were] a square helve rammed into a round hole. (Also) all my old friends were already dead, and I’d not yet gotten used to my new acquaintances, so who could understand my true intentions? Therefore, I again ended up taking myself away to wander among the hills and streams” (Yi and Hō 1995, p. 270).

This sense of separation from the past coupled with discomfort in the present is common in Kim’s poetry, and it is not merely the world that is to blame. He also apportions blame to himself, a sort of self-censure for his own inability to come to terms with the world (See also Yi and Hō 1995, pp. 273-274). However, he also seems to be seeking recognition that would posthumously justify his failure and secure for him renown that eluded him during his own lifetime. There can be little doubt that he himself was aware of this, for he says so with perfect clarity in a poem: “Having praised me, [they] just turned around and slandered me; having shunned fame, I withdrew myself [i.e., from the world] in order to seek fame” (Yi and Hō 1995, p.167).

Underlying such paradoxical attitudes towards himself is the sense that ultimately he could not overcome his sharp sense of right and wrong. In short, Kim strikes one as childish, in the very best sense of the word, and even he suggests as much in “Praise of My Portrait” (Cha sajin ch’an) (Yi and Hō 1995, p. 215):
Watching over Li He, prominent East of the Sea [in Korea; Haedong].
Lofty names and empty glory—Ah! Who’d you ever see?
Your physique, extremely delicate; your words, (spoken) so childishly.
In hills and gullies is where you should be!

This legend is important in the larger context of Kim’s writings, but here I would like to emphasise the resonance of “childish” (tong), which can also be read (t’ong) or sincere. It is hard to miss this implication, since it was due to his sincerity—his fundamental inability to forsake ethical action for personal benefit—that he was denied fame in his own lifetime.

Judging by his writings, it is fair to say that such sincerity was founded on his conception of himself as a participant in history writ large, a history that was not simply personal or confined to Korea, but rather a history of Confucian ethical action amid conflicting political demands. In a lengthy study, Kim Yōnsu has addressed the twin issues of Kim’s “historical understanding and self-examination” (1997, pp. 128-135). He concludes with “Praise of My Portrait,” suggesting that this poem is yet one more example of an essential attitude towards the world found in Kim’s writings: “(Throughout Kim’s life), he meant at all times to confront reality honestly, through proper historical understanding, without losing his attitude of self-examination and vigilance” (Kim 1997, p. 135).

If it is true that Kim was unable to overcome his lingering attachment to fame, then there is at least one reasonable explanation for this decidedly anti-Buddhist aspect of his attitude towards the world and his conception of his place therein: namely, that for him, the very idea of fame was built upon the idea of ethical action. Consequently, Kim’s lingering attachment to fame is not surprising insofar as his essential commitment was to ethical conduct, not fame for the sake of fame itself. It marked his steadfast attachment to the idea of ethical conduct and his frustration over not having been able to serve his government honourably. This also provides a reasonable vantage from which to judge his own seemingly self-contradictory attitudes towards fame itself, as noted above. That is, he shunned worldly fame, and others mistook this for his shunning fame completely, not realising that he was, in fact, after a much more elusive quarry: self-respect in light of history. Hence his seeking fame outside the normal world, his vigilance over his own actions in light of history. It is therefore unsurprising that at times he seemed to long for oblivion and for the erasure of personal memory. He must have found it hard to live with himself.

It is in light of this that I would like to return to Yi Chino who notes that in Hyujōng’s historical context, political in-fighting and power-grabs were fuelled by the “extreme irrationality of the ruling class” which was itself founded on the Neo-Confucian teachings of Zhu Xi (1997, p. 191). Although Yi does not say so explicitly, he seems to suggest that in these circumstances, the very notion of fame had become sullied; hence Hyujōng’s rejection of that world in which fame was so coveted. This perspective seems to underlie the fundamental distinction Yi draws between Kim and Hyujōng: whereas Kim criticised a reality that did not measure up to basic principles (wŏnch’ik), Hyujōng criticised the basic principles (wŏnch’ik) of the governing order of his day (Yi 1997, p. 191). Based on what Yi writes, I see no reason to doubt this distinction, but I fail to see how Hyujōng’s circumstances were any more remarkable than those surrounding Prince Suyang’s seizure of the throne.

Nonetheless, Yi summarises well Kim’s view of history, noting that he held an activist, positive view of human participation (1997, p.175), and this is an essential perspective without which neither Kim nor his poetry makes much sense. If, as Yi reasonably contends (1997, pp. 172-173), Kim viewed human actions and hence history from a nihilist
perspective (hōmu ūisik), I think it also must be emphasised that this nihilism extended only to the outcomes of such actions, not to the motives or ethical content of those actions. And ultimately, it was motives and ethical actions which Kim saw as the legitimate foundation for fame.

3. Conclusion

If this evaluation is correct, then how are we to judge the stories in New Tales of Golden Turtle? Insofar as those tales dealt with the supernatural, they marked a significant departure from dominant Confucian ideas grounded in the Analects, particularly Confucius' injunction that one ought to respect spirits, but keep them at a distance (6/22) or the terse comment that Confucius “did not speak of oddities, feats of physical prowess, disorder or spirits” (7/20).

Indeed, the seriousness of this issue should not be underestimated. Asai Ryōi is a case in point. When he partially adapted New Tales to write his Otogibōkō (The doll), he was writing in a socio-political context remarkably different than Kim’s. Just as important, Japanese Buddhist literature had a tradition of morality tales, such as the 13th century Shasekishū (Sand and stones collection). Even more important, Asai was writing for publication, for money.

Yet in his introduction, dated 1666, even he saw fit to defend his efforts in the context of Confucian teachings, starting with an oblique reference to Confucius' reticence on irregularities and spirits, then deftly appealing to the “three teachings”—in this case, Confucianism, Buddhism and Shinto—to provide an ethical, religious and philosophical backdrop for his ultimate claim of the work’s didactic value for education in ethical conduct (Matsuda, et. al. 2001, pp. 8-10). In short, The Doll was presented as entertainment cum scared-straight programme.

By contrast, Kim mentioned in his poems the Jian-deng xin-hua (New tales written while trimming the wick) by Qu You (1341-1427), thus suggesting his literary debt. Yet of his own literary efforts in Golden Turtle, he left as an afterward but two short enigmatic poems entitled “On Writing the New Tales of Golden Turtle (Mountain)” (Che kūmo sinhwa) and a tiny, equally enigmatic piece of prose, dated 1473. The first poem concludes with “leisurely writing a book unseen by people” and the second, with “elegant strange tales, sought out in detail” (Sim 2000 b, pp. 244-245). In the prose section, he mentions his affection for Golden Turtle Mountain, his desire to stick close to his home where he intends to live out his remaining years, how came to live there, and how he always enjoys himself getting drunk and reciting poetry.

In short, this afterward depicts Kim at ease, with none of the self-questioning and moral earnestness with which he is most readily identified. Just as important, this afterward provides no clear justification for the intriguing assertion by Kim Allo (1481-1537) that Kim wrote a book which he hid in a cavern, saying that “in subsequent generations, there certainly will be someone who understands me” (Yi and Hŏ 1995, p. 301).

If, unlike Asai’s The Doll, there is little basis upon which to discuss Kim’s intent with respect to his fictions, there are, nonetheless, good literary and historical reasons to regard those fictions as finely drawn elaborations of that fundamental attitude towards the world found throughout his other writings. That complex question, however, must be left to another occasion.
References


A woman has four beautiful virtues: first, being a virtuous wife; second, womanly speech; third, womanly skills; fourth, womanly merit.\(^1\)

Western works concerning Asia have oftentimes been accused, and rightly so, of exoticism in descriptions of Asian institutions and people.\(^2\) I believe this to be particularly true in regards to the perpetuation of stereotypes of women. Yet, not only Western works sustain a stereotypical caricature of Korea. I believe, for example, that the ideal of the traditional Confucian woman, the woman who remained in her home, silently suffered whatever fate visited her with, and embodied Confucian notions such as fidelity and etiquette is little more than the perpetuation of an age-old myth. Rather, as history tells us, women in pre-modern Korean were many things including sovereigns, religious leaders, wives, lovers, slaves, prostitutes and so on. As much as diversity plays a crucial part of modern society, it did the same in past times. To ignore this, is to ignore a basic quality of humans.

The process of constructing a Confucian society in the Choson period was a lengthy one and changes in the lives of all the people, including women, were slow in occurring. To bring about change, ruling elites devised expansive legal codes and an intricate system of rewards and penalties to urge compliance. Also, with the passage of time, society itself became somewhat self-governing in ensuring compliance with social norms. Nonetheless, as should be expected, those who were compelled to alter their religious worldview or social activities resisted.

An essential element in fostering change was education. Early on in Choson, Confucian legislators recognized the value of education in transforming society, and thus directed considerable resources to this end. In particular, the invention of the han’gul script for writing Korean in the early fifteenth century would prove to be extremely important for edifying women in Confucian morality. The new script allowed works that had heretofore only been available in literary Chinese to be read by the less educated classes, including most women.

In the interest of space requirements, this paper will “fast-forward” to the early Choson dynasty. Before so doing, however, I would like to briefly establish the social climate of earlier times. Various records, both Korean and Chinese, inform us that social customs in the Koryo dynasty (918-1392) were an eclectic mix of shamanic, folk, Buddhist, Daoist, and Confucian beliefs. A lack of clarity between the realms of these various belief systems can be said characteristic of the period. Chinese records indicate that people sought out shamans when ill, believing sickness the result of baleful spirits.\(^3\)

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\(^1\) *Naehun* [*訓 Instructions for the inner quarters; 1475*], 1: 11b.


\(^3\) Xu Jing, *Gaoli tujing* [*高麗圖經 Illustrated account of Koryo*], 16: 8.
Buddhism also played an important role in the lives of the people, as did the large communal festivals, sponsored by the state, which honored various deities in order to secure abundant harvests or catches.

Confucianism entered the Korea peninsula in the fifth century and by late in the Shilla Kingdom it began to have a significant impact on the lives of the upper classes. From the onset of Koryŏ, upper class women were trained in aspects of proper Confucian behavior for women. Yet, Confucian elements were mingled with shamanic and Buddhist beliefs and moreover, the Confucian ethics lacked the strictness that would later characterize Neo-Confucian morals. For example, the strict separation of the sexes was not observed as suggested by two Chinese writers who noted that men and women would strip naked and bath together in streams during the summer months.

Despite the presence of Confucianism in Koryŏ, the lives of women seem to have been largely unfettered by the Confucian ideal of womanly virtue. Relationships were built upon mutual affection and choice. Kim Yongsuk writes that, “There was not a climate for the veneration of fidelity, and there was no reason for the censure of young women pursuing free love.” This sentiment is echoed in Chinese records of the relaxed nature that governed male-female relations. Additionally, records describing the marriages and remarriages leave little doubt that many of the marriages within the royal family were incestuous, involving the bonding of half brothers and sisters or other close blood relations. Clearly, Confucian morality did not play a large role in governing male-female relations.

2. Didactic Works in Early Chosŏn

The dynastic change from Koryŏ to Chosŏn provided opportunity for sweeping social changes. Yi Sŏnggye, the founder of the Chosŏn dynasty, was able to usurp the Koryŏ dynasty through a combination of military power and support from those later designated as Dynastic Foundation Merit Subjects (開國功臣 kaeguk kongshin). The merit subjects were largely drawn from the newly-risen literati class (士大夫 sadaebu) and were heavily influenced by the Neo-Confucian philosophy first explicated by the Cheng brothers (Cheng Hao [1032-1085] and Cheng I [1033-1107]) and Zhu Xi (1130-1200) of the Song dynasty. The ruin of Koryŏ was the understood to be the result of misgovernance brought about by the Buddhist foundations of the state.

It was in this atmosphere that the Neo-Confucian elites of Chosŏn set out to reform society. Among the early targets of the reformers were belief systems such as Buddhism and shamanism. Buddhism was seen as corrupt and anti-social, and Buddhist mass gatherings, with the volatile mingling of men and women, were condemned as being ruinous to the country. Shamanism and its rituals were disparaged by Neo-
Confucianists as being immoral rites (淫祀 ūmsa) and various laws were aimed at eradicating shamanic practices. In fact, the persecution of either worldview would have been tantamount to attacking both, since by the twelfth century the two systems had intermingled to the point that they were virtually inseparable.

The persecution of Buddhism directly touched the lives of women not only in regards to the practice of the religion, but also in restricting gatherings with other women. It has been argued that the primary concern of early administrators in regards to women was in keeping them at home, and the biggest worry were the visits of women to temples. As legislators wanted to establish Confucian ideals for proper womanly behavior (婦德 pudōk), women were to be kept away from the corrupt influences of Buddhism, particularly the mingling of the sexes that was common at temples. Thus, the dynastic record of the first years of Choson is dotted with complaints against Buddhism, accounts of women who violated the laws in visiting temples, and calls for further restrictions. Significantly, early legislation in Choson prohibited women from upper class families from visiting Buddhist temples and gathering for ceremonies or festivities where there might be mixing of the sexes. The punishment for such a violation was one hundred strokes with a cudgel. Likewise, upper class women were also prohibited from visiting shamans or attending shamanic rites. These were viewed as corrupt, and moreover, like Buddhist temples, such rites provided an occasion for the mixing of the sexes. Indeed, a central point of similarity between Buddhism and shamanism was the fact that both allowed for men and women to be together in an uncontrolled environment—or at least an environment not controlled by Neo-Confucian dictates. The yangban woman guilty of violating the edicts on visiting temples or shamans was subject to punishment according the Choson legal code, so too were her descendants. The repercussions for the family and descendents of a woman who behaved in an inappropriate manner were significant, and these included ineligibility to sit for the civil service examinations. For example, the sons of a woman guilty of misbehavior or who remarried were not allowed to serve in either the civil or military bureaucracy. Moreover, the sons and grandsons of such a woman were not allowed even to sit for a variety of civil service examinations. Given the wide range of offenses that could be penalized, families sought to protect their future prosperity by closely guarding the actions of their womenfolk.

Thus, the overall thrust of Choson society aimed at keeping upper class women at home, thereby limiting the possibility of contamination by other men and elements that

customs at the onset of the dynasty. The entry continues to condemn Buddhism for its “lewd music and beautiful women who could easily bewitch those men near to them.”

By the reign of Sŏngjong (1469-1494) various laws were in place to restrict shamanic practices such as a prohibition against shamanic practitioners from plying their trade in the capital and members of the upper yangban class from participating in shamanic rituals. The enforcement, however, was lax and as such a call was made to enforce these measures more diligently. See Sŏngjong shillok [彥宗實錄 Veritable records of King Sŏngjong] 10: 44b (06-18-1470); 88: 20a (01-20-1477).

Yu Tongshik, Han’guk mugyo iï yoksa wa kujo [The history and structure of Korean shamanism] (Seoul: Yonse taehakkyo, 1978), 168.

Ch’oe and Ha, Han’guk yŏsong sa, 304.

For example, see the Sejong shillok [世宗實錄 Veritable records of King Sejong], 30: 10b (1425-11-08) and 30: 14a (1425-11-15) for an account condemning the wife of an official who frequented a temple with other women of the upper class.

The Kyŏngguk taejŏn [經國大典 National code], 4: 7a, mentions a prohibition against women of scholar families from visiting temples along with forbidding yangban women from attending night rituals (野祭 yaje) or celebrations.

Kyŏngguk taejŏn, 1: 4b-5a.

Ibid., 3: 1b.
the Confucian lawmakers deemed inappropriate of an upper class woman. One petition to the throne in 1449 declared,

Women [of the upper class] have no business outside of the home. In the provinces, upper class wives, sometimes under the pretext of serving as a pallbearer, sometimes that of attending a religious rite, go out with all sorts of liquor and meats. They gather openly and impudently make merriment to their hearts’ content. This is a dirty custom. 17

The petitioner adds that such shameless and brazen mingling of men and women had caused Chinese envoys to laugh and declare that the womanly ways of Choson had gone seriously awry. The elites of Choson wanted to cleanse society of such behavior and accordingly created the body of regulations, social norms, and penalties collectively known as the *nae-oe pŏp* (内外法 rules of the inner and outer).

In essence, the *nae-oe pŏp* restricted women to their homes and isolated them from men outside of their close relations. Not only could women not leave their homes at their leisure or have contact with men outside of relatives, the women that did would be guilty of misconduct and of not practicing fidelity. 18 The enforcement of such a strict system of controls was part of the overall push by the ruling elites to create a strong Neo-Confucian society.

It was through the implementation and enforcement of Neo-Confucian ideals that Choson society was remade, thus marking a sharp break with those societies that existed on the peninsula hitherto. Of course, the transformation of the age-old customs and worldview of the people would require concerted and ongoing efforts by the ruling elite. By the late fifteenth century, however, there were numerous legal codes in place to encourage correct Confucian behavior. An essential means to stimulate such behavior were the didactic works aimed at fashioning a Neo-Confucian society, and such works were printed and distributed by the government. One of the earliest educational works with this intent was *Samgang haengshil-to* (上行實圖 Conduct of the three bonds with illustrations), completed in 1432. 19

The effectiveness of the *Samgang haengshil-to* was limited as it was completed before the invention of the *han’gul* script and thus describes the actions of the honored individuals in literary Chinese. Consequently it could have little influence on most of the population. This fault was recognized early on and the work was translated into the newly invented *han’gul* script in 1481, particularly for the benefit of women. 20 A 1481 petition in the dynastic record states,

The vicissitudes of the country arise from the purity of its customs, and the task of rectifying customs inevitably must start with the ordering of the home. In olden times, the Land of the East [Korea] was extolled as being pure (貞信 chŏngshin) and not lewd. Nowadays, however, there are women among the scholar families who commit misdeeds and this worries me a great deal. If the King were to have copies of the “Virtuous Women” section of the vernacular version of the *Samgang haengshil-to* printed and bequeathed to the palace, the five wards of

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17 Sejong shillok, 123: 4a-5a (1449-01-22).
18 Yi Sun’gu “Chosŏn shidae ui sŏnnihak kwa yŏsŏng” [Women and Neo-Confucianism in the Chosŏn period], in Uri yŏsŏng ǔi yŏksa [The history of Korean women], ed. Han’guk yŏsŏng yŏn’guso (Seoul: Ch’ŏngnyŏnsa, 1999), 185-186.
19 The impetus for creating the *Samgang haengshil-to* was Kim Hwa murdering his father in 1428 and the shock of King Sejong (r. 1418-1450) at this event. See Sejong shillok, 41: 21a-21b (1428-09-27) and 42: 1a (1428-10-03).
20 Even in the reign of King Sejong the need to translate the work into vernacular Korean was recognized. See Sejong shillok, 103: 19b-22a (1444-02-20).
the capital, and the provinces, even the women of the villages will be able to be taught. Then
customs can be changed. 21

As the above passage demonstrates, the elites of Chosŏn believed that first, there
should be propriety and order within the home, and that second, this order revolved
around an adherence to the hierarchal and cosmologically sanctioned relationship
between men and women. The creation of a proper Confucian society would thus begin
in the home, and with the most fundamental of relationships, that between the sexes.

Didactic works facilitated the creation of the “lowly” but “proper” woman. One
early didactic text that was to have lasting repercussions on the socialization of women
in Chosŏn was Naehun (内訓 Instructions for the inner quarters, 1475), written by
Queen Sohye, the mother of King Sŏngjong (r. 1469-1494). Naehun was designed to
teach proper behavior to women of scholar families, and Sohye gathered the ideals
found in Chinese Classics and put the “important teachings” in her work. 22 The work
was written in mixed script, thus enabling it to reach a broader audience than allowed
for with works written in Sino-Korean.

Naehun is divided into seven chapters: speech, filial behavior, marriage rites,
mARRIED LIFE, motherly virtue, cordiality, and frugality. The longest section of the work
is that on married life and perhaps its relative length is indicative of importance given to
a wife maintaining a harmonious relationship with her husband. The work explains the
subordination of woman to man in Confucian cosmological terms,

As yin and yang have different dispositions, so do the activities of man and woman. Yang
accumulates virtue through virility, yin gathers usefulness (用 yong) through gentleness; men
through strength are noble, women through weakness are beautiful. Thus, there is a saying [in
the world] that, “It is fearful a son would be weak although born like a wolf and a daughter
would be wild as a tiger although born like a mouse.” 23

The overwhelming focus of Naehun is in cultivating the four beautiful womanly
virtues: being a virtuous wife, correct speech, proper skills, and fostering merit. 24 This
model was the woman who would be an asset to her husband’s home and reflect
honorably on her natal home. The womanly behavior described in Naehun would serve
as the paradigm for women of the upper classes for the remainder of Chosŏn.

Given the strict rules that Queen Sohye advocated in Naehun it is little wonder
that her son, King Sŏngjong, issued numerous edicts to encourage proper womanly
behavior. Perhaps the most important of these was his declaration that that women who
demonstrated exemplary fidelity would be honored with a special gate (旌門 chŏngmun).
This was done specifically to encourage similar behavior among others. 25 The official
recognition would serve to bring the proper behavior of these women out of the records
of their families and into the public discourse. It was in this manner that the ideal of the
virtuous woman came to the fore in Chosŏn society.

The influence of the early didactic works and government policies was gradual and
took centuries to filter down from the upper layers of society to the lower classes. The
value of educational works in governing the country seems clear, however, and there

21 Sŏngjong shillok, 127: 7a (1481-03-24).
22 Naehun, 7b.
23 Ibid., 2: 6a-6b.
24 Ibid., 1: 11b.
25 Sŏngjong shillok, 128: 11b (1481-04-21).
was a concerted effort among the ruling classes to continue the propagation of Confucian ideals through printed media.26

The series of invasions that visited Choson in the late sixteenth and early seventeenth centuries presented an unprecedented crisis to the foundations of the Neo-Confucian governing system. Aside from obvious structural, human, and material losses, the intellectual building blocks of Choson—that is, concepts such as filial piety, loyalty, and virtuous womanly behavior—were in serious disarray. The crisis of the invasions proved more than these Confucian ethics could withstand and society fell into chaos. It is in this milieu that the ideal of the virtuous woman blossomed.

3. Post-Invasion Didactic Works

After the invasions, the Choson government was faced with reorganizing and rebuilding a devastated country. The dire consequences of the invasions resulted in human behaviors aimed at survival and such primal actions were anathema to the structured society pursued by Confucianists.27 Faced with such a challenge, the ruling elites emphasized behaviors that matched the Confucian ideal and, for the most part, simply ignored other actions and behaviors. In order to create the illusion that people made great sacrifices to uphold Confucian mores, those who matched these behaviors were honored. This, according to entries in the dynastic record, would stimulate further like behavior among the people and thus create a more easily governed population.28 As such, the “official” discourse that emerged from the Japanese and Manchu invasions was directed at creating the perception that the people of Choson had acted in an almost single accord and had heroically clung to Confucian notions such as loyalty, filiality, and virtuous womanly behavior.

Various accounts in the dynastic record lament the dissipation of the people’s customs and way of life and pronounce a pressing need to create a didactic work similar to Samgang haengshil-to.29 Moreover, court officials urged that this work be “translated” into vernacular Korean, thus enabling it to reach the widest possible audience.30 Such didactic texts clearly were aimed not solely at the upper class literati families, but also at the lower classes, especially women, who were most often literate in only han’gil.

It was in the early seventeenth century during the reign of Kwanghae-gun (1608-1623) that plans to create a compilation to honor the filial, loyal, and virtuous actions of the people were finalized. This was to be a massive project requiring dozens of compilers, copyists, carvers, and writers, and carried out at great expense to the Choson government. The grand scope bespeaks the perceived importance of this endeavor at a

26 See, for example, a 1512 entry in the dynastic record bemoaning the poor morals of the people and how this deficiency could be rectified through distribution of didactic works. Chungjong shillok, 17: 4a (1512-10-08).
27 For example, Yun Kukhyong (1543-1611) wrote that there “appeared many woman dirtied by the enemy” and described the situation as being so dire that “amid the heaps of corpses scattered on the plains with no one to bury them, ... there were fathers who sold their children.” See Munjo man-rok (聞諌漫録 Scattered records of Munjo), 2: 1a.
28 Sonjo shillok [宣祖實錄 Veritable records of King Sonjo], 65: 34a (1595-07-19), 65: 34b (1595-07-20), and 163: 6a (1603-06-09).
29 After the Japanese invasions, see Sonjo shillok, 199: 21b (1606-05-21) and 199: 23a (1606-05-24). After the Manchu invasions see Hyojong shillok [孝宗實錄 Veritable records of King Hyojong], 15: 8b (1655-07-26) among other accounts.
30 Sonjo shillok, 199: 21b (1606-05-21).
time when the finances of the government were severely depleted due to the havoc and
destruction resulting from the invasions of just ten years earlier. To spread the
economic benefit of the project, the government prepared woodblocks in various parts of
the country.\textsuperscript{31} While economic realities eventually caused the scale of the project to be
reduced—the original plans called for 1,600 sets of the work to be printed, this number
was later lowered to 400 and finally to 50 sets—it was completed by 1617 and
distributed nationwide.

Titled \textit{Tongguk shinsok samgang haengshil} (New and expanded Korean conduct
of the three bonds), it contents are impressive. It contains the accounts of over 1,500
individuals divided into eight volumes of filial deeds, one volume of actions by loyal
retainers, eight volumes detailing the virtuous conduct of women, and a supplemental
volume of the seventy-two Koreans recorded in two earlier compilations.\textsuperscript{32} Each entry
features an account of the individual's filial, heroic, or virtuous action in both literary
Chinese and \textit{han’gul} script, and this is accompanied by an illustration depicting the
noteworthy activity. The composition of the work allowed it to reach a wide audience:
Classical Chinese for \textit{yangban} literati, \textit{han’gul} script for those with less education such as
women, commoners and children, and illustrations for the illiterate.

The chief concentration of \textit{Tongguk shinsok samgang haengshil} is the actions of
the people during the invasions, particularly women. There are some 356 accounts of
women who died while protecting their virtue during the invasions. This is in stark
contrast to the accounts of only sixty-seven filial sons and eleven loyal retainers for the
same period.\textsuperscript{33} In actuality, there are many more than 356 women from the period of the
invasions honored in this work as some of the entries feature multiple deaths, even up to
twelve "honorable" deaths in a single account.\textsuperscript{34}

The image of the virtuous woman in \textit{Tongguk shinsok samgang haengshil} and
other similar works was that of the martyr, that is, the woman who sacrificed her life to
preserve her fidelity. The ideal of an honorable death \textit{(死節 sajol)} permeates the official
discourse on women during the invasions and is well represented in the narratives
recorded in \textit{Tongguk shinsok samgang haengshil}. Consider the following narratives,

\begin{itemize}
  \item The maidservant of the Royal Ancestral Shrine maintenance office (Chongmyo-sŏ) Kahi was
  from Seoul. She encountered the thieves [Japanese] and their leader tried to rape her. She
  then threw herself into a well and died. She was eighteen and unmarried. The king ordered a gate
  erected [for her].\textsuperscript{35}

  \item Lady Kim was of Yonghŭng District, the wife of the scholar Kim Yunhŭp. At the time of the
  Imjin invasions, a crowd of thieves [Japanese] arrived at her family’s house. They tried to
  dirty her as she suckled her baby, but she refused to follow their demands. They cut off her
  head and left. The baby remained in the embrace of the still seated corpse. A gate was erected
  in her honor.\textsuperscript{36}
\end{itemize}

\textsuperscript{31} Kwanghae-gun ilgi \textit{[光海君日記 Diary of Prince Kwanghae]} 97: 9b (1614-11-11). In the preface to the
1958 edition of the original text of \textit{Tongguk shinsok samgang haengshil}, Yi Pyŏngdo notes that woodblocks
for the work were carved in five provinces. See Yi Sŏng et al., \textit{Tongguk shinsok samgang haengshil},
reproduction (Seoul: Kungnip tosŏgwon, 1958), 12.

\textsuperscript{32} The earlier works are the aforementioned \textit{Samgang haengshil-to} (1432) and the subsequent \textit{Sok samgang
haengshil-to} \textit{[續三綱行實圖 Expanded Conduct of the Three Bonds with Illustrations, 1514]}. The former of
these works contain the accounts of far more Chinese personages than Koreans (eighty-nine Chinese, sixteen
Koreans), the later contains accounts of fourteen Chinese and fifty-six Koreans. In contrast, \textit{Tongguk shinsok
samgang haengshil} only records the exploits of Koreans.

\textsuperscript{33} Ch’oe and Ha, \textit{Han’guk yŏsŏng sa}, 400-401.

\textsuperscript{34} \textit{Tongguk shinsok samgang haengshil}, 8: 61.

\textsuperscript{35} Ibid., 3: 47.

\textsuperscript{36} Ibid., 4: 31.
The idea of purity and its preservation in face of the Japanese invasion is prominent throughout *Tongguk shinsok samgang haengshil*. The narratives present a binary relationship between Choson purity and Japanese impurity, emphasizing an enemy that sought to degrade the entire country by entering and soiling it. The narratives further demonstrate the Confucian solution to such a threat, that being suicide. The images of virtuous women in this work contain a plethora of such behavior, all strengthening the official discourse on the actions of the people during the invasions. Additionally, the scope of this work is quite broad and includes all varieties of women, such as married and unmarried, upper and lower classes, and the young and old. The contents would impart upon its audience the devastation of the war, the brutality of the enemy, and the unanimity of the actions of women during this time of great crisis.

In the period after the invasions, Choson society in general transformed variously due to the difficult circumstances brought about by the devastation of the conflicts and the erosion of governmental authority. The ruling elites, fully cognizant of the social disarray, intensified efforts to spread Confucian ideals and, perhaps most importantly, Confucian order to every level of society. It was the last two centuries of Choson that would shape the lasting image of Korea from this time as a thoroughly Confucian country, governed by etiquette and propriety.

For women, this was also a period of change. In particular, many scholars see a shift away from the heretofore-heavy focus on the image of the virtuous woman to a more practical ideal. The reason for the shift, these writers contend, was due to the heavy loss of life during the invasions by women attempting to maintain their fidelity. Such sentiments seem to be echoed in writings of the period,

During the Imjin invasions, since [upper class] wives naturally kept their fidelity, such a number that we cannot record were cut down and killed by the evil [Japanese] thieves while maintaining their pureness. Even to the level of ignorant, low class women, many also rebuked the enemy and died. Possibly, without education this would not have been possible.

This account seems to reinforce the idea that education greatly facilitated the spread of the ideology of the virtuous woman up to the period of the invasions. As we will see, however, the didactic works of the post-invasion period continued to emphasize the ideal of the virtuous woman.

The shift towards practicality is argued to have led to the creation of a new model for women, that of the "wise mother, good wife" (賢母良妻 *hyǒnmo yangch’ŏ*). While this notion would still be steeped in Confucian ideals for womanly behavior, it is seen as being a much more practical interpretation of Confucianism and more applicable to daily life. Ch’a Chuwŏn believes that this shift was the result of doubts that women harbored towards the ideal of the virtuous woman in the aftermath of the invasions when so many had been sacrificed. This seems rather unlikely however. First, women, regardless of their acceptance or rejection of the ideal of the virtuous woman, did not have the social wherewithal to change the manner in which society was operated. This

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37 Such a model is proposed in Ch’oe and Ha, *Han’guk yǒsŏng sa*, 306-307 and 577-578; also see Ch’a Chuwŏn, “Im—Pyŏng-nan ihu sasŏl shijo-e nat’anan yǒsŏng ŭishik” [Women’s consciousness as presented in narrative shijo poems in the period after the Japanese and Manchu invasions], in *Han’guk munhak kwa yǒsŏng* [Korean literature and women], ed. Hwang Chegun, Kim Kyŏngnam and Mun Pokbŭi (Seoul: Pakjŏng, 1997), 220-225.

38 Yi Sugwang, *Chibong yusol* [志峰類説: Topical discourses by Chibong], 3: 17a.

39 Ch’oe and Ha, *Han’guk yǒsŏng sa*, 583.

40 Ch’a Chuwŏn, “Im—Pyŏng-nan ihu sasŏl shijo-e nat’anan yǒsŏng ŭishik,” 224.
was the prerogative of ruling class males. Second, as will be discussed below it was the period directly after the invasions that witnessed the greatest explosion of didactic texts directed at edifying the population in moral qualities such as virtuous womanly behavior.

The idea that the importance of the virtuous woman diminished in any way is contradicted further by the continued emphasis on this very quality in both official and unofficial records. There are numerous accounts in the dynastic record that retell the actions of virtuous women who were honored by the court for their behavior. These records demonstrate that ruling elites’ view of women was very much consistent with the paragon of the virtuous woman. As to whether women themselves concurred with this model is, of course, questionable, but the emphasis on virtuous womanly behavior did not diminish in any way even as Choson entered its fourth century.

Rather I believe the concept of the wise mother and good wife represented an extension of the exemplar of the virtuous woman. While this did acknowledge other aspects of a woman’s duties, such as raising her children and serving her husband, it was fundamentally constructed upon the foundation of virtuous womanly behavior. A woman could certainly be declared a virtuous woman without having married or bearing children. The single most important aspect of virtuosity was a woman’s purity or fidelity, and marriage and childbearing where not prerequisite to this ideal. Conversely, one could not be a wise mother and a good wife if she was not virtuous. Thus, the “wise mother, good wife” concept seems an extension of the already burgeoning discourse on the virtuous woman.

The didactic works of the last half of Choson also transformed to some degree. Ch’oe Sukkyong and Ha Hyongang hold that we can characterize the edifying texts for women of this period as being written by private individuals and not by government agencies; further, that unlike earlier works, these texts were not based on Chinese sources and rather contained much information for daily life. According to Ch’oe and Ha, the primary texts for the period can be divided into two main categories: those discussing a woman’s life after marriage, and those with a broader focus and covering a woman’s life from her childhood and on. Texts in the first group are well represented by Uam sonsaeng kyenñosò (Admonishments for women by Master Uam) written by Song Shiyol (1607-1689) for his eldest daughter before her marriage. Illustrative of the second category of more broadly designed texts for daily life is Kyubom (Rules for the women’s quarters) written by Lady Yun of Haep’yông.

Somewhat contrary to the argument of Ch’oe and Ha, there were also numerous publications aimed at women printed and distributed by governmental agencies.

41 While there are far too many entries to enumerate, notable are the entry on the commoner Hyangnang who refused to remarry after the death of her husband and instead committed suicide recorded in Sukchong shillok [聖宗實錄 Veritable records of King Sukchong], 39: 50a-50b (1704-06-05), the entry of a Lady Yi who killed herself rather than be raped recorded in Yongjo shillok [英祖實錄 Veritable records of King Yongjo], 60: 45a-45b (1744-12-13), the entry in the Chǒngjo shillok [正祖實錄 Veritable records of King Chǒngjo], 15: 18b (1783-01-23), mentioning that some sixty virtuous women will be honored with gates as opposed to two loyal ministers and three filial sons, and the account of a yangban woman who committed suicide to prevent rape recorded in the Sunjo shillok [純祖實錄 Veritable records of King Sunjo], 25: 24b (1822-10-21). These are but a few of the literally hundreds of entries honoring virtuous women in latter half of Choson.

42 There are numerous accounts of maidens who were designated as virtuous women for preserving their honor in Tongguk shinsok samgang haengshil among other works. For example, see Tongguk shinsok samgang haengshil, 3: 47 and 6: 17.

43 Ch’oe and Ha, Han’guk yǒsŏng sa, 577-578.

44 Ibid., 578-579.

45 The actual identity of Lady Yun is not known nor is the date in which this work was written.
Particularly, the dynastic records demonstrate that there were numerous printings of works such as *Samgang haengshil-to* even through the nineteenth century. These entries confirm that the ruling elites still held that the work had an important didactic function for propagating Confucian morals throughout society. Unique to works such as *Samgang haengshil-to* and *Oryun haengshil-to* (五倫行實圖 Conduct of the five relations, with illustrations), which were often printed and distributed as a combined volume, was the incorporation of illustrations into the text, thus allowing the works to reach the widest possible audience of both the literate and illiterate.

There were also other educational works propagated in late Chosŏn that used Chinese materials for their basis. Perhaps the most important of these was *Yŏsasŏ ônhae* (女四書訥解 The four women's books, with annotations in Korean) compiled by Yi Tŏksu (1673-1744) in 1736 under a royal edict. This work contains Korean translations of Chinese educational works, written by women, and dating from as far back as the latter Han dynasty (25-220 CE). Similar to *Naehun* written by Queen Sohye in 1475, *Yŏsasŏ ônhae* sought to explicate a woman's position vis-à-vis that of a man in view of the Confucian cosmological order of the universe. Hence, the very quality that made a woman female, that is *yin*, also made her inherently inferior and subservient to males. The way in which she could fulfill her role was to conduct herself in accordance with the Confucian regulations that established the primacy of males throughout society.

*Yŏsasŏ ônhae* was also composed in a manner that facilitated its use for educating women in Confucian mores. The text was written in literary Chinese and followed by a translation into han'gul script. Accordingly, women were able to read the various sections on serving their parents and husband, maintaining their fidelity, and being righteous mothers. The emphasis of the work is that a woman should conduct herself in accordance with Confucian precepts. As the following line demonstrates, maintaining fidelity was of the utmost importance for a woman and equated with a man's loyalty to the throne,

A loyal vassal cannot serve two countries and a virtuous woman cannot serve two husbands... 

As is clear, fidelity remained every bit a vital component in a woman's life as loyalty did for men.

Another interesting development in the post-invasions education of women was the creation of board games to imbue women with Confucian values. Most notable among these was the game devised by Queen Inhyŏn (1667-1701). Titled *Kyumun suji yŏhaengji-do* (閨門須知女行之圖 Map to what should be known for women's behavior in the inner quarters), this game was played in the same fashion as the popular *yut*

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46 There are numerous entries concerning the printing, distribution and compilation of the *Samgang haengshil-to* and its later manifestations including *Sukchong shillok*, 45: 64b-65a (1707-11-23), *Yŏngjo shillok*, 23: 30a (1729-08-27) and 72: 11a (1750-09-18), and *Ch'ongjo shillok*, 47: 8a (1797-07-20).
47 In regards to the didactic function of the work, particularly for women, see *Sukchong shillok*, 39: 50a-50b (1704-06-05).
48 The five relations were affection between father and son, justice between ruler and subject, harmony between husband and wife, hierarchy between elder and younger, and trust between friends.
49 *Yŏngjo shillok*, 42: 22a (1736-08-27).
50 *Yŏsasŏ ônhae*, 4: 20a.
51 Inhyŏn was the queen of Sukchong (r. 1674-1720) and is remembered for being a victim of court intrigue. She was degraded as the queen due to the machinations of Sukchong's concubine Lady Chang and exiled. After six years she was reinstated when the lies of Chang were revealed. As such, Inhyŏn is often cited as an exemplar of proper womanly behavior, as she endured her disgrace with dignity.
The board was ringed with various improper womanly behaviors, some three dozen in all, ranging from the serious such as adultery, not being a good wife, unfilial behavior, and practicing Buddhism, to those that seem less serious including enjoying music, laughing loudly, and speaking frivolously. In the board’s center are historic personages who represent different aspects of excellent womanly behavior. Finally at the board’s base are both positive behaviors including maintaining one’s fidelity, being a wise mother, and possessing appropriate womanly skills, and negative behaviors including evil actions. The various categories and personages were titled in Chinese characters and accompanied by explanations in han’gul. The sophistication of this game is remarkable as it combines education with a popular amusement.

4. Conclusion

The thrust of the educational works for women in the post-invasion period remained heavily Confucian. Improvements in printing and increasing literacy among women of the lower classes led to an even greater saturation level and this facilitated the spread of Confucian ideals to all classes of society.

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52 Yut nori is played by tossing four wooden sticks with markings on one side. Depending upon how the sticks fall, players move tokens on a game board a given number of spaces. The goal of the game is to bring each of a player’s four tokens home before other players do the same.

53 Other board games appear to have been composed entirely in han’gul.

54 This game has been cited as a good example of the combination of education and entertainment in premodern society in parallel with such techniques in modern education. See Kim Ilgūn, “Kyumun suji yōhaengji-do kongkac wa ìjí” [The exhibition and meaning of the Kyumun suji yōhaengji-do], in Chosŏn yŏn ū suam kwa munhwaw [The lives and culture of women in the Chosŏn period], ed. Seoul yŏksa pangmulgwan (Seoul: Seoul yŏksa pangmulgwan, 2002), 176.
Introduction

The concept of ‘literature’ in modern times is often determined by the fictionality of a given text, its form or narrative structure, and its aesthetic value. Literature (munhak) in Korea today is generally understood as a group of written works that are fictional by nature, and is divided into distinctive generic categories. There has been a recurrent tendency among scholars to impose modern notions on studies of pre-modern literature. Popular western interpretations of narrative are often used to justify arguments. This method, however, merely results in superficial exegeses with many limitations and shortcomings. Moreover, traditional forms that are not deemed as ‘literary’ by modern standards have been increasingly neglected in studies of pre-modern Korean literature.

As Andrew H. Plaks points out, the urge to distinguish and categorise literature (precisely, narrative forms) emanates, perhaps, from our being accustomed to the neatly defined traditions of Western literature. Plaks also calls attention to the fact that narrative traditions and the notion of literary art can be drastically different from our preconceived ideas about them when we turn our attention from the West to other cultural spheres such as East Asia, and from the present to the past. (1997, pp. 310-315). The concept of nature and humankind based on philosophical and/or religious views, and the expression of sensibility have changed radically over time. Hence, efforts to grasp, discern, and meditate on contemporaneous worldviews by period are vital to the study of traditional subjects. Traditional perceptions of literature, or how ‘literature’ was defined and appreciated in Korea in earlier times can be understood by examining early conventional genres and discourses on literature. It is also necessary to take into account Chinese traditions that influenced literary practice in Korea.

I will discuss the early perception of literary art, focusing on the categorical genres presented in the Tongmunsŏn [東文選 Eastern (Korean) anthology of literature, 1478 and 1518], which was compiled to preserve those portions of the Korean literary convention deemed worthy of remembrance, and which was itself a product of a cultural aspiration to be distinct from and yet participate in the greater Chinese tradition.

1. Early Literary Forms Preserved in the Tongmunsŏn

The Tongmunsŏn includes works composed by approximately five hundred authors from as early as the Koguryŏ period up to the early Chosŏn period. The majority of the works are from the Koryŏ period. The main collection (正編 chŏngpyŏn) was compiled in the twelfth month of the ninth year of Sŏnjong (成宗, 1478) by Sŏ Cọ́̄ng (徐居正) and others under royal commission. The main collection consists of one hundred and thirty
fascicles (卷), plus three fascicles of table of contents. The supplementary collection (續編 sokp'yŏn) was put together forty years after the completion of the main anthology in the seventh month of the thirteenth year of Chungjong (中宗, 1518) under the direction of Sin Yonggae (申用漸). The supplementary collection consists of twenty-one fascicles, and two fascicles of table of contents. The anthology includes 4,240 pieces of work, which are divided into the following fifty-five generic categories:

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Collectively, these genres fall under the four broad categorical groups that were prescribed by early Chinese writers and compilers of literature: 'Poetry and Poetic Exposition', 'Memorial and Disquisition', 'Letter and Treatise, and 'Inscription and Eulogy'. The number of works from the ‘Poetry and Poetic Exposition’ group far exceeds the number of works of any other category, which suggests that poetry was regarded as one of the most prominent literary forms. While works of the poetic genre are readily identifiable and conspicuously 'literary' in character, many of the prosaic compositions included in the Tongmunson are more difficult to discern or accept as ‘literary’ works in the eyes of the modern reader. Many of the prose genres are what we would classify today as official documents, critical writings, and posthumous dedications. However, 'literature' (mun) in pre-modern Korea and China signified literature in the broader sense of its meaning – diverse forms of ‘writing’ on various subjects, both imaginary and factual, including memorials, disquisitions, and inscriptions. While a work of ‘literature’ did not have to be fictitious, it had to be eloquent in style and correspond to established conventions in order to be acknowledged as a work worthy of transmission.
2. Early Perceptions and Established Conventions of ‘Literature’

With the absence of a vernacular writing system before the promulgation of han’gul in the fifteenth century, Koreans borrowed the Chinese writing system as a means of self-expression for centuries. In doing so, it would have been natural for Korean writers to refer to Chinese literary works to examine how and in what ways the language could be used. Moreover, with the introduction of civil service examinations that required knowledge of the Chinese Classics, classical Chinese literary forms were studied and imitated by literati officials since the Silla period in Korea. Given these facts, it was inevitable that early Korean perceptions of literature as well as literary conventions were very much influenced by Chinese traditions. For this reason, and owing to the fact that there are very few Korean discourses on literary thought that survive from the period prior to Koryo and Chosön, it is both important and necessary to examine how ‘literature’ developed and came to be appreciated as a specific category of writing in China in order to acquire a better understanding of early Korean perceptions of literature.

The development and acknowledgment of ‘literature’ (Ch. wen) as a separate and distinctive branch of writing took longer than ‘history’ to be recognised as an established form in East Asia. On the other hand, poetry was composed and discussed since the ancient times, which is exemplified in one of the Chinese Classics, the Shijing (Book of songs, ca. Sixth century BC). While literary forms other than poetry were not formerly classified until a few centuries later, the broad notion of ‘literary pattern’ was brought to attention as early as the Spring-and-Autumn and Warring States periods (722-221 BC). Under the twenty-fifth year of Duke Xiang in the Zuozhuan (attributed to Confucius), it is stated:

There is a record of someone’s thoughts which says: the language (言) is to be adequate to what is on the person’s mind (志), and the patterning (文) is to be adequate to the language. If a person does not use language, who will know what is on his mind? If the language lacks patterning, it will not go far (Owen 1992, p. 29).

‘Patterning’ here implies revising language in such a way that it would be able to express human thought as faithfully as possible. In other words, it is to render abstract concepts and human sentiments through the embellishment of language. It is one of the earliest references to what would be later referred to as literary form (體, 形) or rhyme (韻).

One of the earliest statements to suggest the concept of wen as ‘literary works’ appears in Cao Pi’s (曹丕, 187-226) “Lunwen” (論文 Discourse on literature):

I would say that literary works (文章) are the supreme achievements in the business of state, a splendor that does not decay. A time will come when a person’s life ends; glory and pleasure go no further than this body. To carry both to eternity, there is nothing to compare with the unending permanence of the literary work. So writers of ancient times entrusted their persons to ink and the brush, and let their thoughts be seen in their compositions; depending neither on a good historian nor on momentum from a powerful patron, their reputations were handed down to posterity on their own force. (Owen 1992, pp. 68-69)

Here, the notion of literary writing as an expressive form of a writer’s thoughts (“let their thoughts be seen in their compositions”) is reiterated. But more importantly, Cao Pi distinguishes ‘literary works’ from historical and pedagogical writings commissioned by the government (“momentum from a powerful patron”, or political patronage). While it is
unclear as to what Cao Pi meant precisely by ‘literary works’, the text is one of the earliest works in China to ascribe the four basic categorical groups of literature.

Literature is the same at the root, but differs in branches. Generally speaking, memorials and disquisitions should have dignity; letters and memorials should be based on natural principle; inscriptions and eulogy value the facts; poetry and poetic exposition aspire to beauty. Each of these four categories is different, so that a writer’s ability will favor some over others (Owen 1992, p. 64).

The generic groups cited here - “memorials and disquisitions”, “letters and memorials (treatises)”, “inscriptions and eulogy”, “poetry and poetic exposition” - may be broad, but they would form the basis of numerous genres that emerged and developed in succeeding periods in China and Korea.

Further to Cao Pi’s scheme, Lu Ji (陸機, 261-301) created an expanded list of ten genres, and outlined each of their characteristics in his “Wen fu” [文賦 Poetic exposition on literature]:

The poem (詩) follows from the affections and is sensuously intricate;
Poetic exposition (賦) gives the normative forms of things and is clear and bright;
Stele inscription (碑) unfurls pattern to match substance;
Threnody (譚) swells with pent-up sorrow;
Inscription (銘) is broad and concise, warm and gentle;
Admonition (箴) represses, being clear and forceful;
Ode (頌) moves with a grand ease, being lush;
Essay (論) treats essentials and fine points, lucidly and expansively;
Memorial to the throne (奏) is even and incisive, calm and dignified;
Persuasion (說) is flashy, delusory and entrancing. (Owen 1992, p. 130)

Around the time of the production of “Wen fu”, there was a growing trend among Chinese literati to classify forms of writing, and arrange them categorically in anthologies. This trend was indicative of the developing concept and awareness of ‘literature’ as a distinctive corpus of belles lettres. While there were varied views as to what should be included in these collections of literature, there was a tendency to distinguish between writing with rhyme and writing without rhyme, or between poetry and prose. This tendency is mentioned by Liu Xie (劉勰, ca. 465-522) in “Zongshu” [總術 General technique] of his comprehensive treatise on literature, the Wenxin diaolong [文心雕龍 The literary mind carves/and the carving of dragons, ca. 501-502].

In common parlance these days, a distinction is made between wen (文) and pi (筆), with pi as writing without rhyme and wen as writing with rhyme. Now the principle of having ‘pattern adequate for the words’ is present both in the (rhymed) Book of Songs and (unrhymed) Book of Documents; to view them as belonging to two separate categories is a recent phenomenon (Owen 1992, pp. 272-273).

Liu Xie did not agree with making distinctions purely on the basis of rhyme. From the thirty-four genres that he prescribes in the Wenxin diaolong, it is evident that Liu conceived all written forms, both poetic and prosaic, as ‘literature’. Moreover, Liu believed
that the Classics, many of which fall under the ‘unrhymed’ category, could be regarded as the original source for the major literary genres that were recognised in his time: the Book of Changes for the discourse, exposition, comment, and preface; the Book of Documents for the edict, rescript, declaration and memorial to the throne; the Book of Songs for poetic exposition, ode, song, and adjunct verse; the Rites for the inscription, eulogy, admonition, and prayer; the Spring and Autumn Annals for the record, biography, oath, and dispatch. (Owen 1992, pp. 199-200)

In spite of the trend to distinguish between 'rhymed' and 'unrhymed' writing, a literary anthology was produced which included both poetic and prosaic works that fall under the four categorical groups. The Wenxuan [文選 Anthology of literature] was compiled in the court of the Liang Crown Prince, Xiao Tong (蕭統, 501-531) between 526-531. The anthology consists of sixty fascicles (juan), and includes more than seven hundred pieces that can be divided into thirty-seven genres. It includes works written by one hundred and twenty-nine authors from the Han period to the Liang dynasties. The preface to the Wenxuan exhibits the compiler's ideas about 'literature', and attempts to define its boundaries by listing and defending genres that are included in the anthology. A distinction is made between literary writing and other types of writing in the discussions related to genre. Generally speaking, literary works are identified as compositions that contain “profound thought” and “literary elegance”, which can be regarded as independent pieces from larger works. While the compiler does not clarify what he means exactly by “profound thought” and “literary elegance”, it appears that the former is related to ‘intention’ and ‘imagination (original thought)’, and the latter to ‘aesthetic qualities and value:’

Poetry is the product of intention.
When the emotions stir within, they take form in words.
[...]
The Eulogy is used to exalt virtuous achievement,
And it praises successful deeds.
[...]
Next, Admonition arises from repairing defects;
Warning comes from aiding correction.
The Treatise in analysis and reasoning is refined and subtle;
The Inscription in narrating events is clear and smooth.
When praising the deceased, a Dirge is made;
When painting portraits, an Encomium is composed.
In addition, the genres of Edict, Announcement, Instruction, and Command;
The Memorial, Presentation, Memorandum, and Note;
Letter, Oath, Tally, and Proclamation;
Condolence, Offering, Threnody, and Lament;
Response to a Guest, Factual Examples;
Three-syllable and Eight-character writings;
Tune, Song, Introduction, and Preface;
Epitaph, Grave Inscription, Memoir, Conduct Description;
These numerous forms have risen like spear tips,
And various subgenres have appeared here and there,
They may be compared to such diverse instruments made of clay or gourds;
All provide pleasure for the ear.
The zigzag and meander designs are different,
But both afford pleasure to the eyes.
Whatever a writer wished to convey,
There was a form readily at hand (Knechtges 1982, pp.77-87).

In short, poetry is “the product of intention”; eulogy is the product of the intention “to exalt virtuous achievement”; admonition materialises with the intention to “repair(ing)
defects”, as does warning to “aid(ing) correction”; dirge is composed when one intends to “prais(e) the deceased”, as is encomium to “paint(ing) portraits”. Contemplation and reflection, or ‘profound thought’, are required in conveying original intention. In expressing ‘profound thought’ through literary composition, the writing must be “refined and subtle”, “clear and smooth”. Accordingly, literary writing must “provide pleasure for the ear” and “afford pleasure to the eyes”. To lay emphasis on the differentiation of literary writing from other types of writing, the compiler points out what types of writing were omitted, and explains why these were not considered for inclusion in the anthology.

   The compositions of Lao and Zhuang,
The works of Guan and Meng,
Taking establishing doctrine as their principle concern,
   And skilful writing is not of fundamental importance.
My present compilation also omits them.
   [...] 
   As for histories that record events,
   And works chronologically organized,
Their original function was to praise right and censure wrong,
   Record and distinguish difference and similarities.
Compare them with literary works,
   And they are not the same (Knechtges 1982, pp. 87-89).

   In other words, compositions lacking verbal eloquence or purely didactic works were not deemed as ‘literary’ works. On the other hand, sections within historical compilations containing original thought, such as commentaries or prefaces and postscripts, were considered if they were marked by refined writing.

   As for:
   Their Judgements and Treatises with an intricate verbal eloquence,
   And their Postfaces and Evaluations interspersed with literary splendor,
Their matter is the product of profound thought,
   And their principles belong to the realm of literary elegance.
Therefore, I have mixed and collected them with the poetic pieces,
   (Knechtges 1982, pp. 89-91).

   Referring to these exceptions further emphasises the two main characteristics of ‘literature’ that are set out in the preface to the Wenxuan: original meaning (profound thought) and aesthetic quality (literary elegance).

3. Remembrance and Dissent: Tongmunsón and Chinese Traditions

   The preface to the Tongmunsón begins by referring to the development of ‘mun’ from signifying ‘pattern’ to ‘writing’.

   When heaven and earth first separated, patterns (mun) appeared. Above, the sun, moon, and scattered stars became patterns of the sky; below, the towering mountains and streaming waters became patterns of the earth. A Sage drew divination signs (卦) and created writing (mun), whereby civilisation was gradually rendered.

   What follows are passages explaining how each period had its own representative forms of writing in China since ancient times, and how one could determine the movement and fate of literary activities (or culture) of different periods by observing the writings.

   Thereafter the focus of discussion shifts from China to Korea, beginning with the ancient times since the era of Tan’gun (檀君) and Kija (箕子).
While there must have existed writings [or culture] worthy of our consideration, no works survive from that period. During the times when the Three Kingdoms endured a three-way opposition and indulged in battle every day, how could poetry and letters (書) possibly be regarded as necessary [important]?

The compilers include a list of names of renowned Korean scholar officials from the Three Kingdoms period and occasions related to their literary activities that are documented, concluding that “it was not that there were no scholars who could write well, but that the number of works [from those times] which survive today are very few indeed.” What follows is a more illustrious account of literary practices in Korea during the Koryō period, which leads to the passage that allude to two of the main intentions behind the compilation of the anthology: to preserve Korean literary works for future generations, and to distinguish Korean literature from Chinese literature:

The writings [or culture] of our eastern kingdom [Korea] are not those of Song (宋) or Yuan (元), nor are they of Han (漢) nor Tang (唐). They are the writings of our country. They will certainly proceed abreast of the writings of successive Chinese generations, throughout heaven and earth. They will not be destroyed or perished, but will be transmitted.

This passage not only makes a clear distinction between Korean and Chinese writings but also elevates Korean literature, which is indicative of, perhaps, the Korean cultural aspiration to branch out and break away eventually from the greater Chinese tradition.

According to the compilers, the production of the anthology was carried out upon Sŏngjong’s request based on the king’s belief that “while works of literary art cannot be compared to the [Chinese] Classics, through them the prosperity and decline of a culture’s fate can be observed.” The compilation process and the types of works that were selected are described,

We gathered numerous types [of] rhymed prose (賦), poetic exposition (賦), poetry, and writings (文) from the Three Kingdoms period up to the present time. Among them, we selected works of which the composition [writing] is consistent with the underlying principle [meaning], [and] which [therefore] might aid in civilising and educating [the people]. These we grouped and arranged categorically, put them together as one hundred thirty fascicles (kwŏn), and presented them [to Your Majesty], whereupon [Your Majesty] conferred it the title, Tongmunsŏn.

and this description suggests that the main criteria in the selection process concerned two matters: “the composition is consistent with the underlying principle” and works “which might aid in civilising and educating [the people]”; in other words, literary eloquence and meaning which might enlighten readers. While the compilers of both the Wenxuan and the Tongmunsŏn seem to have selected works based on their literary quality and meaning, it appears that the Korean compilers put more emphasis on the practical function of literature than did their Chinese counterpart(s).

As for the genres or categorical arrangements, there are no explanations as to how they were prescribed and/or grouped. When we compare the categorical genres in the Tongmunsŏn with those that are included in the Wenxin diaolong and the Wenxuan, it is evident that, despite their intention to distinguish Korean literature from Chinese literature, the compilers adopted the major generic forms set down by earlier Chinese compilers and writers.
<table>
<thead>
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<td>23. Ce 策</td>
<td>24. Ce (written 冊)*</td>
<td>24. Xi 撒</td>
</tr>
<tr>
<td>24. Xi 撒</td>
<td>25. Xi 撒</td>
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| 29.1. | Shangshu 上書 | 29. Shangshu 上書 |
| 29.2. | Tanshi 彈事 | 30. Tanshi 彈事 |
| 31. Yi 議 | 26. Úi 議 |
| 32. Dui 對 | 32. Cewen 策文* | 27. Tae 對 |
| 33. Shu 書 | 33. Shu 書 | 28. Sŏ 書 |
| 34. Ji 記 | 29. Ki 記 |
| 34.1. Jian 縂 | 34.2. Xingchuang 行狀 | 34. Xingchuang 行狀 |
| 34.3. Zouji 奏記 | 35. Zouji 奏記 |
| 36. Ci 詩 | 32. Sa 詩 |
| 37. Muzhi 詩賛 | 33. Myoji 詩賛 |
| 34. Chŏn 賛 |
| 35. Chego 招誄 |
| 36. Pidap 批答 |
| 37. Nop’o 露布 |
| 38. Ch’aja 箭子 |
| 39. Mun 文 |
| 40. Pal 渡 |
| 41. Ch’iŏ 敷誄 |
| 42. Pyŏn 辦 |
| 43. Chi 志, 誌 |
| 44. Wŏn 原 |
| 45. Ch’ŏp 輯 |
| 46. Sangnyangmun 上樁文 |
| 47. So 短 |
| 48. Toryangmun 道場文 |
| 49. Chaesa 賛詞 |
| 50. Ch’ŏngsa 青詞 |
| 51. Yugŏn 六言 |
| 52. Chapch’e 菱體 |
| 53. Sich’aek 賛冊 |
| 54. Kayo 歌謠 |
| 55. Nok 錄 |

[* indicates corresponding genres designated by Knechtges 1982, p. 23.]

While genres number 34 to 55 under the Tongmunsŏn do not directly correspond to the generic categories in the Wenxin dialong and the Wenxuan, most of these can be located under the general categories of miscellaneous writings (雜文), edicts (詔), memorials (表), letters (書), records (記), or odes (頌).

While many of the generic categories in the Tongmunsŏn are equivalent to those that were prescribed by Chinese writers, this does not mean that these works are mere imitations of Chinese literature. While the generic forms correspond to Chinese literary conventions to which Korean literati adhered for reasons related to intellectual and political
history, what is essentially expressed in these works are the lives and thoughts of Korean writers and people. For example, François Martin observes that there are two major characteristics of the poetic pieces included in the *Tongmunson* which distinguish them from their Chinese counterparts: the scheme of their poetic form, and their recurrent references to the Korean landscape, kingdoms, and states which identify Korea as a separate cultural and political entity. (Martin 157) Works written in a foreign writing system or influenced by foreign literary traditions are not mere copies of other literature, because they are developed within a distinctive culture and social milieu that are different to those of a foreign culture. In the words of Kim Tonguk, “the central question should be how well a piece of work has expressed the essence of the Korean people” (Kim 257); this question must be considered before hastily concluding that all Sino-Korean writings are simply stippled versions of Chinese literature.

**Conclusion: Memory and Literature**

While it is true that one of the popular trends in literary practice during the Koryŏ period was to imitate and adapt classical Chinese forms, there were also writers who promoted the creation of new words, meaning, and ways of writing. While there were writers such as Yi Illo (李仁老, 1152-1220) who advocated the aesthetic value of literary writing and emphasised the importance of the poetic or adaptation technique known as *yongsa* (用事) (Yi 1214, I:20), there were also writers such as Yi Kyubo (李奎報, 1168-1241) who believed that literature had a practical function outside of its aesthetic realm and emphasised that a literary work should express new meaning through innovative composition, or *sinŭi* 新意 (Yi 1241, p. 26). In some ways, what the former represented was the Koreans’ desire to remember and participate in the greater Chinese tradition, while the latter represented the Koreans’ anticipation to progress from it.

The *Tongmunson* was a product of the Korean cultural aspiration to be distinct from and yet participate in the Chinese tradition. In adopting the Chinese framework of literary anthologies and established forms, it preserved the memory of early Korean literary conventions that were shaped by the illustrious customs and practices of China. In preserving works that were deemed worthy of remembrance for their content, meaning, and eloquence, it transmitted the memory of early Korean culture and society that survive through the literary pieces that express the spirit of earlier times.

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Two Meanings in One Korean Poem

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상공을 빛난 후에 사사를 믿자오며.
拙直한 마음에 病弱가 忙懶이리니.
이리마 저리자하시니 百年同抱 하리이다.

Sanggong úl poe'on hu e sasa rûl mitja omae.
Choljikhan maûm e pyông tûlka yômryô ironi.
Irima chyôrich'ya hashini paek nyôn tongp'o hari ida.

Since I first met you, Premier,
I have trusted you in every matter.
My heart, so narrow and unyielding,
Will it not break?
But then you suggest we do this and do that,
Sharing one hundred years together.

This shijo poem owes its creation to a certain state minister named Pak Yôp who, while enjoying a game of Korean chess (changgi) in the professional company of Sobaekchu, asked her to compose and perform a shijo to mark the occasion. Despite their low social status, Chosôn period kisaeng were exempt from the general rule proscribing education for women. This exception rested on the perception that a certain degree of feminine erudition among the kisaeng class was a desirable asset in entertaining male scholar-officials. The most highly trained kisaeng could compose in literary Chinese as well as in Korean, and they were expected to produce clever improvisational songs (and perform them) on command. The improvisational art was a highly prized social skill practiced by scholar-officials as well, and it was often the case that discourse between entertainer and entertained was, as a source of amusement, limited to the exchange of such impromptu compositions.

My purpose in presenting this poem is to illustrate some of the formidable challenges inherent in the translator’s craft. We are already familiar with these challenges, as well as with the shortcomings and inadequacies encountered in a translated text if those challenges are less than successfully met. For example, we notice that the translator altered the order of presentation; the translator added or deleted textual material; the translator overly explained the text; the translation lacks literary value and does not reflect the style of the original author; or the translator ignored the subtleties of tense and mood. The list can go on and on. But in the case of Sobaekchu’s shijo song, our list of pitfalls becomes secondary to a deeper concern. Here the greatest challenge is associated with the translation of important metaphors and contexts understandable only within the culture particular to the original text.
If, for example, we were to assume a Foucauldian perspective, we would see that language is not transparent, that is, merely describing what it intends to speak about. Rather, we would see language as constitutive of social understanding. To Foucault language is opaque. Language in and of itself creates the real; it does not merely describe it. The location of meaning also changes. It is no longer in the referent object of language or even in the intentions of the author. It resides, rather, in the larger social and institutional structure, which changes with the passage of time, and with each individual who encounters the text. This is one of the central contributions of contemporary social science, and it helps us to comprehend, in some measure, how elusive the translator’s aspirations can be.

From our twenty-first century perspective it is possible to catch but a glimpse of Sobaekchu’s improvisational song. We cannot be there at the moment of the song’s creation and performance. The many levels on which our state minister Pak appreciated Sobaekchu’s song are far removed from our own experience. Even a contemporary Korean, reading this poem in its original text, is likely to miss its important supporting metaphorical structure. As a result he or she may understand the poem on a level scarcely higher than the person who reads it in translation. The modern Korean reader may not know that Minister Pak has requested a song of Sobaekchu as they play chess. Even if this information is provided, the modern Korean reader may not know how the game of changgi is played. The metaphorical subtext is consequently missed, as are the multiple interpretations derived from an acknowledgement of the subtext’s existence. But if the modern Korean is acquainted with changgi and is actively looking for the metaphor in this song, he or she can more completely appreciate the subtlety and cleverness of its kisaeng creator. Can the same be said for those who must approach this poem through translation? I would suggest that it cannot. It seems the only way for the non-Korean speaker to appreciate this poem on more than an utterly superficial level is to resort to an elaborate explicatory exercise. With this poem, effective efforts at translation appear doomed.

Let us now turn our attention to Sobaekchu’s shijo poem. As already stated, at one level it appears to be a simple love poem where the usual difficulties associated with translation apply. At another level, the poem is impossible to translate because the Korean words of the poem and the objects to which they refer constitute the meaning of the poem. In this case, the Korean sounds do not have referents in English or other languages—they are specific to Korean language and culture. Even though the metaphors of this shijo deal with chess, a game that is played outside Korea as well, the sounds in themselves, used to refer to the strategic movements of the chess pieces, cannot be reproduced without an intimate understanding of Korean language and culture.

We at least have the advantage of knowing how and when this shijo was composed. Since Minister Pak asked entertainer Sobaekchu to compose the song as he played chess with her, we can imagine the elements of social hierarchy implicit in her composed response. We can view her composition as a mere frivolity—a love song whose sole utility lies in its ability to flatter and amuse the listener. But it could represent something much more heartfelt. Kisaeng, in the course of their professional duties, sometimes found themselves involved in passionate love affairs. Although we do not know the nature or depth of Sobaekchu’s relationship with minister Pak, it is entirely possible that the poem goes beyond mere entertainment to express her genuine love for him.

The surface textual interpretation seems straightforward enough. The singer of the poem is emotionally dependent on her lover, a high state minister. [Note that the use of ‘Premier’ (sang gong) in the first line of the translation is a reverential form of address for minister of state (chaesang)] She is insecure about the relationship, but occasional comments by her lover allow her to hope their intimate relationship will endure.
We must also remember the social context of the person speaking in this poem. It is a kisaeng entertainer, a woman of very low social status. She cannot anticipate finding a man who will actually love and stay with her. Her life experience has led her to expect only temporary, fleeting love. At any rate, issues of social and historical context, as they relate to the question of translating this shijo poem, are not our principal concern. The principal challenge in adequately rendering this poem in another language has to do with apprehending the metaphorical subtext.

To make sense of it let us first quickly review the Korean chess game of changgi. My intention is not to teach someone how to play the game but to focus on the movements and functions of the chess pieces as they relate to interpreting the poem.

**Chess Board Schemata and Functions of Pieces**

![Chess Board Diagram]

Now we are ready to examine the multiple meanings of this shijo. Sobaekchu is the voice of this poem. Without the chess metaphor, she is the devoted lover of minister Pak Yŏp. When applying the chess metaphor, she speaks from the perspective of a chol, or foot soldier.

With the chess metaphor absent, the sanggong of the first line is the highly reverential form of address for her lover, state minister Pak. When the chess metaphor is applied, sang and gong become two separate words—the sang replaced with the homophonic chessboard sang also meaning minister or premier—and gong (kong), meaning the king. Before the chol (soldier) goes into battle she waits on the orders of the sang (minister) and the kong (king).

Without the chess metaphor, we see that the composer trusts the minister in “every matter” (sasa). With the chess metaphor in play, sasa comes to mean the two attendant ministers on either side of the king.

In the second line of our poem the Sino-Korean word choljik is used to describe the speaker’s self-perceived narrow-mindedness and rigidity of thought. But when applying the chess metaphor, the first syllable chol in this modifying verb (a Chinese homonym used as a pun) refers to the highly limited movements of the chol (soldier) chess piece. As
with the pawn in Western chess, the chol piece cannot be moved backward. Sobaekchu is afraid that if the chol advance without a thought for defense, the opponent’s soldiers (pyŏng) will find an opportunity to break through and capture the king. Here again the composer employs a pun based on a Chinese homophone. The pyŏng in the text is the Chinese character for sickness or disease, which in the context of this shijo comes to mean pain and heartbreak. But the chess metaphor behind it suggests the play on the sound of the opponent’s advancing foot soldiers, the pyŏng.

In the third line of the poem, the final syllable ‘ma’ in the pure Korean expression “irima” (“let’s do this”) sounds the same as the Sino-Korean word for horse (ma), another piece on the chessboard. Likewise the ‘ch’a’ in the pure Korean expression chyorich’a (“let’s do that”) is a homophone of the Sino-Korea word for carriage (ch’a), yet another piece on the chessboard.

The ‘p’o’ in tongp’o (living together) is another homophone of the cannon chess piece known as p’o. Appropriately, in the scheme of Korean chess, chol and p’o, (foot soldier and cannon) work together in defense of the king and his ministers in attendance.

Having now completed our chess metaphor, we see that Sobaekchu has cleverly managed to incorporate every type of chessboard piece into her shijo poem.

In this way we can see how the movements and associations of the different chess pieces reflect the theme of her love. Sobaekchu has used the sound of words and the ready availability of Chinese homophones to produce various levels on which to appreciate the poem. She herself has assumed the humble role of soldier in defense of her lord. Through the metaphor of chess she has expressed her unquestioned allegiance, her spirit of willing sacrifice, as well as her solicitous concern for her master.

Once we come to appreciate the chess metaphor in this shijo, one can speculate on further possible interpretations. Perhaps Sobaekchu is likening the play of romantic love to the game of chess, in which the spontaneous outpouring of feeling is necessarily tempered by the need for calculated and deliberative thought. One is even tempted to coax a political meaning from the subtext relating to the dangers of imminent war with Chosôn’s truculent Chin neighbors to the north, which was a major Korean concern at the time of the poem’s composition.

Sobaekchu’s poem shows us the intricacies and the multiple meanings that often lie embedded in Korean shijo poetry. My suggested English translation represents a humble attempt at conveying the meaning of the Korean text to the English reader. At the same time, however, it is hard to dispel the disquieting notion that in attempting a translation of this kind the translator may actually be performing a disservice. The poem, in its English garb, assumes a life of its own that may only serve to further distance the original poem from the non-Korean reader.

This is, as Foucault might say, an excellent example of the “opacity” of language. Indeed, with Foucault as the translator’s conscience one might very well wish to dispense with the task of translation altogether. Experience and common sense, however, remind us that effective translation is an indispensable learning and teaching tool. We must persevere in our translation efforts and make do with the inevitable imperfections and compromises.
References

Corporate Internet Reporting in Australia and Korea: A Comparative Study of Voluntary Disclosures on Intangible Assets*

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1. Introduction

In recent years, the growth of the service sector and information technology related businesses, along with the dramatic increase in the number and size of international mergers and acquisitions, has made accounting for intangible assets such as brands, trademarks, and patents very significant (Saudagaran 2001). This is evident in the increasing discrepancy between the market and book values of companies in the global market, where such discrepancy has been attributed to the existence of intangible assets that have not been reported (Brennan 2001; Leadbeater 2000; Sveiby 1997). Indeed, improving the way corporations account for and distribute intangible asset information to their external stakeholders has been acknowledged as one way of enhancing the quality of corporate reporting practices (Jenkins and Upton, Jr. 2001; Upton, Jr. 2001; Hoegh-Krohn and Knivsfla 2000; Lev and Zarowin 1999).

This has especially been the case in emerging markets, such as Korea, where high quality and transparent disclosure of corporate information has become a prerequisite for attracting foreign markets, especially after the 1997 Asian financial crisis (Thomas 2001). Further, with the NASDAQ crash in April 2000 and its subsequent effect on the Australian stock market, as well as the very public demise of several large Australian corporations, there is now a stronger demand for more, and higher quality, information in Australia. That is, companies in both countries are now under intense pressure to improve the quality of corporate reporting by voluntarily disclosing more relevant, reliable and useful information – both financial and non-financial – regarding intangible assets in order to communicate the true value of the company (Jenkins and Upton, Jr. 2001).

The current study investigates whether and how corporations report their intangible assets to global investors by empirically examining business reporting practices of the top 20 companies from Australia and Korea. We adopt the point of view of small investors rather than institutional investors, who are more likely to obtain much of their information via corporate websites. More specifically, the study carries out a comparative analysis of the intangible asset information being reported on the Internet – the fastest growing medium for distributing information, which has also gained a reputation as one of the most

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important components of today’s business reporting framework (Lymer et al. 1999; Eighmey and McCord 1998).

Our findings suggest that the growing acknowledgement of intangible assets as some of the most important value drivers of corporations in the new economy may have influenced both Australian and Korean listed companies to voluntarily disclose information regarding intangible assets on their websites. The results show that the extent of voluntary disclosure is similar between Australian and the English version of the Korean corporate websites. Interestingly, however, the local language version of Korean corporate websites has significantly higher level and scope of disclosure than either of the English websites.

Our study contributes to the existing literature in three main ways. First, we consider the Internet as another means by which companies can communicate corporate information to investors. Second, we add an “international” dimension to the earlier studies by conducting a comparison study across two countries with different accounting, cultural and economic backgrounds. Finally, we also provide evidence that there is a significant difference in the level and scope of intangible asset disclosure between the English version and the local language version of Korean corporate websites. This indicates that researchers should consider both versions of websites in future comparative disclosure studies.

The remainder of the paper is organised as follows. The next section provides a brief background on intangible assets and Internet reporting. This is followed by a review of financial reporting environment in Australia and Korea. The third section outlines research methodology adopted in the current study. The forth section discusses findings from the study, and the final section comprises possible future research areas and concluding remarks.

2. Literature Review and Background Information

2.1. Intangible Assets

An intangible asset is a claim to future benefits that does not have a physical (e.g. building or equipment) or financial (e.g. stock or bond) embodiment (Lev 2001). For example, patents, brand names, and unique organisational infrastructures that generate cost savings for companies can be defined as intangible assets. Currently, corporations are not required by GAAP in Australia and Korea to recognise or disclose intangible assets as part of their financial reports. While it would be naïve to assert that total transparency regarding intangible assets would automatically enhance the quality of corporate information being distributed to external stakeholders, such as small private investors, there is no denying the importance of reporting relevant and useful intangible asset information regarding the corporations’ intangible assets.

Unfortunately, while the importance of intangible assets as the value drivers of corporations has long been acknowledged, there exists a very large gap between the measurement and the reporting process of intangible assets (Lev 2001; Sveiby 1997). Further, there is a scarcity of empirical studies examining the reporting practices of companies regarding their intangible assets (Eccles et al. 2001; Upton, Jr. 2001; Jenkins

1 While both countries have requirements for specific types of intangible assets, such as purchased goodwill, and research and development costs, neither country has a standard on intangible assets as whole. Further, we are interested in the disclosure of such assets outside financial statements of companies, which is not required by either country’s accounting standards
and Upton, Jr. 2001). Indeed, two recent studies sponsored by the Financial Accounting Standards Board (FASB) have recommended that improving the level of business reporting regarding intangible assets should become a top priority for companies (Steering Committee Report 2001). For instance, corporations can communicate their intangible assets to investors both by capitalising such assets, as well as voluntarily disclosing non-financial information about why and how intangible assets would provide future benefits (Lev 2001). Given the existence, or lack of, accounting standards for intangible assets in different countries, the focus of the current study is on their voluntary disclosure practices only.

2.2. Is Voluntary Disclosure the Answer for International Corporations?

The debate regarding whether or how companies should disclose their intangible assets became especially important after the 1997 Asian financial crisis and the event of April 4, 2000, when the NASDAQ composite index lost 14% of its value in one day. The ripple effects from the crash were felt by most of the international markets including Australia and Korea. Further, with the demise of so many high-tech, service-oriented “new economy” companies, whose intangible assets were widely acknowledged but never defined nor reported, the demand to know more about a company’s intangible assets that drive corporate value ran high.

Historically, there has been a divergence of global reporting practices used to account for intangible assets. The divergence mattered less in the past because these items were relatively small in value. In today’s international markets, however, standard setters, preparers, and users of financial statements are beginning to recognise the need to develop comparable accounting methods for intangible assets as they become more significant components in corporate financial statements worldwide (Saudagaran 2001; Saudagaran and Diga 1997).

Indeed, there exists a pressure to distribute more transparent and relevant corporate information from investor groups, multinational companies, regulators, and the securities industry. For example, the International Accounting Standards Board (IASB), International Organisation of Securities Commissions (IOSCO), the International Monetary Fund (IMF), the World Bank, and the Asian Development Bank (ADB) are forefront in recommending the need for the development of better accounting and financial reporting systems. Further, it has been suggested that the lack of transparency was a critical factor in the outflow of foreign capital leading up to the Asian financial crisis of the late 1990s (Surry 2002), and that the disclosure of more information on corporate intangible assets may enhance transparency of corporate reporting in the emerging markets.

There are, however, opposing views to the concept of harmonising the way corporate information are reported by international companies. There are some who consider it to be unnecessary, and others who even view harmonisation as being harmful (Saudagaran 2001). Opponents argue that full harmonisation of international accounting standards is probably not practical or truly valuable. As a result, the accounting treatment of intangible assets remains, and will likely remain, diverse in different countries.

In lieu of a congruent accounting standard on how to report intangible assets of corporations to global investors, voluntary disclosure has been suggested as a possible solution. Indeed, Choi and Levich (1991) argued that business reporting, especially voluntary in nature, is a means by which companies can cope with international diversity—that is, voluntary disclosure may represent an alternative path to improbable harmonisation of accounting standards. Further, as investors around the world demand more detailed and timely information, voluntary disclosure levels are increasing in both highly developed
and emerging market countries (Choi et. al. 2002). Recently, the Internet has gained attention as a mean to voluntarily disclose corporate information to wider global investors.

2.3. Corporate Internet Reporting in Australia and Korea

One particular area of corporate information distribution framework that has gained recent interest is the utilisation of the Internet (Westarp et. al. 1999). The Internet is a global system of computer networks that share a common transmission language to enable the sharing of data and applications on a wide scale. The World Wide Web (www) is perhaps the most rapidly developing new medium in history for distributing information (Eighmey and McCord 1998). In fact, very few companies of any size today do not have some sort of connection or “presence” on the network, which offers users the facility to access documents containing multimedia mixtures of text, graphics, sound and video in a standard format. Indeed, there has been some evidence that companies voluntarily disclose information on their websites to build and maintain corporate relationships with their stakeholders as well as to boost corporate brand names and image (Ettredge et. al. 2001; Shephard, et. al. 2001; Ashbaugh et. al. 1999; Stevens 1999).

Both Australia and Korea have a relatively high Internet penetration and usage rate. While Australia is ranked number 1 in Asia for the Internet penetration (the extent of Internet access), home surfers from Korea are the most active in the Asia-Pacific region (Leary 2001). Thus, we expect companies in both countries to utilise this new medium to voluntarily provide information regarding their intangible assets. However, as discussed earlier, the Korean financial market is perceived generally to lack transparency, particularly compared to Australia. For example, the 1995 CIFAR report on corporate disclosure levels of selected countries has found that Korea ranks in the bottom half of the countries while Australia is ranked in the top half (Saudagaran 2001). That is, while the general utilisation of the Internet is high in both countries, differences in their reporting environments would result in Australian corporations having a higher level of disclosure than Korean corporations. Some of the differences in the reporting environments of Australia and Korea are discussed in the next section.

3. Review of the Reporting Environment in Australia and Korea

3.1. Australia

Australia is one of the most unique developed markets in the Asia-Pacific region. Being a member of the Commonwealth, the development of the Australian capital market has been heavily influenced by the U.K. (Saudagaran 2001), and yet, at the same time, there is an undeniable influence from the U.S. on its accounting standards and reporting regime (Charles 2002). Generally, Australian corporations are known for their transparent reporting and high quality corporate governance (Saudagaran 2001).

Currently there is no Australian accounting standard that comprehensively addresses the accounting treatment of intangible assets as of December 2002. Recently, however, there have been movements to facilitate preliminary discussions regarding the future standard for intangible assets through a series of agenda papers produced by the Australian Accounting Standards Board (AASB)’s work projects (Summary of current Australian and overseas pronouncements on intangible assets 2000; A comparison of positions taken in the US, IASB and AASB 2001).

Further, it is expected that Australia would follow examples of the U.S. and issue an accounting standard sometime in 2003, in order to provide overall guidelines on the
treatment of intangible assets for the purpose of financial reporting (Charles 2002). There is, however, very little consensus at present regarding how to deal with intangible assets such as brand names, reputation, infrastructure, and know-how. Given the lack of an accounting standard on how to define and recognise intangible assets, any disclosure of intangible assets by Australian corporations is expected to be non-financial in nature and voluntary.

The pressures for Australian corporations to voluntarily provide information regarding their intangible assets have increased dramatically in the last couple of years due to the demise of several large and very public companies such as OneTel, Ansett and HIH. While the disclosure of intangible assets outside financial statements may not have prevented these companies going bankrupt, there are now increased demands and expectations from potential investors and shareholders for corporations to provide intangible assets information, such as infrastructure, supplier network, and strategic alliances.

3.2. Korea

Korea is the most prosperous emerging market in Asia, led by large industrial conglomerates (chaebols) focused on exports, with economic and industrial policies set by the government. It is also the most difficult Asian market in which to establish an investment foothold – the chaebol and financial system have typically been highly insular, and industrial policy has bordered on xenophobic (Hooke 2001). Further, Koreans are relatively high context in character – they tend to obtain information from and place more reliance on personal and family networks rather than formal research bases or information sources that are available to them (Hooke 2001; Morden and Bowles 1998). Indeed, Korean investment bankers joke that publicly traded Korean companies have three sets of accounting books – one for the stock exchange filings, one for the tax authorities, and one for the family (Hooke 2001). This is in stark contrast to developed economies like Australia, whose investment market is characterised by its openness and a local culture where all investors are expected to have equal access to investment information.

Indeed, the criticisms of corporate information distributed by Korean corporations regarding its lack of transparency and substance have been enormous (Parker and Nobes 1995). As a result, the Korean accounting profession has faced numerous demands for the reform of accounting and auditing practices since Korea was subjected to the financial crisis in late 1997. It has been suggested that a lack of transparency in corporate reporting was a critical factor in the financial crisis (Surry 2002). For example, Korea has only 7 auditors per 100,000 population compared to Australia, which has 539 auditors per 100,000 population (Saudagaran 2001). Furthermore, during the time leading up to the crisis, Korean accounting standards and practices were not based on international best practices (Graham and King 2000). To achieve the reform aiming at the enhancement of accountability, transparency, and internal comparability in financial information, the Financial Supervisory Commission (FSC) set up a new Korean Financial Accounting Standards (FAS) Board on December 11, 1998, which is to be consistent with international best practices.

There is, however, an underlying assumption that corporate reporting practices in Korea still have a long way to go before they can be compared with the quality of Australian corporate reporting practices. Subsequently, it is likely that the disclosure

2 Furthermore, Financial Reporting Council (FRC) of Australia announced on July 3 2002 that Australia will move to adopt international accounting standards by January 1, 2005.
level of Korean corporate websites (the English version) to be not as high as the Australian corporate websites.\(^3\) On the other hand, unlike Australian companies, Korean companies generally do not publicly distribute annual reports widely. As such, if Korean companies were to disclose intangible asset information to global investors, the Internet is logically the preferred medium. Based on the above discussions, our first Research Question is:

**RQ1:** Is the level of voluntary disclosure of intangible assets via corporate websites different between the Australian and Korean companies?

### 3.3. Korean vs English Websites: Does Language Matter?

Unlike their "western" counterparts, corporations in non-English speaking countries such as China and Korea often have more than one version of corporate websites: a local language version to cater for non-English speaking local population, and the English language version to be directed at the global investors. This raises an interesting question: are the two versions the same in terms of information content? Is the English version a strict translation of the local language version websites? This question has direct implications for global investors, especially small, private investors, who are most likely to rely solely on the English version of corporate websites. In the case of the Korean companies, given the insular nature of the investment market in Korea, it is possible that the local language websites may contain more information than their English website counterparts. Thus, our second Research Question is:

**RQ2:** Is the level of voluntary disclosure of intangible assets by the Korean corporations on their corporate websites different between the English version and the local language version?

### 4. Research Methodology

The corporate websites of the top 20 companies from Australia and Korea by market capitalisation\(^4\) were obtained through the Huntley’s 500 Publication and the Internet search engine (www.google.com). Previous literature has found that company size is positively related to the level of disclosure (Robb et al. 2001; Meek et al. 1995; Gray et al. 1995; Hossain et al. 1994; Trotman and Bradley 1981). That is, if there are to be any corporations voluntarily disclosing information on their intangible assets, it is likely to be the top 20 corporations from each country. The choice of corporate websites as the common reporting medium for both countries has been made for two reasons. First, as discussed earlier, the Internet is rapidly becoming one of the fastest growing mediums of information distribution (Eighmey and McCord 1998), and the one most likely to be used by corporations in order to distribute corporate information to private international investors. Second, annual reports – supposedly the most common corporate reporting medium – are generally unavailable in Korea to the public, and if available, they are not available to public for free. That is, a foreign investor potentially interested in shares of Korean companies would first consider the Internet in order to access corporate

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\(^3\) As will be discussed later, Korean companies often have both English and Korean corporate websites.

\(^4\) The top 20 ranking by market capitalisation of Australian companies was obtained from Business Review Weekly (BRW)'s 2001 publication of the "top 500 Australian companies". The top 20 ranking for Korean companies was obtained from BusinessWeek's 2001 publication of the "top 200 Emerging Market companies".
information. Indeed, the most important advantage of the Internet as a corporate reporting medium is its accessibility from anywhere in the world, and that it is “free” once the investor is on-line.

The search for the website as well as the analysis of its content for each company were performed during April 2002. Data was collected within a two-day period in order to accommodate the fast-changing and real-time nature of Internet reporting. For each corporate website, we identified the number of disclosures (as measured by the number of links on the website) on intangible assets using the disclosure framework in Guthrie and Petty (2000), and Brennan (2001). Specifically, this disclosure index classifies intangible assets into three categories as defined by Sveiby (1997) — external structure, internal structure and human competence. The company’s external structure refers to its brand, customer relations and supplier networks, whereas the internal structure represents the management, legal structure, and infrastructure of the corporation. Further, human competence stems from the human component of the company: for example, work related knowledge and know-how of employees could be classified as intangible assets. The disclosure index used in the current study is shown in Table 1a, with examples of each category’s link shown in Table 1b.5 In addition, screen shot examples of corporate websites displaying different categories of intangible assets are presented in the appendix.

Further, consistent with the previous corporate Internet reporting studies (e.g. Lymer and Tallberg 1997), we also examined the “depth” of information links by counting the number of “clicks” from homepage to the subsequent web pages containing the intangible asset information as defined by our disclosure index.6 We also considered a number of other features on the selected corporate websites, including the purpose of the websites, the existence of disclaimers, privacy statements, and the accessibility of corporate annual reports and financial statements. These features have been considered as some of the desirable characteristics of user-friendly websites (NSW auditor-general’s report on e-government 2002).

The analyses were carried out on three separate sets of corporate websites — 20 Australian corporate websites, and 17 Korean corporate websites (both the English version and the local language version).7 While the Australian websites and the English version of Korean websites were independently examined by the two authors, a bilingual research assistant, with some knowledge in intangible assets, examined and coded the disclosure in the local language version of Korean corporate websites. The results were then crosschecked by one of the authors fluent in Korean, in order to maintain reliability of the disclosure index. No discrepancy in terms of disclosure frequency and the depth of intangible assets information (number of clicks) were found between the codings. Further, analyses of other features of the websites were also crosschecked for consistency.

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5 As we are mainly interested in the company’s voluntary disclosure of intangible assets on its website, we exclude any disclosure in the company’s annual report from our analysis.

6 The “depth” of information is defined as the accessibility and importance of information on the corporate websites and is measured by the number of hyperlinks that an investor has to click in order to get to the information from the homepage (Lymer and Tallberg, 1997). The depth of information is an interesting aspect of disclosure, since it indicates the importance of intangible assets information to some extent. It would be safe to assume that information considered important to a corporation would be made easily accessible to users wanting to know about the corporation.

7 3 out of the 20 Korean corporations had to be eliminated from the study for the following reasons — 1 company was in the process of updating its website and hence its website was inaccessible, 1 company had the same website as another top 20 company after the recent merger, and 1 company did not have an English website.
5. Results

The findings of the current study are summarised in Table 2. As can be seen in Table 2, most companies (around 70% for both countries) have disclosed some types of information regarding intangible assets (other than via annual reports) on their websites. The following sections discuss the findings to our two research questions in more detail.

5.1. RQ1: Comparing Australian Corporate Websites with the English Version of Korean Corporate Websites

First, we compared the corporate disclosure practices on Australian websites and the English version of Korean websites. Overall, the proportion of companies with intangible asset disclosure was similar between Australian companies (14 companies, or 70.0% of our sample) and Korean companies (12 companies, or 70.6% of our sample). This result is somewhat unexpected, given the general perception of lack of transparency in Korea. Our result suggests that Korean companies may have become more responsive to the recent international demand for better corporate disclosure and transparency in reporting practices after the 1997 Asian financial crisis (at least via Internet disclosure).

For those companies with intangible asset disclosure, we divided the total number of links to intangible assets by the number of companies in our sample to calculate a new variable “Links per company”. This reflects the frequency of disclosure by the companies who chose to report their intangible assets on corporate websites. As can be seen in Table 2, the links per company was also similar for both Australian websites and the English version of Korean websites (1.71 and 1.75 respectively). The types of disclosure, however, were very different between the two countries. While Australian companies were disclosing the three types of intangible assets (internal structure, external structure, and human capital) equally, Korean companies disclosed much more information on their internal structure but rarely on their human competence. In fact, only one Korean company mentioned the role of human competence in creating corporate value.

The location of the intangible asset information was similar in both countries – most companies disclosed relevant information under “Corporate profile” or “About the company” sections. Indeed, only few companies had actual links to intangible assets (e.g. links under the headings of “Information Technology”, “Our partners” or “Brand names”). The depth of information, measured by the number of clicks from the homepage to the actual information, however, was different between the two countries. For example, 1 Australian financial company had its intangible asset information so “hidden” that it took 5 “clicks” to get to the information, and only after using the search function were we able to come across the link. Overall, the English version of Korean websites was more “user friendly”, as all relevant links to intangible assets could be reached within 2 “clicks”, and there were fewer frames to navigate through in order to find relevant information.

Interestingly, while the main purpose of the corporate website for Australian companies is to provide information to investors as well as to make available an on-line shopping facility to customers, the English version of Korean companies did not provide on-line shopping facilities to customers. Surprisingly, however, the Korean websites seemed to be directed mainly at customers. Indeed, 15 out of the 17 Korean websites had some form of “greetings” by the company’s senior management (often the CEO) to their customers.

As it is possible that a company’s profitability may influence its disclosure practices, we have also calculated return on asset (ROA) ratios for each company. There was no statistically significant difference between the ROAs of Korean and Australian companies in our sample. Further, there was no discernible relationship between industry type and disclosure practices in our sample companies (see Table 2).
customers (which usually starts with “Dear customers” or “Dear ladies and gentlemen”), thanking them for their support of the company. One typical example is from the website of SK Telecom, which greeted their customers by pledging, “We never forget our obligation to give back to society the boundless love that our customers have shown us”. In contrast, none of the Australian corporate websites contained any “greetings” or expression of gratitude to their stakeholders.

Another surprising result was the lack of “disclaimers” by the Korean corporations on their English websites. A disclaimer is defined as a disclaimer for the accuracy and timeliness of information contained on the website, and for links to information displayed on third party websites. Most of the Australian companies had disclaimers (15 out of 20), and all Australian corporations had “privacy” information, reflecting the requirements of recent changes to the Australian Privacy Act. Korean companies, on the other hand, usually only had “copyrights” for their websites. In fact, only 2 out of 17 companies had some form of legal disclaimers regarding the information disclosed on their websites.

Finally, we compared the availability of annual reports and financial statements by Australian and Korean companies. All 20 Australian companies had up-to-date financial statements and annual reports on their websites, all of which could easily be located and downloaded. 1 company in particular had an interactive annual report, whereby investors could request various analyses of corporate performance. On the other hand, while all 17 Korean companies disclosed financial statements on their English websites, only 3 companies provided annual reports, which were readable by the English web browser (in total, only 10 companies provided annual reports). The 3 downloadable annual reports presented in English were prepared in U.S. currency, possibly for the purpose of complying with the U.S. stock exchange listing rules. Overall, while the Australian and English version of Korean corporate websites had similar levels of intangible asset disclosure, Australian corporations provided a more comprehensive range of intangible assets information.

5.2. RQ2: Comparing the Local Language Version of Korean Corporate Websites to the English Version of Korean Corporate Websites

Next, we considered the extent of intangible asset disclosure on the local language version of Korean websites compared to the English version of Korean corporate websites. As can be seen in Table 2, every Korean company in our sample had some form of disclosure regarding intangible assets on their local language websites. Further, the extent of corporate disclosure was significantly higher then that of the English version of Korean websites (2.82 compared to 1.75, t=5.624, p=0.000).

Further, unlike their English version counterparts, the local language version of Korean websites had more comprehensive disclosure of all three categories of intangible assets. This seems to suggest that Korean corporations do have high levels of human competence, but they are somewhat unwilling to share such information to global investors via their English websites. In addition, the local language version of Korean websites was also more likely to include annual reports written in Korean. There are two possible explanations for the higher disclosure by Korean corporations on their local language websites compared to their English websites. First, as Korean companies tend to have a shareholder base characterised by a high proportion of family and local ownership (Hooke 2001), they may find it more value adding to include disclosure on their local language websites rather than on English websites. Second, as discussed earlier, the “insular” sentiment of Korean companies may be translated as a reluctance to disclose too much
information about intangible assets, especially regarding their employees to foreigners via their English websites. One surprising finding was regarding the depth of intangible assets information. On average, it actually took more clicks on the local language websites to reach the relevant information. This was mainly, however, due to a more fancy website design used for the homepage of Korean corporations.

Finally, we also compared the level of disclosure by Korean (local language websites) to Australian websites. The level of disclosure by Korean (local language) websites was significantly higher than those of Australian websites (2.82 vs. 1.71, t=5.697, p=0.000). This result is especially interesting given the generally perceived lack of transparency in the Korean financial market and corporations.

In summary, the local language version of Korean websites disclosed more intangible asset information in terms of both frequency and range compared to their English counterparts. Further, the local language websites disclosed significantly more intangible asset information than the Australian websites. In fact, intangible asset disclosure on the local language website was often highly detailed and elaborate, with accompanying diagrammatic illustration and pictures.

6. Conclusion

This study provides empirical evidence regarding the current state of voluntary disclosure practices on the Internet by two countries, Australia and Korea, who have very different reporting and cultural backgrounds. A comparative empirical investigation of the top 20 Australian and Korean listed corporations was carried out in order to examine the extent of intangible assets disclosure on their corporate websites.

Findings from the study show that, inconsistent with suggestions from the previous literature, the level of disclosure on corporate websites between Australian and Korean corporations is very similar. As expected, the local language version of Korean websites had higher levels of disclosure of intangible assets than their English counterparts. Our results indicate that small foreign investors may have distinct disadvantage when investing in Korean corporations. That is, the lower level of voluntary disclosure and the unavailability of the English-language annual reports on the Internet might result in small foreign investors’ access to Korean company’s intangible assets information being strictly restricted. Finally, the most surprising result was that the local language version of Korean websites actually had higher levels of disclosure of intangible assets than the Australian corporate websites.

There were several limitations to our paper. First, our sample size is relatively small, limiting the extent of statistical analysis. Second, there are other channels of communication used by corporations to their stakeholders, such as annual reports, shareholders’ reports, and public announcements, which may be used to convey information regarding intangible assets. Third, data analysis, by necessity, was restricted to a 2-day period in order to accommodate the fast changing nature of the Internet. It is possible that variations in disclosure may be observed over a longer time period. Despite these limitations, our study contributes to the existing literature by examining the differential Internet disclosure on intangible assets information between two countries (Australia and Korea) and between different language channel (English and Korean).

Several new research avenues are evident from our study. Future studies can look at other means of shareholder communication available in different countries, such as information contained in shareholder newsletters, as well as a more thorough investigation of information reported on corporate websites over a longer period of time. For example,
how do corporations maintain and safeguard information on their websites over a particular financial period? Further, it would be very interesting to consider disclosure practices of other countries such as Scandinavian countries, which have been the forerunners of the intangible assets management and reporting, and other emerging market countries with different reporting and cultural backgrounds, such as Taiwan and China. Finally, future studies can compare the usefulness of intangible assets disclosure in annual reports and on corporate websites to investors in determining corporate value and making investment decisions.

References


Table 1a: Disclosure Index

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<th>Corporate Intangible Assets</th>
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<tr>
<td><strong>1. Internal Structure Items</strong></td>
</tr>
<tr>
<td>➢ Intellectual Property</td>
</tr>
<tr>
<td>➢ Patents, copyrights and trademarks</td>
</tr>
<tr>
<td>➢ Infrastructure assets</td>
</tr>
<tr>
<td>➢ Management culture, policy and philosophy</td>
</tr>
<tr>
<td>➢ Management processes</td>
</tr>
<tr>
<td>➢ Information and networking systems (IT)</td>
</tr>
<tr>
<td>➢ Financial relations</td>
</tr>
<tr>
<td><strong>2. External Structure Items</strong></td>
</tr>
<tr>
<td>➢ Brands</td>
</tr>
<tr>
<td>➢ Customers base, loyalty and relationships</td>
</tr>
<tr>
<td>➢ Company names and Reputation</td>
</tr>
<tr>
<td>➢ Distribution channels</td>
</tr>
<tr>
<td>➢ Business collaborations</td>
</tr>
<tr>
<td>➢ Licenses, favourable contracts, and franchise agreements</td>
</tr>
<tr>
<td><strong>3. Human Competence Items</strong></td>
</tr>
<tr>
<td>➢ Know-how</td>
</tr>
<tr>
<td>➢ Work-related knowledge and competencies</td>
</tr>
<tr>
<td>➢ Teamwork</td>
</tr>
<tr>
<td>➢ In-house training</td>
</tr>
<tr>
<td>➢ Employee commitment</td>
</tr>
<tr>
<td>➢ Education</td>
</tr>
<tr>
<td>➢ Vocational qualification</td>
</tr>
<tr>
<td>➢ Entrepreneurial spirit</td>
</tr>
<tr>
<td>Table 1b: Examples of intangible asset links on corporate websites</td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Internal structure</strong></td>
</tr>
<tr>
<td><a href="http://www.sktelecom.com/english/r_d/rd_center/network/index.html">http://www.sktelecom.com/english/r_d/rd_center/network/index.html</a></td>
</tr>
<tr>
<td><strong>External structure</strong></td>
</tr>
<tr>
<td><a href="http://www.commbank.com.au/about/">http://www.commbank.com.au/about/</a></td>
</tr>
<tr>
<td><strong>Human competence</strong></td>
</tr>
<tr>
<td><a href="http://www.woolworthslimited.com.au/about/ourpeople/index.asp">http://www.woolworthslimited.com.au/about/ourpeople/index.asp</a></td>
</tr>
</tbody>
</table>
Table 2: Reporting Intangible Assets on the Internet – Comparison between the Top 20 Australian and Korean Corporations

<table>
<thead>
<tr>
<th>Sample Size</th>
<th>Australia</th>
<th>Korea (English)</th>
<th>Korea (Korean)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Companies with a website</td>
<td>20</td>
<td>17*</td>
<td>17*</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Industry Type #</th>
<th>Australia</th>
<th>Korea (English)</th>
<th>Korea (Korean)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT</td>
<td>0</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Financials</td>
<td>6</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Telecommunication</td>
<td>2</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Diversified Resources</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Media</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Energy</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Others</td>
<td>6</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Australia</th>
<th>Korea (English)</th>
<th>Korea (Korean)</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-line retail trading only</td>
<td>2</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Information distribution only</td>
<td>9</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td>Both</td>
<td>9</td>
<td>3</td>
<td>16</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Companies with Links to Intangibles</th>
<th>Australia</th>
<th>Korea (English)</th>
<th>Korea (Korean)</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 (70.0%)</td>
<td>12 (70.6%)</td>
<td>17 (100%)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type of Intangible Assets</th>
<th>Australia</th>
<th>Korea (English)</th>
<th>Korea (Korean)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal structure</td>
<td>9</td>
<td>12</td>
<td>17</td>
</tr>
<tr>
<td>External structure</td>
<td>7</td>
<td>8</td>
<td>17</td>
</tr>
<tr>
<td>Human competence</td>
<td>8</td>
<td>1</td>
<td>14</td>
</tr>
</tbody>
</table>

| Total number of Links | 24 | 21 | 48 |

| Links per company | 1.71 | 1.75 | 2.82 |

<table>
<thead>
<tr>
<th>Number of 'clicks' to intangible information (Depth of information)</th>
<th>Australia</th>
<th>Korea (English)</th>
<th>Korea (Korean)</th>
</tr>
</thead>
<tbody>
<tr>
<td>On the homepage</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>1 to 2 clicks</td>
<td>10</td>
<td>12</td>
<td>5</td>
</tr>
<tr>
<td>3 to 4 clicks</td>
<td>2</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>Through &quot;search&quot; function</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

| Disclaimers | 15 | 2 | 5 |
| Annual reports | 20 | 3^ | 9 |
| Financial statements | 20 | 17 | 17 |

* 3 out of the 20 Korean companies had to be eliminated from the study. Refer to footnote 8 for more details.

^ While 10 out of 17 companies had annual report download functions on their websites, annual reports of 7 companies could not be opened with the “English” version of the web browser. That is, to foreign investors, the 7 annual reports (in English) were not accessible.

# There was no discernible relationship between industry type and disclosure of intangible assets in both countries.
Sample Screenshots

Figure 1: Screen Shot of a Korean Company SKTelecom (An Example of the Internal Capital Category of Intangible Assets)
With over 140,000 employees, Woolworths is the second largest private employer in Australia. We are the biggest employer of apprentices in the nation. We employ more than 45,000 young people working in our business. Around one-third of our young people are under 20 years of age. We take very seriously our responsibilities to give their working lives a great start.

All our human resource activities are geared towards recruiting, training and progressing the people who will deliver our promise of a better shopping experience each and every time. The values which support this central purpose have been developed in the year under review so as to become part of the culture and expected behaviour for all our people.

Woolworths caters for the training and development needs of staff at all levels through our various apprenticeship and traineeship programs. We currently have more than 4,000 trainees studying full time in the many areas of Woolworths operations, including store management, transport and distribution. We will be expanding this program to incorporate information technology, merchandising and office administration. To broaden our people's experience, we have
Figure 3: Screen Shot of a Korean Company Samsung Electronics (An Example of the Internal Capital Category of Intangible Assets on the Local Language Version of the Corporate Website)*

*The above Korean web screen shot discusses the overall R&D investments made by the company in the year 2001. For example, Samsung Electronics spent 7.5% of its total 2001 profit on R&D and 6-8% of its profit on technology and product development. Further, 15,000 (24% of the total workforce) employees were employed for the purpose of research and development. Samsung Electronics also received 1450 patents in the year 2001, which was the 5th highest in the world.
Corporate Transparency in Korean Firms and its Determinants

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and

Sid Gray  
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1. Introduction

Corporate transparency has been increasingly important in South Korea (Korea hereafter) since the 1997 economic crisis in particular. Its significance is well reflected in the recent revision of the Korean Financial Accounting Standards (KFAS hereafter) and their Working Rules. The current KFAS particularly stresses the importance of comparable and reliable financial statements produced by Korean companies in raising capital on both domestic and international capital markets (KFAS 1998; Chang and Chun 1999; Yoon et al. 1999).

This study provides empirical evidence regarding the state of corporate disclosure practices after the country’s 1997 crisis. To examine the relationship between various firm-specific characteristics and the extent of financial disclosure, a disclosure checklist is developed mainly based on the Korean Consolidated Statements Standards (KCSS) effective as at 31 December 1999. A list of company-specific variables is drawn from significant prior research on disclosure practices.

The remainder of this paper is organised as follows. The next section provides a review of prior research on disclosure practices, from which a number of hypotheses are derived. These hypotheses are tested by appropriate statistical tests described in the methodology section. Then, the following section presents a discussion of test results and their implications. The paper concludes with limitations and some suggestions for further research.

2. Literature Review and Hypotheses Development.

This section provides a review of major literature on corporate disclosure practices by focusing on single-country studies that relate the extent of disclosure to company-specific factors within a country. However, this study also incorporates some relevant findings of comparative studies to the Korean context.

2.1. Prior Research

As indicated in Table 1, the explanatory variables tested include: size (assets, sales, or...
other similar measures), listing status, industry type, profitability, financial leverage, financial liquidity, size of auditing firm, foreign ownership, and country of origin. While a disclosure checklist and weighting systems based on the opinions of financial analysts were used in earlier studies, no specific user group was employed in later studies (e.g., Wallace 1988; Cooke 1989, 1992; Ahmed and Nicholls 1994; Diga 1995; Kim 1997). This discrepancy in measuring instruments appears to limit a strict comparison of the findings of these studies.

Table 1  Studies on Corporate Disclosure Practices using Disclosure Indices

<table>
<thead>
<tr>
<th>Author</th>
<th>Data Used</th>
<th>Method</th>
<th>Factors</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cerf (1961): USA</td>
<td>Annual reports 527 firms</td>
<td>Class means regression</td>
<td>Size (total assets)</td>
<td>Positive</td>
</tr>
<tr>
<td></td>
<td>Financial analysts</td>
<td></td>
<td>No. of shareholders</td>
<td>Positive</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Profitability (net income/net worth)</td>
<td>Positive</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Listing status</td>
<td>Mixed</td>
</tr>
<tr>
<td>Singhvi and Desai</td>
<td>Annual reports 155 firms</td>
<td>Chi-square Regression</td>
<td>Size (total assets)</td>
<td>Positive, not</td>
</tr>
<tr>
<td>(1971: USA)</td>
<td>Financial analysts</td>
<td></td>
<td>No. of shareholders</td>
<td>sig.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Profitability</td>
<td>Positive, not</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Return on S.E.</td>
<td>sig.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Earnings margin</td>
<td>Positive,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Listing status</td>
<td>signif.*</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Audit firm size</td>
<td>Positive,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>not sig.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buzby (1975: USA)</td>
<td>Annual reports 88 firms</td>
<td>Kendall rank corr.</td>
<td>Size (total assets)</td>
<td>Positive,</td>
</tr>
<tr>
<td></td>
<td>Financial analysts</td>
<td>Wilcoxon matched-pairs,</td>
<td></td>
<td>signif.**</td>
</tr>
<tr>
<td></td>
<td></td>
<td>signed-ranks test</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Listing status</td>
<td>No effect</td>
</tr>
<tr>
<td>Stanga (1976: USA)</td>
<td>Annual reports 80 firms</td>
<td>Regression</td>
<td>Size (net sales)</td>
<td>Positive,</td>
</tr>
<tr>
<td></td>
<td>Financial analysts</td>
<td></td>
<td>Industry</td>
<td>not sig.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Effect,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>signif.**</td>
</tr>
<tr>
<td>Study</td>
<td>Methodology</td>
<td>Variables</td>
<td>Findings</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>------------------------------------</td>
<td>------------------------------------------------</td>
<td>---------------------------------</td>
<td></td>
</tr>
<tr>
<td>Firth (1979: UK)</td>
<td>Kendall rank corr.</td>
<td>Size (sales+capital) Listing status Audit firm size</td>
<td>Positive, signif.** Positive, signif.** No effect</td>
<td></td>
</tr>
<tr>
<td>Wallace (1988: Nigeria)</td>
<td>Regression</td>
<td>Foreign equity</td>
<td>Positive, signif.**</td>
<td></td>
</tr>
<tr>
<td>Cooke (1992: Sweden)</td>
<td>Factor analysis Regression</td>
<td>Size (8 variables) Listing status Industry</td>
<td>Positive, signif.** Positive, signif.** Significant</td>
<td></td>
</tr>
</tbody>
</table>
Despite comparison difficulties, the prior studies highlight the importance of some company characteristics in explaining the levels of disclosure, with size and listing status being consistently the most powerful variables in companies of different nationalities. However, mixed evidence on the effects of other variables on disclosure practices pose an obstacle to the development of a contingency framework that would explain the theoretical linkages between company-specific variables and reporting practices within a country. Nonetheless, coupled with comparative studies on disclosure practices, findings from these single-country studies are potentially useful in uncovering the basis for the “contingent” relationships.

2.2. Hypotheses Development

Drawing upon prior research and Kim’s (1997) study of disclosure practices of Korean firms in particular, the following variables are selected for this study. They include: size (measured in terms of total assets and sales turnover), profitability (i.e., net income to net
sales), degree of financial leverage (i.e., debt to equity), and affiliation with any of the multinational “Big-Five” audit firms because of the unavailability of audit firm size. The effects of both industry type and listing status are controlled for because all the companies included in the final sample are listed companies engaging in manufacturing as of 31 December, 1999. The following discusses the relevance of each independent variable included in this study to Korea’s particular business environment.

(a) Size

Size was found to be positively associated with the extent of disclosure in various studies (e.g., Cerf 1961; Buzby 1975; Belkaoui and Kahl 1978; Firth 1979; Chow and Wong-Boren 1987; Cooke 1989, 1992; Diga 1995; Kim 1997). This significant positive relationship between size and disclosure level can be explained in numerous ways, which are discussed below.

One plausible reason is that large firms, in general, have resources and expertise to produce and disseminate more sophisticated financial information for their internal management purposes. In addition, management of large corporations is likely to realize the benefits of quality disclosure, especially in raising capital. In contrast, smaller firms generally lack both resources and expertise to produce sophisticated information and, more importantly, feel more than larger firms that their competitive position might be threatened by disclosing quality information. Furthermore, agency costs theory may provide another explanation because managers of larger firms tend to increase their disclosure level in an attempt to reduce agency costs that increase with the size of firms and are ultimately borne by them (Chow and Wong-Boren 1987). Finally, political costs theorists would assert that larger firms tend to disclose more information because they are more subject to adverse government control or regulation (Watts and Zimmerman 1978). On the basis of these arguments, the following hypothesis is proposed:

\[ H_1: \text{There is a positive association between the extent of disclosure and firm size.} \]

(b) Profitability

Profitable companies are expected to have higher disclosure levels because they may want to be differentiated from poorly performing firms through disclosing more quality information to investors, both current and potential. When a company is profitable, managers may disclose more detailed information in order to support the continuance of their positions and compensation arrangements, especially in a competitive labor-market environment. In addition, minimisation of political costs may be applicable in a sense that profitable firms, in general, tend to attract more public and regulatory attention than poorly performing firms. The following hypothesis is, therefore, proposed:

\[ H_2: \text{There is a positive association between the extent of disclosure and firm profitability.} \]

(c) Financial Leverage

Studies of the relationship of financial leverage (i.e., debt to equity) with the extent of disclosure have shown mixed results (e.g., Belkaoui and Kahl 1978; Chow and Wong-Boren 1987). Despite these conflicting results, a company with a higher leverage ratio is expected to disclose more to provide greater assurance about its ability to pay. However, this expectation needs to be refined in Korea’s particular business environment. Firms with

---

1 Big-Five accounting firms as at December 1999 are: PricewaterhouseCoopers, Deloitte Tohmatsu Touche International; Klynveld Peat Marwick Goerdeler (KPMG), Arthur Andersen, and Ernst & Young.
higher leverage ratios have been traditionally viewed as safer companies because the Korean government has usually guaranteed most of their corporate debt. For this reason, high-debt Korean firms may not have felt the need for disclosing sophisticated quality information to the public. However, these government guarantees came under severe criticism for their role in the country's economic crisis, which was partly caused by heavy dependence on debt financing of Korean firms and big businesses (i.e., chaebols) in particular. Therefore, it is expected that firms with high financial leverage are likely to disclose more than firms with low leverage in an attempt to signal their ability to pay. The following hypothesis has been developed:

\[ H3: \text{There is a positive association between firm leverage and extent of disclosure.} \]

(d) Affiliation with Big-Five Accounting Firms

The primary responsibility for preparing annual reports rests with company directors. However, auditors of the companies may significantly affect the quality of information disclosed in those annual reports (Singhvi and Desai 1971; Firth 1979; Ahmed and Nicholls 1994). It may be argued that larger and better recognized accounting firms (e.g., multinational accounting firms) as auditors may exercise greater influence on companies' disclosure levels. In the early 1980s with the enactment of the External Audit Law (EAL), the Korean government changed the audit environment from government-directed allocation to market-based competition. Corporatization of audit firms and their affiliation with multinational audit firms has since become a common feature in Korea as an important way of enhancing audit independence and quality and ultimately disclosure practices of Korean firms (Choe/Choi 1996). Accordingly, whether a firm's Korean audit firm is affiliated with the Big-Five or not has become important in determining the quality of information provided by Korean firms being audited. The following hypothesis has thus been proposed:

\[ H4: \text{There is a positive relationship between affiliation with Big-Five accounting firms and disclosure level.} \]

3. Research Methodology

This study undertakes a cross-sectional examination of consolidated financial statements for the 1999 financial period. Korean firms subject to the KFAS and KCSS are required to submit their consolidated business reports ('Sa-up Pokosuh') to the Korean Stock Exchange (KSE) within 4 months after their financial year-end.

3.1. Sample Selection and Data Sources

As at 31 December, 1999, there were 704 firms listed at the Korean Stock Exchange. We were able to obtain consolidated financial statements of 42 listed firms out of the total of 272 firms that had lodged their consolidated business reports to the KSE by 30 April, 2000. The sample was selected primarily on the basis of those companies with the largest market capitalisation.

A Korean firm's business report\(^2\) provides comprehensive information about the firm.

\(^2\) A firm's business report provides very comprehensive and detailed information about the firm: i) general overview; ii) operations; iii) financial information; iv) auditor's report; v) control structure and affiliated
However, this study examines financial information disclosed in the companies’ consolidated financial statements, with particular focus on footnote disclosures. The importance of financial statements with notes as a source of financial information was noted in Chang and Most (1981) and Baker and Haslem (1973). Audited consolidated statements for the fiscal year ended 31 December 1999 were thus investigated because of their comprehensiveness in providing financial information.

3.2 Operationalization of variables

(a) **Dependent Variable- Disclosure Level**

This study focuses on the financial disclosure level that is measured by constructing a disclosure checklist. As mentioned earlier, the disclosure checklist is based on KCSS effective as of 31 December, 1999. Disclosure requirements of Korean listed companies are also influenced by various other legislation, viz. the Commercial Code (CC), the Securities and Exchange Law (SEL) and the External Audit Law (EAL). Among them, however, KCSS (also subject to KFAS) most comprehensively prescribe financial disclosure requirements that need to be provided in audited reports. The disclosure requirements mandated by the KCSS are classified into 8 major categories, as shown in Table 2.

As in Kim (1997), each item was scored in a dichotomous way; that is, a disclosure item scored one if disclosed and zero if it was not disclosed in the footnotes of consolidated statements in the audited reports. The aggregate disclosure level was then computed by adding all individual scores.

The disclosure items were not weighted because of a number of methodological problems associated with the weighting system, such as scaling problems and scoring bias. More importantly, this study examines general-purpose financial statements which are prepared to provide information to a diversity of user groups. Equal weighting to disclosure items was also supported by prior research (e.g., Firth 1979; Chow and Wong-Boren 1987; Wallace 1988; Cooke 1989, 1992; Ahmed and Nicholls 1994; Diga 1995; Kim 1997). The unweighted index permits analysis independent of perceptions of a particular user group (Chow and Wong-Boren 1987: 536) and allows an evaluation of financial statements in a ‘general-purpose’ context because all disclosure items are treated as equally important to the average user.
<table>
<thead>
<tr>
<th>Table 2</th>
<th>Disclosure Requirements Checklist- KCSS (1999)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Financial Statements</strong></td>
<td><strong>2. General</strong></td>
</tr>
<tr>
<td>- consolidated balance sheet</td>
<td>- details of consolidated subsidiaries</td>
</tr>
<tr>
<td>- consolidated income statement</td>
<td>- details of unconsolidated subsidiaries</td>
</tr>
<tr>
<td>- consolidated statement of</td>
<td>- details of equity-method subsidiaries</td>
</tr>
<tr>
<td>appropriations of retained earnings (or</td>
<td>- details of subsidiaries first included in</td>
</tr>
<tr>
<td>disposition of deficits)</td>
<td>consolidation</td>
</tr>
<tr>
<td>- consolidated cash flow statement</td>
<td>- details of subsidiaries excluded from</td>
</tr>
<tr>
<td>- two-year statements</td>
<td>consolidation</td>
</tr>
<tr>
<td>- subsidiary financial statements (if</td>
<td>- details of disposed subsidiaries</td>
</tr>
<tr>
<td>conditions met)</td>
<td>- transactions between parent and</td>
</tr>
<tr>
<td>- auditor’s report</td>
<td>subsidiaries</td>
</tr>
<tr>
<td></td>
<td>- transactions between subsidiaries</td>
</tr>
<tr>
<td></td>
<td>- important events between B/S date and</td>
</tr>
<tr>
<td></td>
<td>consolidation date</td>
</tr>
<tr>
<td></td>
<td>- other significant consolidation policies</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>3. Accounting Policies</strong></th>
<th><strong>4. Valuation of Investment in Subsidiaries</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>- description, reason, effects of changes in accounting policies in parent and subsidiary on consolidation</td>
<td><strong>5. Adjustments in Financial Statements of Parent &amp; Subsidiaries</strong></td>
</tr>
<tr>
<td>- policy on eliminating intercompany balances (investment/equity elimination)</td>
<td><strong>6. Prior Period Adjustments</strong></td>
</tr>
<tr>
<td>- description of amortisation and reversal of consolidation debits (credits)</td>
<td><strong>7. Specific Accounts (Subject to KFAS)</strong></td>
</tr>
<tr>
<td>- investment discrepancies in equity-method subsidiaries</td>
<td><strong>8. Other</strong></td>
</tr>
<tr>
<td>- description/policy on eliminating unrealised gain/loss on intercompany transactions</td>
<td>- collateral/guarantees between consolidated firms</td>
</tr>
<tr>
<td>- policies on individual statements</td>
<td>- changes in consolidated capital surplus</td>
</tr>
</tbody>
</table>

Every mandatory requirement was considered relevant to each company in this study because it was extremely difficult to determine the applicability of each disclosure item to a company based on financial statements and their footnotes only. The assumption that all disclosure items are equally relevant to the sample companies may be justified by the fact that all the companies in the sample are listed manufacturing companies.

The scores were not converted into an index (that is, ratio of actual score to total possible score) because of the same problems raised by Ahmed (1993), Ahmed and Nicholls (1994), and Kim (1997). Instead, the total disclosure score obtained by adding each disclosed item was used to indicate the aggregate degree of disclosure. Therefore, constraints on using the Ordinary Least Square (OLS) regression do not exist in this study.

**(b) Independent Variables**

**Size (H1)**

The literature has indicated that various measures were used as proxies for size. They include total assets, sales turnover, shareholders’ equity, and number of shareholders. The problem of using these accounting numbers is noted because of the availability of
alternative asset valuation methods or revenue recognition methods in different countries (Diga 1995). However, this problem does not appear to be of major concern in this study because the research investigates firms within a country. Among these various measures, total assets and sales turnover are thus used as two important measures of size in the current study.

**Profitability (H2)**

Profitability can also be measured in a number of different ways. Rate of return (i.e., net profit to net worth) and earnings margin (i.e., net profit to net sales) were used in several studies (e.g., Cerf 1961; Singhvi 1968; Singhvi and Desai 1971; Belkaoui and Kahl 1978; Kim 1997). Drawing upon Kim's (1997) findings, this study uses a company's net income-to-net sales ratio as a measure of profitability.

**Leverage (H3)**

The degree of leverage was measured by a company's debt-to-equity ratio (DE ratio). It is the proportion of total book liabilities to total shareholders' equity.

**Affiliation with Big-Five (H4)**

Companies whose audit firms were affiliated with the Big-Five multinational accounting firms were assigned one, while the companies not affiliated with the Big-Five were assigned zero.

3-3. Statistical Tests

In order to determine the impact of multiple company characteristics on the disclosure level of individual companies, multiple regression analysis was used because the relationship between the dependent variable and a number of independent variables is of a multiplicative nature. A new model was generated by taking natural logs of the initial multiplicative model. OLS regression was then applied to the transformed model. Before applying statistical tests on the multiple regression model, diagnostic tests were conducted to determine if all the assumptions underlying the regression model held. The tests were multicollinearity, non-constant variance of residuals (i.e., heteroscedasticity), non-normal distribution of residuals, and outliers.

Multicollinearity among continuous explanatory variables was detected by correlations, variance inflation factors (VIF), and tolerance (Weisberg 1985, p.p. 196-200; Maddala 1992, pp. 274-276). Table 3 presents the correlation matrix among the log-transformed dependent and continuous explanatory variables, including VIFs and tolerance level of each explanatory variable.

Statistically significant correlation between the dependent and individual explanatory variables provides an overall evidence of relationship among them. In particular, as anticipated, potential size variables (assets and sales) were found to be highly correlated (r= 94.2%). This high correlation is also supported by high levels of VIFs (i.e., 9.043 and 9.257, each) and low levels of tolerance (i.e., .111 and .108, respectively).
Table 3 Pairwise Pearson Correlation Coefficients Among Dependent and Continuous Explanatory Variable

<table>
<thead>
<tr>
<th>Scores</th>
<th>Profitability</th>
<th>Leverage</th>
<th>Sales</th>
<th>Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scores</td>
<td>1.000</td>
<td>-0.095</td>
<td>0.440**</td>
<td>0.460**</td>
</tr>
<tr>
<td>Profitability</td>
<td>1.000</td>
<td>-0.572**</td>
<td>0.300</td>
<td>0.257</td>
</tr>
<tr>
<td>Leverage</td>
<td>1.000</td>
<td>-0.085</td>
<td>-0.048</td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>1.000</td>
<td>0.942**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets</td>
<td></td>
<td></td>
<td>1.000</td>
<td></td>
</tr>
</tbody>
</table>

VIF\(^{\wedge}\) | 1.665 | 1.603 | 9.257 | 9.043
Tolerance level | 0.601 | 0.624 | 0.108 | 0.111

* significant at or below .05 (two-tailed)  ** significant at or below .01 (two-tailed)

\(^{\wedge}\) variance inflation factor

Even though multicollinearity may not be a problem as discussed in Maddala (1992, p.p. 269-270), various methods have been applied in prior studies to address the problems that the multicollinearity poses. They include factor analysis, principal components analysis, stepwise regression, and ridge regression. Cooke (1989, 1991) and Ahmed and Nicholls (1994) used stepwise regression by including each of the highly-correlated variables separately in the proposed model until they found the model providing the greatest explanatory power. However, with this method, the explanatory power of variables dropped from the final model may be lost, especially when the correlation is not perfect (Diga 1995). To minimise the loss of explanatory power of original variables, Cooke (1992) and Diga (1995) employed factor analysis and principal components analysis, respectively.

There is "no overwhelming theoretical reason to prefer one size variable to another because each variable may contain an interesting and possibly unique aspect of size" (Cooke 1992, p. 532). Instead of dropping variables used in the stepwise regression, therefore, this study used the principal components analysis (PCA) which decomposes the information content inherent in the original size variables into information about an inherent set of meaningful factors (Aczel 1993, p. 804). PCA maintains the information content in the original variables while removing the multicollinearity problem.

PCA was applied to the above size variables (i.e., total assets and sales) by following three steps. Initially, the Bartlett's test of sphericity was undertaken to test the hypothesis that the correlation matrix of the five variables is an identity matrix. The test statistic of 86.469 is significant at less than 0.001, which provides statistical justification for the use of PCA.

Secondly, preliminary (initial) components were extracted by principal components analysis, which also computes both eigenvalues and percentage of variance explained by each component. The second component with an eigenvalue less than 1.0 was not used in this study. Only the first component satisfies this condition, as shown in Table 4.
Table 4 Principal Components Analysis

<table>
<thead>
<tr>
<th>Components</th>
<th>Eigenvalue</th>
<th>% Variation Explained</th>
<th>Cumulative % Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>First p.c.</td>
<td>1.942</td>
<td>97.1</td>
<td>97.1</td>
</tr>
<tr>
<td>Second p.c.</td>
<td>0.058</td>
<td>2.9</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 4 shows that the two size variables load highly on the first component which accounts for approximately 97.1% of the variance of the original variables. The two new components account for all the variance of the original variables; however, the application of both variables may not guarantee better coefficient estimates in the original regression model and may also lack parsimony (Aczel 1993, p. 806).

Thirdly, factor loadings between the first component and the original variables were computed by varimax rotation which is designed to find the best distribution of the factor loadings in terms of the meaning of the factors (Aczel 1993, p. 808). Only one component was found to be meaningful in explaining the original variables, as indicated in Table 5.

Table 5 Factor Loadings of Original Variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>First p.c.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>.985</td>
</tr>
<tr>
<td>Sales</td>
<td>.985</td>
</tr>
</tbody>
</table>

The factor loadings represent correlations between the principal component and the original variables. The new size variable was computed by a regression method (Norusis 1993). Thus, the first principal component could be interpreted as the latent variable that incorporates the effects of the original two collinear size variables.

4. Results and Discussion

4-1. Descriptive Statistics

Descriptive statistics for untransformed dependent and explanatory variables are provided in Appendix 1. Results show that skewness and kurtosis are significant for all variables, except for disclosure scores and profitability. Frequency histograms also support high skewness and kurtosis of the three variables (i.e., assets, sales, and leverage). Data transformation of these variables using natural logs was made because the range of values is dispersed widely.

The descriptive statistics for the log-transformed variables are presented in Appendix 2. Appendix 2 indicates that both kurtosis and skewness of the log-transformed variables are much smaller than those of the untransformed variables. Histograms of log-transformed variables also approximate normal distribution.
4-2. Multivariate Results

Various diagnostic tests were undertaken to examine if the assumptions underlying the multiple regression model held. All of them support the assumptions underlying the model. First, a histogram and normal probability plot of the standardized residuals shows that the distribution of the residuals is fairly normal. Second, a plot of the standardized residuals against the predicted values shows the constant variance of residuals (i.e., homoscedasticity). Finally, a casewise plot of standardized residuals shows no significant outliers.

Results of the multiple regression analysis are provided in Table 6. As indicated in Table 6, the model used in this study appears to be a powerful model, with the adjusted R-square being .557, which means that the model explains approximately 56 per cent of the variance in the degree of disclosure. This adjusted R-square of .557 compares favourably with that of most prior research with the exception of Cooke (1989) (i.e., adjusted R-square of .60). The current findings may be due to the fact that two important explanatory variables, i.e., industry effect and listing status, are already controlled for in the study. In contrast, Cooke (1989) incorporated into his study additional important variables, such as listing status, number of subsidiaries owned by parent company, and number of shareholders.

Findings are further discussed below with particular reference to each hypothesised relationship to disclosure level.

**Table 6 Results of Korean Disclosure Model**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Estimated Coefficient</th>
<th>Standard Error</th>
<th>t-Statistic</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>21.677^</td>
<td>24.672</td>
<td>.879</td>
<td>.385</td>
</tr>
<tr>
<td>Size</td>
<td>.248</td>
<td>3.282</td>
<td>2.162</td>
<td>.037*</td>
</tr>
<tr>
<td>Profitability</td>
<td>.052</td>
<td>.241</td>
<td>.392</td>
<td>.697</td>
</tr>
<tr>
<td>Leverage</td>
<td>.103</td>
<td>4.208</td>
<td>.785</td>
<td>.438</td>
</tr>
<tr>
<td>Audit Firm</td>
<td>.671</td>
<td>7.444</td>
<td>5.975</td>
<td>.000**</td>
</tr>
</tbody>
</table>

F-value: 13.867 (p<.001)  
Adjusted R²= 0.557

**H1: Size** A statistically significant positive relationship between company size and disclosure level was found at the level of p<.05. This result strongly supports the findings of prior disclosure studies in the USA, the UK, India, Sweden, and Japan. As previously addressed, the positive relationship can be explained in various ways. Two widely accepted explanations are operational complexity and political costs associated with large companies. Large Korean companies tend to engage in complex operations which may necessitate high disclosure levels. Similarly, large Korean companies have been constantly exposed to more public attention and regulatory scrutiny than smaller firms because of their enormous economic and political leverage, especially since the
financial crisis in late 1997.

H2: Profitability  Profitability was found to be positively associated with disclosure level, but the relationship is not statistically significant with $p=.697$. The positive relationship between profitability and disclosure level can be explained by the incentives of profitable companies to disclose more to differentiate themselves from poorly performing companies, and to minimise political costs arising from their higher profitability. The non-significant relationship, however, appears to be supported by mixed results on the profitability variable in the literature. For example, a positive relationship was found in Cerf (1961) and Singhvi and Desai (1971), while a negative relationship was obtained in Belkaoui and Kahl (1978).

H3: Degree of Financial Leverage  The sign of the coefficient for the degree of leverage is positive as expected in the model. However, the relationship is significant only at the 44% level ($p=.438$), which implies that the disclosure level of companies in the country is explained better by other important variables, rather than the degree of financial leverage. The non-significant result may be explained by the unique relationships between major debt providers (i.e., financial institutions) and firms in the country. Korean firms have traditionally developed very close relationship with their debt providers (usually, banks) by allowing their banks to participate in their management decision making. More importantly, these banks are often allowed to get access to important financial and business information of firms (Park and Kim 1994). Therefore, financial information provided for external purposes may not be as significant as expected.

H4: Affiliation with Big-Five  Consistent with our initial expectation, affiliation with a Big-Five multinational accounting firm is positively related to the level of disclosure at a statistically significant level ($p<.001$). This finding is in stark contrast to that of Kim (1997), where the affiliation with Big-Six accounting firms (valid as of 1994) was found to be negatively associated with degree of disclosure. This striking difference in findings may be attributed to the implementation of stringent monitoring mechanisms by introducing more serious punitive actions on auditors for their failure to maintain their independence and audit quality since the country's financial crisis (Kim 2000). In addition, as shown in Table 7, the majority of the sample firms were audited by Korean accounting firms affiliated with one of the Big-Five accounting firms. The high level of affiliation with the Big-Five appears to reflect increasing awareness of quality auditing by Korean audit firms.
Table 7  Distribution of Sample Firms across International Accounting Firms

<table>
<thead>
<tr>
<th>Auditor's Affiliation with International Accounting Firms</th>
<th>No. of Sample Companies Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td>PricewaterhouseCoopers</td>
<td>15</td>
</tr>
<tr>
<td>Ernst &amp; Young</td>
<td>7</td>
</tr>
<tr>
<td>Klynveld Peat Marwick Goerdeler (KPMG)</td>
<td>7</td>
</tr>
<tr>
<td>Deloitte Tohmatsu Touche</td>
<td>3</td>
</tr>
<tr>
<td>RSM International*</td>
<td>4</td>
</tr>
<tr>
<td>HLB International*</td>
<td>1</td>
</tr>
<tr>
<td>Other (non-affiliation)</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>42</strong></td>
</tr>
</tbody>
</table>

* not a member of Big-Five

5. Limitations and Suggestions for Further Research

This study is not without its limitations. First, the study is limited to profit-seeking listed companies in Korea. So, findings may not be generalizable to unlisted companies, government or 'not-for-profit' organizations in the country. As discussed in Singhvi and Desai (1971) and Cooke (1989, 1992), listing status was associated with level of disclosure in the USA, Sweden and Japan. Even though the advantages of including unlisted companies in the study is recognized, there are some advantages of limiting the study to listed companies only. Both domestic and international attention has been paid mostly to listed companies because of their economic importance in Korea. This importance is reflected in growing regulation and control over listed companies, particularly chaebol companies. In addition, access to the financial reports of unlisted companies is extremely difficult because unlisted companies are not required to file their reports with the country's regulatory bodies, unless they are subject to the External Audit Law.

Second, unlike most prior disclosure studies that used annual reports, only financial statements with notes are examined. The study of financial information only is limited under current circumstances in which non-financial information such as social responsibility accounting (e.g., environmental accounting) has been steadily growing in its significance. However, the regulation of non-financial information in the country was still relatively unsystematic in 1999. A separate study of Business Report ('Sa-Up Pokosuh') including non-financial as well as financial information will generate more comprehensive findings of disclosure practices of listed companies and also enhance comparability with other disclosure studies found in the international accounting literature.

Last, this study, which is cross-sectional in nature, fails to identify general trends and problem areas because it examines the disclosure practices of Korean firms only at a specific point in time. Future longitudinal studies will be more useful in providing policy implications for accounting standard setters and regulatory organizations in the country.
Despite these limitations, the current study has attempted to improve upon prior studies on Korean financial reporting practices by examining consolidated financial statements of selected Korean firms. The comparison between disclosure studies undertaken in Korea and those found in the international accounting literature has often been restricted because the majority of disclosure studies in Korea are based on an examination of unconsolidated statements. Thus, the findings of this study may be more accurately compared with those of disclosure studies in the literature.

A logical and promising area for future research would be a longitudinal study of financial reporting of Korean firms over time, especially chaebols. Despite the significant concentration of wealth and economic power in a small number of chaebols, very little attention had been paid to their financial reporting practices until the crisis. An historical study of financial reporting of the chaebols will provide useful policy implications regarding Korea's financial reporting regulation. For example, a study of 'combined' ('Kyul-hap') financial statements newly required of chaebols will be able to provide some evidence on the effectiveness of government policies in financial reporting regulation.

In addition, the country has been continuously harmonising its accounting standards with international accounting standards to facilitate foreign investors’ understanding of financial information provided by Korean firms and to improve its comparability and reliability. Future research could usefully investigate the extent to which financial reporting by Korea firms is consistent with international accounting standards in practice.

References


## Appendix 1: Descriptive Statistics of Dependent and Explanatory Variables (Untransformed)

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disclosure Scores</td>
<td>23</td>
<td>134</td>
<td>73.26</td>
<td>28.564</td>
<td>-.066</td>
<td>-.790</td>
</tr>
<tr>
<td>Assets (*)</td>
<td>189136</td>
<td>29183472</td>
<td>3337692.6</td>
<td>5940930.2</td>
<td>3.591</td>
<td>13.406</td>
</tr>
<tr>
<td>Sales (*)</td>
<td>107972</td>
<td>32087714</td>
<td>2278200.2</td>
<td>5152770.6</td>
<td>5.096</td>
<td>28.735</td>
</tr>
<tr>
<td>Leverage (%)</td>
<td>33.78</td>
<td>2341.56</td>
<td>348.261</td>
<td>399.566</td>
<td>3.333</td>
<td>14.663</td>
</tr>
<tr>
<td>Profitability (%)</td>
<td>-57.96</td>
<td>17.77</td>
<td>-2.918</td>
<td>15.873</td>
<td>-1.885</td>
<td>3.411</td>
</tr>
</tbody>
</table>

(*) in Korean currency, won (million)

## Appendix 2: Descriptive Statistics of Dependent and Explanatory Variables (Transformed)

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disclosure Scores**</td>
<td>23</td>
<td>134</td>
<td>73.26</td>
<td>28.564</td>
<td>-.066</td>
<td>-.790</td>
</tr>
<tr>
<td>Assets (*)</td>
<td>12.15</td>
<td>17.19</td>
<td>14.121</td>
<td>1.338</td>
<td>.314</td>
<td>-.642</td>
</tr>
<tr>
<td>Sales (*)</td>
<td>11.59</td>
<td>17.28</td>
<td>13.657</td>
<td>1.325</td>
<td>.468</td>
<td>-.099</td>
</tr>
<tr>
<td>Leverage (%)</td>
<td>3.52</td>
<td>7.76</td>
<td>5.442</td>
<td>.893</td>
<td>.225</td>
<td>.223</td>
</tr>
<tr>
<td>Profitability** (%)</td>
<td>-57.96</td>
<td>17.77</td>
<td>-2.9180</td>
<td>15.874</td>
<td>-1.885</td>
<td>3.411</td>
</tr>
</tbody>
</table>

(*) in Korean currency, won
** untransformed due to lack of justification for transformation
The Rebirth of a Marginalised Knowledge: The Persistence of Underground Lore and the Transformation of Traditional Symbolic Analysis in Nativist Korean New Religious Movements

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State power and institutions legitimise orthodox knowledge and marginalise the alternatives, barely tolerating as superstitions or forcing underground the undesirable teachings. But they can resurface when the state power weakens or new systems such as science are introduced. Nineteenth and twentieth-century Korea is a prime example. The Yi Dynasty sanctioned Neo-Confucianism and marginalised Buddhism, Taoism and shamanism. Elements of their teachings were banned and forced to go underground, surviving only in unauthorized histories (yasa, chaeyasahwa). Excluded from the authorised canons of knowledge, these alternative practices and their literatures survived among rusticated and marginalised intellectuals. These forms of ‘knowledge’ ranged along a continuum from folklore spells and curative rituals, ensigillation and demonofugic rites, to supposedly archaic, arcane coded talismans and languages, and secret histories of a divine folk/nation overwhelmed by pro-Chinese toadyism of the Confucians.

When the Yi Dynasty’s Neo-Confucian orthodoxy weakened in the mid-nineteenth century, these subterranean knowledge flows began to resurface in the guise of new religious movements, first as Tonghak, next Ch’ungsan’gyo, then Taejonggyo. Supported by the spiritually disturbed or materially dispossessed, or dissatisfied and marginalised intellectuals, the collapse of the dynasty gave them opportunities to propound their theories. But the succeeding Japanese colonial administration also despised such movements as subversive superstition. Yet because it could be described as “Korean” knowledge, was nationalistic and anti-Japanese, it attracted more popular support, and was increasingly incorporated into scriptures of the new religious movements. Therefore, some has been reborn as acceptable knowledge in modern Korean states, as national days, state symbols, in “academic” papers and state-supported shrines. It has gained the support of post-liberation intellectuals opposed to the modernist mainstream hegemony. Their ultranationalism and millennial hopes gave this knowledge considerable appeal. The alternative histories, symbolic analyses and ancient script promoted by Taejonggyo and allied religions will be examined here.

The Alternate Histories

In 1413, 1457, and 1469, Yi Dynasty government inspectors ordered the people to destroy or hand over chaeyasahwa such as the Chodaegi, Chigongji and Samsŏngmilgi (Yi 1990, pp. 428-429). Some of these titles reappear in the 1910s. A cluster of forgeries of this ilk, now known to date from the 1910s to the 1940s, feign to a sixteenth or seventeenth-century origin. The Kuyŏnsahwa, Ch’ŏnghakjip and the O’gyejip were probably fabricated in the 1920s. The Tan’gikosa and H(w)andankogi, which claim to be medieval compilations of ancient scriptures were not quoted before 1949 (Cho 2000, pp.
All claim to be Taoist histories, but in a special Korean sense as the worship of Tan'gun, and as genealogies of the succeeding divine immortals (sinsŏn). The earlier group of texts are related, sharing members or names in their genealogies, and similar themes of resistance to Japan and China, but set in the remote past (Han 1976, pp. viii-x; Ch’ŏnghakjip, pp. 174-176, 252-253; Ch’oe 1995, p. 108, 168, 229, 280; Kyuwŏnsahwa, p. 57, 61, 63, 87; cf. Ch’ŏnghakjip, p. 88 and Kyuwŏnsahwa, p. 157). Yet the Ch’ŏnghakjip uses the term “the Japanese emperor,” anathema in Yi Dynasty times (Ch’ŏnghakjip, p.199; cf. Kim 1980, pp. 15, 24-25, 118).

Some of the claims they make are based on the Sindansilgi of 1914, written by the second leader of Taejonggyo, Kim Kyohon (1868-1928) (Han 1994, p.13). It mentions sources such as the Chodaegi, Chigongji and Samsongmilgi from Parhae, as does the Ch’ŏnghakjip (Ch’ŏnghakjip, p. 33, 39; Kim 1914, pp. 50-51; Kyuwŏnsahwa, p. 38). Moreover, the Sindansilgi and Kyuwŏnsahwa state that Tan’gun’s heir was called Puru (Kim 1914, p. 43; Kyuwŏnsahwa, p. 88).

Intellectuals who learnt much about Japan as a weapon against the Japanese annexation and attempted cultural assimilation founded Taejonggyo. They reacted to the establishment in 1907 in Korea of Shinto shrines to worship Amaterasu Omikami along with Tan’gun as national founders (Sassa 2001, pp. 31-34). In 1908, Sin Ch’aeho attacked the infiltration into Korean textbooks of Japanese notions that Tan’gun was the younger brother of Susano-omikoto, or that Japan and Korea possessed a common script or racial origin (Han 1994, pp. 5, 7-8, 48-49). But Sin applied the Japanese term “national ancestor” to Tan’gun (Sassa 2001, p. 35, 57 note 28). In 1909, Na Ch’ol founded Taejonggyo with the claim that Korea had collapsed because Koreans no longer worshipped Tan’gun. Na claimed to have received the Taejonggyo scriptures from Tan’gun via the “Taoist” (To’in), Paekbong. The participants in Na’s “re-illumination” were scholars who closely studied Japan and were members of nationalist societies. When these societies were forcibly closed, they looked to Taejonggyo. A number were concerned with ancient history, and Yi Ki (d. 1911) published the Taoistic T’aebaekgyŏng, supposedly the true history of the folk from the divine first ancestor, Tan’gun, avatar of the Emperor of heaven.

Borrowing themes from Japanese nationalism and State Shinto on a pure national religion (kokukyo) and a divine ancestor (tenso) who doubled as the state ancestor (kokuso), and the idea of a family state united by blood participating in the national essence (kokutai), Na Ch’ol and his followers made Koreans descendants of Tan’gun, the imperial ancestor (taehwangjo) and divine ancestor (ch’onjo). Influential members spread Na’s ideas via newspapers or the histories of Pak Unsik, Sin Ch’aeho and the Chosŏn Kwangmunhoe (Sassa 2001, pp. 37-52; Pak 1991, pp. 256-270; for Sin and Pak, Han 1992, pp. 63-69, 124-130, 136-144).

When Kim Kyohon wrote the Sindansilgi in 1914 to create an alternative history and doctrine to the colonising Shinto, and the discredited Confucianism and Buddhism, the main resources he could draw on were the Buddhistic Samguk yusa account of the Tan’gun myth and the Samguk sagi foundation myths. The obscure Taoist tradition provided the key to interpretation. From his broad cognisance of Korean history, Kim took names of people and places to create an imagined genealogy of rulers and states:

Han’gŏm descended beneath a tan tree on Mt T’aebaek and established the divine teaching (sin’gyo) to civilise people. The people who were civilised and believed in him were like a market (sŏ) gathering and so he had the appellation Sinsi [God-market]....The country’s people installed the god-man (sin’in) as imgŏm (king). He was Tan’gun...and the country’s name was Tan...The ancestors of Puyŏ issued from Tan’gun, and shifted north to form the Northern Puyŏ country, taking Hae as their surname. Tan’gun had enfeoffed his younger sons in the remaining (yŏ) lands, so later generations called it Puyŏ. Some say Puyŏ is the name of
the first enfeoffed lord....King Hae Mosu gave himself the title Emperor Son of heaven, and was also called Tan’gun. He gave birth to a son, Puru....A minister, Aranbul...encouraged the king to shift his capital...(Kim 1914, pp. 1a-2b).

Kim Kyohôn used elements from the Samguk sagi, the Samguk yusa, and the Tongmyôngwangpyôn by Yi Kyubo (cf. Gardiner 1988, pp. 149-157). The abstracted passages were rearranged, and one character suggests another in a chain of philological associations, so Han’gôm, the king (imgôm), as a god (sin), attracts people as to a market (si), and so he is called Sinsi; the remaining land for Puru became Puyo. Kim had to flesh out the history, and so repeated material, usually from different sources. He took Aranbul from Yi Kyubo (Kim 1914, p. 2a; Gardiner 1988, p.155), but later used a variant of the story of Aranbul from the Samguk yusa (Kim 1914, pp. 20b-21a; Yi 1981, p. 32). This was done because the scriptures “discovered” by Na Ch’ôl, the Sam’ilsin’go, the Sinsagi and a portrait of Tan’gun, provided virtually no historical information. Kim embroidered on the portrait by relating the story of a Silla farmer, Yulgô, who dreamt Tan’gun gave him a divine brush. After waking, Yulgô became a famous artist, and so impressed by the god’s grace, he painted almost a thousand portraits of Tan’gun from the dream image (Kim 1914, pp. 21a-21b).

All later alternative histories are basically elaborations on the themes Kim Kyohôn re-invented. A continuous attempt by marginalised intellectuals to use a symbol of ancient Korea, Tan’gun, in forged histories supposedly emanating from antiquity, created a spiritual nationalism under the cloak of history and Taoism. These were to be alternatives to Japanese or modernist versions of history.

Symbolic Analysis as Doctrine

Taejonggyo developed a symbolic interpretation of the doctrine of the triune god, which may reflect traces of the Christian trinity, or vestigium trinitatis (Pak 2000). Na Ch’ôl’s 1911 text, the Simnitaejôn reads:

God (sin/han’ôl) is Han’im, Han’ung and Han’gôm. Im is the person of creation, Ung the person of teaching and Kôm the person of governance. In Heaven (God) has no superior, among things no beginning, and in the people no antecedents. (Although) split into three, united they are one. Three in one and yet the person of God is set (Sam’ilchôlha, pp. 54-57).

The Sam’ilsin’go, attributed to the Parhae prince, Tae Yapal, wrote: “People and beings (inmul) equally receive the three truths, namely nature, life and spirit” (Sam’ilchôlha, 27). Só II (1881-1921), the Taejonggyo military commander in Manchuria, used concepts from East Asian mathematics when he equated these with the circle, square and triangle in the Hoesamgyông:

The wise use these in response to the symbols/forms (sang) of the three ultimates (samgûk). Eternally surrounded but internally empty, (the circle) symbolises the expanse of heaven. Its sides regular and its lines straight, (the square) symbolises the flatness of earth. Uppermost odd and below even, (the triangle) symbolises the body of humans. The wise use them to fix the system of the three controls (volume, measurement, weight) (Sam’ilchôlha, pp. 133-135).

The circle, square and triangle are the sources of the myriad symbols and are where numbers are derived from. Its substance is the circle six, square four, triangle three. Its function is circle six, square eight, triangle nine. Its equally divisible number is circle one, square two, triangle three. Why? Because in number the circle is begun with one, the
square with two, the triangle with three. Symbolically the circle is perfected with six, the square with four and the triangle with three. Therefore one six, one four, and one three are the substance; and one six, two four and three three are the functions. The two sixes of the circle, the three fours of the square, and the four threes of the triangle together produce thirty-six, the number of the multiplication of the Absolute Term/Origin (t’aewôn). The number of the Former Heaven begins with one, the centre is five, and the end is nine. The number of the Latter Heaven begins with two, the centre is six, and the end is ten. Therefore, one, five and nine are called the three odd numbers; and two, six and ten are called the three even numbers.

The notes refer to the Chinese Former and Latter Heaven magical squares, the Yellow River Diagram and the Lo River Writing. The Hsi-tz’u Commentary to the I Ching writes, “Heaven is one, earth is two, heaven three, earth four,” etcetera, up to ten. These numbers were placed into diagrams of even and odd numbers (Needham 1959, pp. 56-57). The reference to Absolute Term may be related to a matrix notation used by algebraists in the 1228 Ts’e-yüan hai-ching, a work on measuring circles. In it, heaven is the base, earth the altitude, humans the hypotenuse, and the diameter of the circle the thing (wu). T’ai/T’ae is the absolute term equalling t’ai-chi/t’ae-gik. The yüan/wôn are the four compartments surrounding the simple term or t’ai (Needham 1959, pp. 129-130). Sô’s text continues:

The three evens are the measure of the summation of the Absolute Term. Therefore the second multiplication is seventy-two, the minor sum/epoch; the sixfold multiplication is 216, the medium sum; and the tenfold multiplication is 360, the major sum. God sent down the seal (in) in the major sum/epoch; the return of the seal to the august is in the medium sum/epoch; and the re-illumination seal is in the minor sum/epoch. The former god and latter wise, tally together as one (Sam’ühôlhap, pp. 227-234).

This numerology and symbolic analysis, combined with the mentions of the heavenly talismans (ch’önbu’in) brought by Han’ung according to the Samguk yusa, probably inspired the Ch’önbu’gyông (Scripture of the Heavenly Talisman), a text incorporated into the Handankogi (Kim Ênsu 1985, pp. 320-319) and the Tanjômyo’i attributed to Ch’oe Ch’iwôn (857-?), which appeared for the first time in the 1926 woodblock compiled by Ch’oe Kuksul. The Tanjômyo’i, attributed to Kim Yonggi in 1925, quoted the Sindansilgi and Kyuwônsahwa (Song 1984, p. 281). The Ch’önbu’gyông was not formally recognised as a Taegongyo scripture until 1973, possibly because of its dubious origins.

The text was supposedly discovered in 1911 on Mt T’aebæk by Kye Yônsu (d. 1920), allegedly a member of the independence struggle in Manchuria, and passed to Yi Yurip (Yun 2000, p. 11). Yi Yurip said that Kye was a pupil of Yi Ki. Kye allegedly published the Tan’gunsegi and T’aebæk’il’lsa (parts of the Handankogi) in 1898, and wrote the contents page section to the latter in 1911. In 1917 he supposedly copied the Ch’önbu’gyông at Tan’gun-kul Hermitage on Mt Myohyang, and sent it in a letter to the Tang’un kyödang (Tang’un Teaching Hall) in Seoul (Song 1984, p. 43, 79-84). The Handankogi preface by Kye claims that the Ch’önbu’gyông was orally transmitted by Han’ung and recorded by Sinsi in deer-print letters. Ch’oe Ch’iwôn made a copy (Kim Ênsu 1985, p. 320). Taejongyo published a copy of Kye’s alleged letter, in which he wrote his master told him that Tan’gun sent three seals down to earth over 4,000 years ago. He searched and found it in an ancient inscription in the calligraphy of Ch’oe Ch’iwôn on a cliff in Mt T’aebæk (Myohyang). Unable to go to Seoul, after copying it, he entrusted it to a traveller in 1917. The Ch’önbu’gyông in eighty-one characters reads:

One is the beginning that lacks the beginning one.
It is broken into three ultimates (but) is an inexhaustible ground.
Heaven is one (yet) one, Earth is one (yet) two, and Humanity is one (yet) three.

One accumulates to the vastness of ten; lacking a deficiency it transforms into three.
The great threes unite to become six, which produces seven, eight and nine.
The movement of three and four forms a revolution to five and seven.
The one marvel multiplies to the many comings and goings;
Their function changes but does not move the ground.
The ground mind is the ground; its great yang (sun) rises to brilliance,
And in humanity heaven and earth are one.
The one end is without the ending one (Kim1985, p. 320).

The 1973 Taejonggo kyŏngjŏnchongnam provides a commentary, originally in Chinese, by Kim Yŏng’ŭi, that is influenced by the Lao-tzu, the Hsi-tz’u Commentary on the I Ching, the Chung Yung, Mencius and possibly the speculations of Shao Yung (1011-1077) (K’ang 1973, pp. 36-37).

The text has spawned a minor industry of interpretation and attempts to discover its origins. Ten commentaries plus translations were produced between 1960 and 1975 (Song 1984: 40), and more have been issued since. The frame text, the Handankogi, has at least ten commentaries, and dozens of works using it to invent Korean history (Yun 2000, p. 19). Despite the Handankogi Ch’ŏnbu’gyŏng invocation of national heroes like Ch’oe Ch’iwŏn, Yi Ki and Kye Yŏnsu, it was a translation of the Handankogi into Japanese, and the support of Japanese rightists, that gave it popularity in Korea (Yun 2000, p. 12). It appealed to conservative nationalists who rejected the minjung and professional approaches to history. They rather appealed to nationalist historians like Pak Unsik and Sin Ch’ae-ho (Yun 2000, pp. 13-16). These marginalised amateurs in 1975 used the Handankogi as a weapon in the National Assembly debates on history textbooks, arguing heatedly against the professionals. They resented the sidelining of their views, fashionable in the resistance against the Japanese, by pro-US and pro-Japanese cliques (Yun 2000, pp. 20-22). They founded research societies, such as Yi Yurip’s Tandanhakhoe, and new religions, growing from three religious movements under the Japanese to thirty-five in 1992 (Yi 1992, pp. 1506, 1590-1592; cf. Cho 1994, p. 332 lists 33 religious groups, 12 scholarly organisations and eight social groups, but others do exist). The Handankogi was used to legitimise conservative social movements, such as the Tamul Movement begun in 1987 to oppose reformers in the workplace. In 1984, the book titled Tan (Cinnabar) was published, selling 800,000 copies until 1997. It spawned similar books on tanhak, and practice circles devoted to the “immortals”, study of the volk, Tan’gun and Old Chosŏn (Yun 2000, pp. 22-23). Taejonggyo in 1990 had 498,995 members, Han’ŏlgyo 406,896, Tan’gun’gyo a probable 10,000 followers, and the Tan’gun Manisungjohoe several thousand (Cho 1994, pp. 335-336). These religions and sympathetic movements used the Handankogi and Ch’ŏnbu’gyŏng to claim Korea was the centre of East Asian or world civilisation. This civilisation was initiated by Tan’gun, and his religion was the foundation of all religions (An 1974, pp. 31, 33, 37, 81-82; Yi 1990, pp. 138, 366; Chŏng 1996, pp. 272-273, 277-279; Kim 1985, p. 362; An 2001, pp. 315, 320-332, 339).

Typically, the analysis of the Ch’ŏnbu’gyŏng is couched as scientific, but uses the Taejonggyo kabbalistic numerology. Hwang Uyŏn, for example, arranged the Ch’ŏnbu’gyŏng into a nine-by-nine square, each character in it allocated a number. Various sections are related to the Five Agents, yin and yang, heaven, earth and man. The square is revolved to form a diamond, or spirals and complex triangles, and the contents are linked to the basis of life, cell division and its RNA and DNA (Hwang 1988, pp. 150-151, 159-160, 164, 170, 185, 190, 194ff). Ch’oe Tonghwa uses theories of the black holes to explain a line of the Ch’ŏnbu’gyŏng, and relates them to the yin and yang numbers of the magic squares (Ch’oe Tonghwa 1991, pp. 55-56). These diagrams greatly resemble
those of the Chinese mathematicians who used magic squares and of the number theorists and geometry specialists (Needham 1959, p. 60, 22).

Script

Interest in these texts has spread to North Korea. Academics there used the Kyuvōnsahwa and Handankogi to support the thesis that Tan'gun really existed, something corroborated by the so-called discovery of Tan’gun’s grave and skeleton in 1993. They assert that Tan’gun led a state called Old Chosŏn, and that Sinsi invented a distinctively Korean script that preceded hangul by millennia. A few scholars were aware of these alternative histories (Hong 1964, p. 337; Kang 1994, p. 663; Kang 1987, pp. 615, 618-620), and from 1993 they were cited as proof (Kang 1993, p. 85). A few were aware these books were forgeries (Ch’oe 1995, pp. 221-222).

This did not deter the North Korean “linguists” and “philologists” who had engaged in heated disputes over Tan’gun and Old Chosŏn with the archaeologists (Lee 1992, p. 23). The North Korean historical linguists and South Korean cultural nationalists share a view that the ancient “Koreans” had their own script, ascribed to Sinsi or Sinji. A speculative etymology is used as evidence, but the prime source is the Handankogi, which asserts that there is an ancient engraving by Sinsi at Nangha-ri that resembles seal script. This was supposedly developed by Wang Mun of Puyŏ, and the Chinese Yin-hstieh (Unhak) script was modelled on that of Wang Mun. A Yugi is quoted:

The divine strokes were on the cliffs at Green Crag on Mt T’aebaek. Its shape is 1. People say they were transmitted by the immortal-man Sinji. Some say these were the first letters created. Its stroke is a direct one, and bent takes the shape of =, and in meaning symbolises the system of control. Its shape and sound have emanated from calculation...

A commentary states that Han’ung went hunting, and seeing deer prints, invented a counting-stick script. Others created different scripts, but in the second year of the Tan’gun Karük, Üborük invented the thirty-eight letter karimda or chong’um script, which closely resembles hangul. A commentary by Wŏn Tongjung says Ch’oe Ch’iwŏn obtained Sinji’s stele text of the Ch’ŏnbu’gyŏng and made a copy, which was engraved at Nangha-ri. But Tan’gun also had a seal script, and Fu Hsi had dragon script, etcetera (Kim Unsu 1985: 318–317). This text is a modern product, for the study of the Yin oracle bones only appeared in 1903 (Oshima 1997, pp. 166-167, 209-210). The linkage of script and national pride mentioned therein shows awareness of modern ethnic nationalism.

The Yugi quote and Ch’ŏnbu’gyŏng may have been inspired by the description of the right-angled triangle in the Han Dynasty mathematical classic, the Chou Pei suan ching, and by the rationale for the development of hangul in the Hunmin chong’um. The Chou Pei suan ching writes:

The art of numbering proceeds from the circle and the square. The circle is derived from the square and the square from the rectangle. The rectangle originates from ... 9 x 9 = 81....The square pertains to earth, the circle belongs to heaven....He who understands the earth is a wise man, and he who understands the heavens is a sage. Knowledge is derived from the straight line. The straight line is derived from the right angle. And the combination of the right angle with numbers is what guides and rules the ten thousand things (Needham 1959, pp. 22-23).

The Hunmin chong’um states the design of hangul letters are related to:

The Way of Heaven and Earth; One, Yin-Yang, Five Agents (Ledyard 1966: 228).
Heaven commences in the First Epoch. The roundness of the outline (of •) is a depiction of Heaven. Earth opens in the Second Epoch. The flatness of the outline (of —) is a depiction of Earth. Man is born in the Third Epoch. The uprightness of the outline (of |) is a depiction of Man (Ledyard 1966: 239-240).

The similarities of the correlations expressed here with the cosmology of Shao Yung, who inspired these explanations and used numerology (Ledyard 1966, pp. 161-162, 204-205), and the analogic thinking of Taejonggyo and its diagrams is instructive.

In 1993, a North Korean linguist tried to trace a history of these Sinji letters, citing the Handankogyi, Kyuwonsahwa and P'yong'yangji (Gazetteer of Pyongyang) of 1590, which noted that at the Pöpsu Bridge in Pyongyang, an old stele was inscribed in a script neither Sanskrit nor Chinese seal style. He thought it was in Sinji script (Ryu 1993, pp. 113-115). Kim Kyohŏn referred to it in his Sindansilgi, saying the stele was dug up in 1883 (?), and was possibly written by Sinji (Kim 1914, pp. 51b-52a).

Dr Ryu concludes Sinji script was used throughout ancient Korea, that Sinji means “great person” or “king,” and so this phonetic alphabet was fashioned on royal orders. It was the basis of hangûl, which in turn was the foundation of the Japanese kamiyû (Age of the Gods) script (Ryu 1993: 115-119), and for the script of Ts'ang Chieh, the Taoist minister to the Yellow Emperor who invented the first Chinese writing (Ryu 1995, pp. 592-601).

Ironically, the North Korean arguments and evidence are almost identical to those of the South Korean volk nationalists. But Dr Ryu and his compatriots are constrained by “scientific materialism” to use a mixture of archaeology, speculative philology and the alternative histories. Several North Korean scholars placed Sinji script in an evolution from marks made on pottery towards a greater abstraction and then Sinji letters (Kim 1995, pp. 576-588). All of this is probably a North Korean justification for the rejection of Chinese characters, tools of the ruling class, while the Sinji script suited the language of the people (Kim 1995, pp. 603-604). Yet the evidence for this primeval script comes from twentieth-century forgeries composed in Classical Chinese by Taejonggyo, just when Chinese characters were being challenged for dominance by hangûl. But Taejonggyo adopted the most obscure and complex characters and readings over simpler versions. These characters came from Chinese classics and dictionaries, as ancient characters (ku-tzu), to give a veneer of antiquity commensurate with the age of Tan'gun, and to lend erudition to the interpreters.

Speculations on the ancient script have proliferated, always in a nationalist direction, and composed of two streams: theories on the evolution of hangûl from the ancient alphabet of Sinsi/Sinji, and theories on the script being the source of most foreign scripts. The pride in the script is palpable, as reflected in Ledyard’s comment, “No other alphabet in the world is so beautifully, and sensibly, rational” (Ledyard 1966, p. 200).

Before the original source materials on the development of hangûl were discovered in the 1930s and 1940s (Ledyard 1966, pp. 16-17), the moderniser of hangûl, Chu Si'gyŏng (1876-1914) was deeply influenced by Taejonggyo. In 1908, before the Re-illumination, he wrote that “our Korean national language has been used for over 4,000 years since the foundation of the nation in the Tan court,” and, “the superior language manifested the virtuous government since our ancestor Tan, and the distinction of consonants and vowels being single [unlike Japanese kana] makes for a convenient script” (Sassa 2001, pp. 52-53). In 1906, Chu had felt that the spiritual invasion of Korea was more dangerous than the military invasion (Yi 1981, pp. 321-322, 324, 341).

These were responses to the assertions of Japanese like Shiratori Kurakichi (1865-1942), who in 1894 said Tan'gun was a myth, in 1897 argued that hangûl was derived from Sanskrit, and in 1915-1916 proposed that Japanese and Korean had a common origin.
Kim Kyohŏn may have responded with the assertions that Korea had a venerable script. As Japanese attempts at assimilation intensified, seeking to erase Korean identity, the Korean reactions escalated into new forgeries like the *Handankogi* that claimed Sinji script preceded all East Asian scripts, especially Chinese and Japanese *kana*. Since Liberation, such assertions have continued, and some writers claim the ancient Korean script and language are the oldest, holiest and best in the world (Hwang 1988, pp. 245-248). In Tan'gun's time it was universal, and being so scientific, has left traces world-wide (Hwang 1988, pp. 250-251; An Ch'angbŏm 2001, pp.362-372).


These attempts to make the national script a divine, perfect *Ur-schrift*, like an *Ur-sprache* (Steiner 1975, pp. 58-59), often invented on the grounds of misunderstandings of various marks such as those found on pottery of the Lung-shan culture of 2,300BC, which were proclaimed the origins of Chinese characters (Ōshima 1997, pp. 164-165); marks that seem to be common to many prehistoric sites world-wide (Djamouri 1997, pp. 211-212), betray nationalistic anxieties. The nationalists read early texts like the *Shih chi* and *P'ao-p'u-tzu*, which are replete with metaphor and myth, as literal accounts of origins and scripts (To 1983, pp. 56, 57-58). Educated elites, like Na Ch'ŏl, when marginalised, resort to invention to unite their nation, or like Yi Yurip, to gain a voice in the modernist world, and language or script were vital means.

Conclusion

Taejonggyo and its fellow travellers invented an ethnic religion and a "philological" nationalism to differentiate Koreans from their neighbours (cf. Hobsbawm 1990, pp 56, 69). When the newly conceived nation-state is threatened, the philologists and folklorists search for material to support this ethnic nationalism (Smith 1991, p. 12). Confucian historians like Kim Pusik were tainted as subservient to China, and the myths of the Buddhist Iryŏn had to be given greater antiquity and divorced from Buddhism. A golden age, divine ancestry and genealogy of the chosen people were conjured up (Smith 1991, p. 66) to promise a restoration and a bright future (Smith 1991, p. 162). The primeval ancestral religion had to be revived. Like the Welsh, who invented an ancestry and
religion in the ancient Druids, whose field extended beyond Wales to the lands of contemporary oppressors, and who created a Druidic alphabet more ancient than any in Western Europe to write the "Language of heaven," Welsh, the root of all tongues (Morgan 1983, pp. 44, 60-63, 66, 67, 70-73), so too the Koreans under Japanese colonialism, for want of a state “were driven to give a disproportionate amount of their energies to cultural matters, to the recovery of the past, and where the past was found wanting, to its invention” (Morgan 1983, p. 98) While the lack of public libraries, scholarly institutions and organs of criticism made it easier for forgers to fool readers (Morgan 1983, p. 99), the use of a symbolic analysis, familiar from canonical texts like the I Ching, Hunmin chŏng’ŭm and those of the philosophers, lulled readers into a ready acceptance of mystical, nationalistic inventions.

References


Ogyejip, see C. Ch’oe.


Sam’il ch’ŏlhaek, see C. Taejonggyo 1949/2002.


Hyech'o is an archetypal exemplar of the pan-Asiatic vision of early Korean Buddhism. He studied esoteric Buddhism in Tang China in the early eighth century under a Tantric master Vajrabodhi who praised him as 'one of the six living persons who were well-trained in the five sections of the Buddhist canons'. It was apparently at his advice that he set out for India. His travelogue *Wango ch’onch’ukkuk chon* lay hidden in oblivion until 1904 when a French scholar Paul Pelliot became aware of its significance. His brief essay on this travelogue entitled "Deux Itineraiare de chine en inde a ladu Ville siecle" (Two Travelogues from India to China at the End of the 8th Century) was based on the Chinese sources, chiefly *Yiqie jing yin yi* compiled in 810 AD by Huilin. Later in 1908 when Pelliot discovered the text, albeit in a truncated and abridged version, in a Dunhuang grotto, many scholars from China, Japan and Korea wrote about this important source on the history and culture of India in the eighth century.

An English translation of the text was published in 1984 (Yang 1984). However, it mostly adheres to the structure and argument of an outdated work by Fuchs (1938). Its annotations are also thin in their range and richness. Its limitation is also evident in its failure to demonstrate extensive and integrated understanding of Korean, Chinese and Indian history in the eighth century. Two recent translations of the text in Japanese and Chinese, rendered by Kuwayama Shoshin (1992) and Zhang Yi (1994) respectively are useful additions to the field. This important text, however, needs fresh scrutiny from an interdisciplinary perspective, because it is only through utilisation of contemporary archaeological data, inscriptions and literary material from China, Korea and India and critical reading of a wide range of secondary material written in many East Asian and Western languages that it may become possible to reconstruct the main contour of Hyech'o's life in India and his observations on the contemporary realities. In this paper I intend to examine the fallacy of the process through which the initial passage of the text was deciphered and interpreted and identified with Vaisali in North India.

The Opening Lines of the Text

The opening Lines of the text have been translated by Yang as follows:

Vaisali (?)

... they do not honour the Three Jewels... They go barefoot and naked. The non-believers do not wear clothes... They eat at any time because they do not observe *Uposatha*. The land is completely flat... They have (no) slaves. The crime of selling people's not different from murder...(Yang 1984).

The translation is based mostly on conjecture, as the opening sentences have survived only in a mutilated form, with many characters either missing or illegible. It is also to be remembered that the fragmentary text found by Pelliot in a Dunhuang grotto, was not a
copy of the original work but a heavily abridged version, apparently made by a Dunhuang monk for his own studies. We have on the evidence of Huilin's *Yiqie jing yin yi* (Glossary of the Buddhist Scriptures) that Hyech'o wrote his travelogue in three volumes. Huilin's Glossary contains 85 phrases from these three volumes, along with their explanations. The first volume appears to have been devoted to the general description of the geography, life and history of the Indian sub-continent. Xuanzang's travelogue to India also contains such a section, "General Introduction of India". The second volume doubtless contained description of his travel from South China to India through the famous maritime trade route of Nanhai (South China). This route passed through Srivijaya in present-day Sumatra and Andaman-Nicobar islands (Luo xing Guo or Land of the Naked, the name by which Nicobar was known to Indians on the mainland and the Chinese) and led up to the port of Tamralipti in present day West Bengal (Ko Pyong-ik, Hyech'o). It also contained accounts of sites in East India and North India on the Gangetic plains, as is evident in the occurrence of the place name Varanasi. The third volume contained accounts of his travels to other parts of India and Central Asia. In order to understand why the opening lines were believed by most commentators to be related to Vaisali, we need to look at the significance of this city in the Buddhist imaginary.

**The History of Vaisali**

Vaisali figures prominently in ancient Indian texts in Sanskrit and Pali. According to the *Ramayana* by Valmiki it was built by King Visala, son of Iksvaku. India's mythical God Rama and his wife Sita are believed to have passed through this city on their way to Mithila, the land to which Sita belonged. Mahavir, contemporary of the Buddha and founder of the Jaina religion was born in this city. Nearly a century prior to Hyech'o Chinese monk Xuanzang found numerous followers of Jaina in this city, including members of its orthodox sect, Digambar or horizon-clad. Digambar wore nothing, believing that the sky and the horizon served as their clothes. The Buddha stayed in this city on numerous occasions. It was here that he first accepted the proposal of his chief disciple Ananada that women be allowed to join the order. It was the abode of Amrapali, a famous Courtesan whose hospitality Buddha accepted, a fact testifying to the broader social base of Buddhism in comparison to the narrow outlook of the urban realities held by Brahmanism. During the Buddha's time it was a proto-republican state and its major state affairs were decided by an assembly of elders on the principle of unanimity. When the monarchical kingdom of Magadha waged war on Vaisali, the Buddha is said to have remarked that the city would not fall to the military might of invaders, because its people respected their elders, honoured their women, followed a political process that had no place for despotism, faithfully discharged their responsibilities and adhered to their religious traditions. It was the last city which Buddha visited and it was here that he is said to have proclaimed that he would attain 'nirvana' within three months, although Ananada begged him to live for a kalpa for the welfare of the living beings. The Buddha told the assembly of monks, "O monks, be diligent, mindful and virtuous. With well-directed thoughts guard your mind" (Narada, p. 137). Vaisali boasted of one of the four great Stupas enshrining the sacred relics of the Buddha. Hyech'o reflected on the Stupa of Vaisali before he finished his account of central India. He wrote, "In the territory of central India there are four great stupas. Three are situated north of the Ganges. One is located at the Anathapindika Park in Sravasti. There are monasteries and monks there. The second one is at Amrapali Park in Vaisali. The Stupa still exists but the monastery is ruined and without monks". It is apparent that Hyech'o visited Vaisali, as did his predecessors, Fa
Xian, Xuanzang and Yijing. But the question arises whether the opening sentences can be correctly understood as descriptions of Vaisali.

Points of Contention

One major aspect of the text that the commentators failed to notice is that it is not organised in accordance with the sequence of Hyech'o's itinerary. This lack of chronological order may be derived from haphazard abridgment. Since the description following the opening sentences is that of Kusinagara, a place where Buddha attained his Nirvana, it was generally believed by modern commentators of the text that Hyech'o followed the footprints of the Buddha and the text faithfully reflected the route and order of his itinerary. The lack of coherence in the available text becomes evident when we read the following poem, erroneously appended at the conclusion of his account of travel to Deer Park in Sarnath and Mahabodhi Temple in Gaya: "I was not worried that the Mahabodhi temple was far. How can I regard Deer Park as distant."

It is obvious that Hyech'o wrote this poem at the Mahabodhi Temple from where he was to set out for Sarnath (perhaps, via Vaisali). He very clearly articulates in the poem his strong will to negotiate the long and perilous path to Sarnath, the place where Buddha gave his first sermon, known as 'Turning the Wheel of Law'. The chronology of Hyech'o's itinerary is doubtless jumbled: Kusinagara-Varanasi and then Mahabodhi Temple in Gaya, where as it should have been Gaya-Rajagriha-Nalanda-Pataliputra (Patna)-Vaisali-Kusinagara-Lumbini Kapilvastu-Varanasi. Hyech'o says that from the city of Varanasi (situated at a distance of 4-5 kilometers from the Deer Park in Sarnath) he went straight to the city of Kanyakubja in central India. There was no reason for him to take a journey back to Gaya from Varanasi, although even a respected historian Professor Ko Pyong-ik believes, he did. (Ko Pyong-ik, Hyech'o, p. 11). Yang Han-sung et al even mistranslated the poem as "Untroubled by the distance to Mahabodhi/ Unafraid that the Deer Park is Far" to adapt it to the structure of the text. The second line of the poem does not bring about the meaning of 'yan', an interrogative particle and 'jiang' which parallels with the verb "worry' of the previous sentence and can be interpreted in this context to mean 'consider'.

It also needs to be noted that slavery was an important aspect of economic reality of North India in the eighth century. Dharma Sastras (Hindu Law Codes) enumerate many kinds of slaves, including domestic slaves, slaves of war, purchased slaves, slaves gained through gambling bets or gifts (Channa, pp. 34-35). Sharma in his magisterial work Sudras in Ancient India also argues that domestic slaves undeniable existed in India even after the downfall of the Gupta empire in the 7th century (Sharma, p. 323), although the freeborn peasants formed the primary basis of production. Hyech'o who came from a rigidly stratified Kolp'um-based society of Silla with a large number of slave population could not have been so naively dismissed the existence the slaves. As regards the description of naked people in Vaisali, is it applicable to the Digamabar Jaina population of the city? The sentence translated as 'They go barefoot and naked. The non-believers do not wear clothes' means that the people of Vaisali are bare-footed and naked, and the non-believers (Digambar) do not wear clothes. The average Indian population in the North may not have been properly attired, but they invariably wore lower garment (dhoti), and Hyech'o would not have made such a sweeping statement. It is obvious that the opening lines need to be retranslated and the place to be identified.

Identification of the Place in the Opening Paragraph
The opening paragraph may be re-translated as:

...they consider iron as precious. Bare-foot and naked (luo xing), these heretics do not wear clothes. They eat when ever they get food, nor do they give alms (to monks). The land is level. They do not have slaves. The crime of selling people is same as that of murder.

One possible candidate for identification is Nicobar (luo xing) island. Luo xing guo or Nicobar is the first phrase that Huilin chose to quote in his glossary from the second volume of Hyech'o's text. A cola dynasty inscription, dated 1050, refers to the island as Nakkavarman (Land of the Naked), possible root of the ethnonym Nicobar (Maloney, p. 447). Yi jing noted in his travelogue (d. 672) that men of the island were completely naked and women partially covered their bodies with leaves. He also referred to their need of iron which they wished to procure from travelers by bartering coconuts. An Arabic traveler in the ninth century also noted that whenever the inhabitants of the island sighted ships, they flocked to the shore with coconuts in their hands and wanted to barter them with iron tools (Xie, pp.18-19). Arab writers also noted that cauris formed the wealth of the island which was collected by the queen and sent to Bengal and Siam as an export commodity. (Wink, p. 82).

Reference to the absence of slavery as a social institution is also applicable to a hunting-gathering society surviving on coconut, banana or pigs, rather than a feudal society of North India in the eight century with sophisticated mechanism to mobilise sudra population as slaves in state farms or in the houses of wealthy aristocrats.

Concluding Remarks

This essay, part of a project to understand the relationship between two ancient civilisations, India and Korea, reveals the lacunae in the existing scholarship and underscores the need to question the existing paradigms. A proper understanding of the life and career of Hyech'o, emblematic of the broad cultural frontier of Korean Buddhism, can be achieved when we examine how his background, notably his upbringing in Silla and his training in Chinese Buddhist monasteries informed his observation and interpretation of the Indian reality. It is also noteworthy that a reliable and richly annotated English translation of his work *Wango ch'onch'u kukkan* is possible only at the intersection of Buddhist studies, Dunhuang studies, Indian studies, Chinese studies and Korean studies.

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The Life and Times of Yŏm Sŏng-ik: A Buddhist Devotee in 13th century Korea

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1. Foreword

Yŏm Sŏng-ik is indisputably one of the most interesting human and political figures of King Ch'ungnyŏl's reign (1274-1308). He was a faith-healer, a magician, an opportunist and a grafter, but at the same time a faithful Buddhist and patron of the sangha. It is not without reason that the compilers of the Koryŏsa have included his biography among the sycophants. His figure and his behavior fully reflect the tendencies of the period. From his curriculum we can infer that he passed the state examinations. However, due to his connections with people of lowly origins, monks and foreigners, he was at times considered with contempt by the more conservative groups of scholar officials. His career was made possible by the disruption of the traditional values and order of Koryŏ's aristocratic society. The purpose of this paper is to help have a clearer picture of the period itself by defining - as much as allowed by the materials at our disposal - the biography and personality of Yŏm Sŏng-ik.

To date, no studies have been done on Yŏm Sŏng-ik, though he is one of the most interesting figures of his times. This is probably due to dearth of data. My interest in him arises from his strong faith in Buddhism and its character. We do not know the exact date of his birth, but we do know the year of his death, 1302, as we are informed about it by the Koryŏsa. I have tried to reconstruct the most meaningful dates in his life mainly through reference to the Koryŏsa (Biographies). References to Yŏm Sŏng-ik can be found also in the Koryŏsa Chŏryo, Yi Che-hyŏn's Ikchae Nango and the Genealogical Records of the P'aju Yŏm Clan. Relating to him are also two inscriptions, one on a hand written copy of the Lotus Sutra (Book 7), preserved at the National Museum in Seoul, and a colophon on an image of "The Descent of Amitabha", property of the Bank of Japan.

2. Yŏm Sŏng-ik 's Political Career

The period in which Yŏm Sŏng-ik lived was an eventful one. The country withstood a series of invasions by the Mongol armies. However, Koryŏ had to sign quite vexatious conditions after about 30 years of armed resistance to secure peace. No other country had ever resisted so long to the invading Mongol armies. On one side, Koryŏ had to bear the heavy conditions imposed by the Yüan, who besides exacting all kinds of heavy tribute forced the country, already impoverished by the war, to participate in two disastrous military expeditions against Japan. On the other Koryŏ opened herself completely to the rest of the Eurasian continent experiencing contacts with new cultural entities. New cultural elements enriched the life and culture - especially of the nobility - in Koryŏ, and at the same time Koryŏ gave her important contribution to the development of cultural life in the Yüan capital Dadu.
After almost a century of military rule the kings of Koryo succeeded in reestablishing the central authority of the monarchy. The most important task of King Ch’ungnyöll was the strengthening of royal authority, not only versus the military but, most of all, against the power of the Confucian bureaucracy (sadaebu), who were gaining ground at court. To this end he established the P’ildoji, a counseling body that often by-passed the Privy council, or Top’yönguisasa. Yom Sùng-ik and others close to the king were employed in the P’ildoji. They were at the same time supporters of King Ch’ungnyöll, and allied to the Mongol elements at court and the eunuchs.

Yom Sùng-ik fully participates in this new atmosphere and even gets the chance to go to the Yuan court a first time as a magician (sulsa. Koryosa, Book 123, Biogr., Yom Sùng-ik) and as a member of the royal following several times thereafter.

Yom Sùng-ik had family relations with some of the most important Koryo clans of the time. His son Se-ch’ung married a daughter of Cho In-gyu, special councillor during King Ch’ungnyöll’s reign, of the P’yöngyang Cho clan. One of his daughters married Hŏ P’yông, son of Hŏ Kong, of the Yangch’ön Hŏ clan, an authoritative statesman of the time, while a step-daughter of his married to Cho Chŏk, who later also became special councillor. A third daughter became wife of the Yuan director of political affairs Moji, and this gave Yom Sùng-ik an edge with respect to the Koryo nobility (Genealogical Records 1892, Book 1). Besides those mentioned above, his clan was related to some of the most influential figures of the time, as his relatives had married people like An Hyang (1243-1306), who is credited with having introduced neo-Confucianism, Wŏn Pu (1262-1346), and Han Kang (? -1303), one of the most prestigious councillors of King Ch’ungnyöll’s reign.

Yom Sùng-ik rapidly ascended the bureaucratic ladder to become first councillor, a prime ministerial rank post. His career, however, was due more to his thaumaturgical talents and his political connections at home and abroad rather than to his literary or moral qualities. In fact, he is grouped together with the sycophants in the Koryosa, sharing the same fate with Yi Chi-jŏ, Yi Pun-hŭi, In Hu, Yi Yŏng-ju, Kwŏn Ùi and others.

Probably Yom Sùng-ik passed the state examinations. However, the complete state of disorder in which they were held at the time allowed powerful and well-to-do families to get their scions promoted at a very early age and without any real cultural background (Pak 1996, p. 41). The disruption of Koryo’s traditional bureaucratic system which followed the military takeover of the country in 1170 and the influence exerted by its inheritance until the final years of the dynasty partly account for this state of affairs. We also have to keep in mind that the Koryo nobility always made a strong recourse to the Um priviledge. At the moment we do not have any means to ascertain whether his initial career was attributable to such a background, but certainly his fast progress in the administration’s ladder is due more to his thaumaturgical talents and the favour of the king rather than to his literary or moral qualities. In fact, he was introduced to the king by another sycophant, Yi Chi-jŏ, for his thaumaturgical qualities.

On the other hand, the international situation and the presence of the Yuan court in China favoured the birth of a new class of people that were tied to Mongol interests in the country. As we have seen, Yom Sùng-ik can be rightly considered one of the foremost representatives of this group, thanks to the marriage of one of his daughters to the Yuan director of political affairs Moji. This group was very close to the king, who wanted to strengthen his power versus the newly rising Confucian bureaucracy. At home, he established kinship and friendly relations with this group of people. Together with Hŏ Kong, Cho In-gyu, Yi Chi-jŏ, Kwŏn Ùi, In Hu, he formed a strong power group at court, which curried the favor of the king while allying itself with the Yuan followers of the Mongol princess and court eunuchs. As such this group must have been perceived by the
more conservative Confucianist faction at court, which later allied itself with the heir to the throne and future king, Ch’ungnyŏl.

For reasons of space we cannot deal in much detail with Yŏm Sŭng-ik’s political position. Suffice to say that he was one of the utmost proponents of the foundation of the P’íldoji, together with Yi Chi-jŏ (Koryŏsa, Book 104, Biogr., Kim Chu-jŏng). He was also chosen as one of the functionaries of the P’íldoji together with others of his group. This new organ, filled with people close to King Ch’ungnyŏl, was meant to be a more efficient alternative to the Privy council (Top’yŏnguísasa) in the administration of power. The Privy council had been the highest consultative body of the kingdom but was replete with officials, numbering at times over seventy, and this was the main reason for its lack of efficiency. The institution of the P’íldoji was a menace to their exclusive power, and this must have created a bitter antagonism between the members of the Privy council, who represented the mainstream of Koryŏ’s officialdom, and the members of the P’íldoji.

To this effect, it will be illuminating to quote an anecdote that the compilers of the Koryŏsa must have drawn from Yi Che-hyon’s Yogong P’aesŏl (Book 2). When Hong Cha-bŏn became first councillor, Cho In-gyu became second councillor, while Yŏm Sŭng-ik followed in the third position. Sŭng-ik, who was in very good terms with the royal family, used to stay at the royal palace and only rarely went to the Hall of councillors. Once Hong Cha-bŏn happened to leave early. Cho In-gyu approached Sŭng-ik saying: "People use to say that Hong is the real councillor while they call me ‘the old interpreter’ and yourself as ‘the old sorcerer’, thus not including us in the score of the councillors of state. The best thing we can do is to come early every day to office and in the evening be diligently on night duty". On the contrary, that same day Sŭng-ik resigned, probably thinking that he did not deserve such a slanderous criticism (Yogong P’aesŏl, Book 2. Koryŏsa, Book 123, Biogr., Yŏm Sŭng-ik). This criticism was probably coming from the more conservative faction of the literati, who sustained the heir to the throne against the faction of King Ch’ungnyŏl, among whom was, as we have seen, Yŏm Sŭng-ik himself.

The place of origin (pon, 本) of Yŏm Sŭng-ik’s clan is P’aju, today’s Sŏwŏn. His name was Yu-jik. At twenty he styled himself Sŭng-ik. He was the scion of an illustrious statesman of the Middle Koryŏ Period, Yŏm Sin-yak (1118-1192). His father, Sun-ŏn, was assistant director of the Office of technical instruments and treasures, rank 7b (Genealogical Records ..., Book 1). Still young, he got very ill and managed to recover only thanks to the practice of prayer and penitence, which he made together with Buddhist monks. Through a long practice of penitence and prayer Yŏm Sŭng-ik must have developed supernatural powers. The Koryŏsa reports that he had holes in his hands and that he used to connect them with a string (perhaps a Buddhist rosary?). After having recovered, he started to cure other people, it seems with tangible results, as he was later recommended to the king by Yi Chi-jŏ (Koryŏsa, Book 123, Biogr., Yŏm Sŭng-ik). From then on Yŏm Sŭng-ik’s career and success at court were granted. He must have followed the royal family, and especially the king, everywhere they went. We can ascertain that in the third year of Ch’ungnyŏl’s reign (1277) he was already well established at court. In the seventh month of that year, the royal family payed a visit to Ch’ŏnhyo Temple, and Yŏm Sŭng-ik went there as a member of the following, to attend to the king’s health. On that occasion the Mongol Princess Cheguk Taejang (1259-1297, Wŏnsŏng Kongju, or Princess Wŏnsŏng, her maiden name was Hudulujelimishi) was extremely irritated with the king for having failed to provide her a following proper to her standing and because the king had entered the temple without waiting for her. She proceeded with insulting him and hitting him with a club. She calmed down only thanks to the intervention of Yŏm Sŭng-ik, who managed to appease her by telling her that there must have been a malignant spirit whose actions created misunderstanding between her and the king. At the time the
Recipient of Edicts Yi Sūp commented on the happening saying: "There are times when even Yŏm Sùng-ik's nonsense can be of some use" (Koryŏsa, Book 123, Biogr., Yŏm Sùng-ik and Yi Pun-huí). Yi Sūp later paid very dearly for this comment. In fact the following year Yŏm Sùng-ik, together with Kim Chu-jŏng and Pak Ku, and with an understanding and support of court eunuchs - convinced the king to exile Yi Sūp and his elder brother Yi Pun-huí (Ibid.)

There were times, however, when Yŏm Sùng-ik could exert a positive influence on the king, at least from a Confucianist point of view, such as when he convinced King Ch'ungnyŏl to restrain himself from going too often on hunting parties, and exhorting him to dedicate more attention to the country's administration (Koryŏsa, Book 123, Biogr., Yŏm Sùng-ik; Chronicles, Book 33, Ch'ungsŏn 1st year).

We find Yŏm Sùng-ik in 1277 as a section director and the following year as a Clerk. In 1281 he became recipient of edicts and law instructor. In 1284 he was sent as vice director of the Department of military affairs to inspect the provinces of Kyŏngsang, Chŏlla and Ch'ungch'ŏng. In the same year he offered a dinner to the king in his residence. In 1287 he was promoted concurrent overseer of the Office of special councillors. The following year he was assigned the post of adminstrator of the Office of special councillors, but soon resigned and was substituted with In Hu (Koryŏsa, Book 123, Biogr., Yŏm Sùng-ik; Chronicles, Book 33, Ch'ungsŏn 1st year).

In 1289 he went to the Yŏn capital as a member of the royal following together with Cho In-gyu, In Hu and An Hyang. In 1291 he was promoted director of the Office of revenue and assistant to the Heir Prince. In 1293 he again followed the royal family on a trip to China, alongside Cho In-gyu, In Hu and Min Chi (Koryŏsa, Book 123, Biogr., Yŏm Sùng-ik; Chronicles, Book 33, Ch'ungsŏn 1st year).

At the time he was Supervising Inspector. In the first month of 1295 he resigned on pretext of illness. In the fifth month of 1297 he was called back to court to cure the illness of the Mongol Princess at Hyŏnsŏng Temple, but the princess died soon afterwards. In 1301 he resigned all public offices - being special councillor at the time - and the following year embraced the sangha. He died a Buddhist monk a few months later.

The observation of a few cases reported in the Koryŏsa is essential to understanding of Yŏm Sùng-ik's personality. As mentioned above, Yŏm Sùng-ik was quite inclined to get involved in ambiguous situations to obtain personal gain. Exemplary cases are those quoted in the Koryŏsa, where he entertains relations with people like Kwon Úi, Chŏn Chaga-gong and Yi Chi-jo. Kwon Úi was a friend of Yŏm Sùng-ik and was in good terms also with court eunuchs. Yŏm Sùng-ik recommended him to the post of Provincial Governor. Kwon Úi, strong of his backing, was dedicated to all sorts of misgivings, not excluding murder, and managed to amass a fortune. Finally he was sent into exile thanks to the public pronouncements of the Mongol official Yesuder. The Mongol had made a visit to the Southern provinces, where he observed the state of abjection people were living and the abuse of public officials, among who was Kwon Úi. Subsequently the special councillors memorialized the throne on the situation and the powers of provincial governors were curbed (Koryŏsa, Book 123, Biogr., Yŏm Sùng-ik, Yi Chi-jo).

Yŏm Sùng-ik did not fare well even in the case of Andong's judiciary official Chŏn Cha-gong. Chŏn was removed from office following a denunciation for graft and corruption in the third month of 1281. He recovered his post after handing over to Yŏm Sùng-ik a considerable amount of money. A gentleman living in the district, named Kwon Mun-t'ak, asked the son-in-law of one of his slaves, a Chinese merchant, to report the matter to the Office of special councillors. Yŏm Sùng-ik, pretending to act by royal decree, put both Kwon Mun-t'ak and the Chinese in jail, and had the latter one killed to prevent him to act as a testimony in the case against Chŏn Cha-gong. The Koryŏsa refers that Yŏm
Sung-ik's power at the time was so great that even the censors had no courage to denounce him.

In 1282 the slaves' commissioner Yi Yong-ju denounced the unlawful appropriation of private and state lands on part of officials of high rank, kelingkou (members of the following of the Mongol Princess), functionaries of the Board of falcons, eunuchs and powerful slaves. Yi Yong-ju lamented that these lands were the refuge of all kinds of outlaws. The political connections of officials and eunuchs were a deterrent to provincial magistrates, who did not dare to pursue them for fear of being removed. In certain cases, landholdings occupied tens, even hundreds of kyol, and exacted corvee labor and taxes even from independent landowners that by chance owned property within the enclosures of powerful officials. These huge estates refused to pay taxes and many local administrations could not even gather the means to run their offices. Among the worst offenders Yi Yong-ju quoted Yom Sung-ik, Yi Chi-jo, Yun Su and others. Far from taking any measures against the offenders, the king lent his ear to court eunuchs and Yom Sung-ik's party, who criticized Yi Yong-ju severely. He was slandered to the extent that the king ordered that he be questioned and tortured instead (Koryosa, Book 123, Biogr., Yom Sung-ik, Yi Yong-ju).

In 1285 Yom Sung-ik's name was again related to the case of the chiliarchs of the Tongnyong Prefecture, Han Sin, Ch'oe Tan, Hyon Hyo-choel and others, who caught a few people working under the Chiliarch Kye Mun-bi and accused them of scheming a plot along with Yom Sung-ik to take their lives. They brought the case to the Liaodong Pacification Commission and the provincial governor. Following this many high officials from the YUan came to Koryo to ascertain the facts. Kye Mun-bi's followers were questioned and tortured. The king also intervened and ordered Cho In-gyu, Kim Chu-jong and Yu Pi to go to China together with Yom Sung-ik to defend his position. Some time later Han Sin and his colleagues were accused of slander and were condemned accordingly (Koryosa, Book 123, Biogr. Yom Sung-ik, Yi Yong-ju; Book 130, Biogr. Ch'oe Tan).

Having Yom Sung-ik been involved in the case of Chon Cha-gong he could by no means be immune from personal interest in appointing his own relatives to high office. That is, in the 9th month of 1284 his elder brother Su-jong was unexpectedly promoted Vice Prefect and Drafter of royal edicts. Together with him Yi Chi-jo, Kim Ui-gwang and other officials received high appointments without any consideration of bureaucratic precedence, and became therefore the object of public criticism (Koryosa, Book 123, Biogr., Yom Sung-ik, Yi Chi-jo).

In 1291 a resident of Milsong, a certain Cho Ch'ing, had planned to murder the provincial governor together with other people of the locality. The plot was uncovered just in time, but Cho Ch'ing managed to escape prosecution. Later on he sided with Yom Sung-ik and was appointed to assistant of the Board of personnel and rites. The Inspector Kim Yu-song, however, refused to put his seal on the decree stating that the appointment was not regular. Notwithstanding pressures from Yom Sung-ik, who declared it was an order from the king, Kim Yu-song refused to comply. Then Yom Sung-ik scolded him saying: "Do you really think to be wiser than Ch'ing not to heed my words? Considering that you are quite old now, would you fare that well if you got exiled?" (Koryosa, Book 123, Biographies, Yom Sung-ik).

Another rather demeaning side of Yom Sung-ik's personality can be observed from his lack of self-restraint, or should we rather say his earnestness in looking for Koryo girls to be offered as part of the tribute to the YUan court. In the 9th month of 1287 the Mongol Princess, as part of her preparations to visit the imperial family in Dadu, ordered Yom Sung-ik and In Hu to search houses in the capital in order to gather a sizeable number of girls aged 14 to 15 years to be taken with her as part of Koryo's tribute. As families did not like to give away their offspring, Yom Sung-ik and In Hu organized night expeditions and
broke into peoples' bedrooms deep in the night while families were sound asleep, or at times the servants of well-to-do families were taken forcibly and compelled to reveal the presence of young girls in the houses where they were living. This operation caused such a stir that even people who had no daughters arose in protest. On Yŏm Sŏng-ik's part the participation to such an operation was due to his desire to ingratiate himself with the Mongol Princess Hudulujeliminishi and to be put in a favorable light at the Yüan court. However, from the point of view of a Koryŏ subject and the Confucian etiquette prevalent at court his behavior was quite untenable and morally reproachful. We can observe how different Yŏm Sŏng-ik's conduct is from that of people like Yi Kok, Yi Che-hyon and others, who strenuously defended the interests of their country both at home and in the Yüan court.

3. The Faith of Yŏm Sŏng-ik

The rather demeaning aspects of Yŏm Sŏng-ik's political career are associated, however, with an absolute faith in the Buddhist religion. We can ascertain the strength of his faith since the early years of his life, when he fell ill and slowly recovered from his disease thanks to his faith and continuous prayer to the Buddha. Perhaps thanks to this he made friends with many Buddhist monks and, once well introduced at court, he recommended a monk, whose name was Ch'ongi and whose acquaintance must have dated back a few years, to cure a princess that was seriously ill. Notwithstanding the prayers and the efforts of the monk, the princess died the same day (Koryŏsa, Book 123, Biographies, Yŏm Sŏng-ik).

Before dealing with Yŏm Sŏng-ik's faith, it is essential to examine briefly the religious atmosphere of the time. Yŏm Sŏng-ik entered the court at the beginning of King Ch'ungnyŏl's reign (1274-1308). As already mentioned, Yŏm Sŏng-ik was part of Ch'ungnyŏl's following during his visit to Ch'ŏnhyo Temple, which took place in 1277, the 3rd year of his reign. We can thus infer that by that time Yŏm Sŏng-ik was already well introduced at court. The main religious trends of the period of Mongol control are already clearly distinguishable from Ch'ungnyŏl's reign. The temples of the capital were slowly regaining importance compared to the religious centers in the provinces, which had flourished greatly during the period of military rule (1170-1270). One of the most outstanding phenomena of the period of military rule had been the rise of Buddhist societies, which concerned all sects, both meditation and scholastic. Another important development of the period of military rule had been the ever growing weight of the meditation sects compared to the scholastic ones, a feature that was inherited in the Latter Koryŏ and subsequent Chosŏn periods. In view of the above, the religious policy of the court had to start from the society movements that had prospered in the provinces during the period of military rule to be implemented effectively. The royal policy in the religious field was to concentrate everything again in the hands of the monarch. Therefore, the most important temples of the country had to be around the capital, as in the case of Myoryŏn Temple, newly built to host the central quarters of the Chŏnt'ae Sect and whose abbot, National controller of religious affairs Wŏnhye Kukt'ong, came from Paengnyŏn Society in South Chŏlla Province (Ko 1979, 1986). Four other temples were renovated in the capital. At the same time the nominations to the highest offices of the monastic community, due to their political importance, had to be controlled by the king. The monk Iryŏn, who resided then at the Kwangmyŏng Temple, was promoted National Eminence in 1283, and some years later the Pŏpsang monk Hyeŏng was promoted National Eminence (1292) and assigned to Sunggyo Temple in the capital, and so on.
At the same time, however, the title of National Eminence (Kukchon), far from being an honorific one as in Former Koryo, came to wield actual administrative power on the Buddhist sects and, together with the title of National Eminence, the greatest monks were enfeoffed princes and received large landed estates, like their civilian counterparts. However, with the passing of time this process became accompanied by widespread corruption among the clergy, to the extent that King Ch'ungsŏn, during his brief period of reign in 1298, issued an edict to forbid the sale of titles and posts in the sangha (Koryŏsa, Chron., Book 33) The animosity of the monks was due to the fact that important temples were real centers of economic and political power and were therefore coveted by the most ambitious among the monks.

With the recovery of the court's central position in political life, temples in the capital also regained much importance. Although the roots of the Buddhist religion had to start from the premises established during the period of military rule, and monks were indeed called from the provinces to reside in temples within the capital, as in the case of the above mentioned Myoryŏn Temple, Sunggyo Temple, or Kwangmyŏng Temple, the contents of the religious message with time underwent substantial changes. These changes were due to the recovered role of central court aristocracy - though somewhat different in character from the literary aristocracy of the Former Koryo - and from the subsequent fact that the members of this aristocracy in many cases became the foremost representatives of the monastic community. Subsequently, the Buddhist teachings and practice lost the character of purity and universality that had characterized it during the period of military rule and became elitarian and exclusive (Ch'ae 1991). At the same time, more than the rational approach to meditation, devotionalism and superstitious aspects were emphasized, also due to the long war against the Mongols, which had called for a long series of Tantric religious functions.

An entirely novel development of the period of Mongol interference is the influence of Lamaism. Many lamas came to Koryŏ to propagate their faith, though the influence of this strand of Buddhism remained, it seems, mainly confined to artistic expression. Moreover, from a social point of view, a new role was played in this period in supporting the sangha by court eunuchs and Koryo ladies serving in the Yüan court or married with Yüan high court officials (Puggioni 1999).

As a result, instead of the individual way to salvation promoted by the Susŏn movement inaugurated by Chinul, that could be reached through long and taxing periods of prayer and renunciation in the solitude of isolated hermitages, people now preferred - convinced as they were to live in a period of decay of the Law - the way of salvation by divine intervention. Accordingly prayer, penitence, offerings, helping others, painting sacred images, hand-copying the sutras, making Buddhist statues, and other such acts of merit acquired a much more important meaning than in the past. This is also confirmed by the publication of numerous works that reflect a millenarian character, such as Wŏnch'ŏl's *Sutra on the Ascent to the Western Paradise*, Hyeyŏng's *Explanation on the White Robed Avalokitesvara*, Misu's *Descriptive Explanation of the Principles of Expiation in Mercy Rituals*, Mugi's *Eulogy of Sakhyamuni Buddha's Deeds*, Kongam Ch'ŏg'u's *Expounded Collection of Commentaries on the Principles of Expiation in Mercy Rituals*, and others (Puggioni 2003). This is the background where Yŏm Sŏng-ik was active and practiced his faith, and we should bear this in mind in order to gain a better understanding of his activities.

As already mentioned, Yŏm Sŏng-ik had relations with many Buddhist monks, such as Ch'ŏngi, that he himself introduced at court to cure a princess's illness, Chahoe, who wrote the colophon on the image "The Descent of the Buddha Amitabha". These are the only names that we have, but no doubt he entertained close relations with the monks that
helped him with his illness in his youth, those who frequently visited the court, the monks of the scriptorium he donated to the Buddhist community, and so on.

Besides the above relations with Buddhist monks, Yŏm Sŏng-ik gave proof of his faith in Buddhism when he offered his new residence in the capital to the Buddhist community to be used as a scriptorium (Kŭnja Taejanggyŏng-so, or Golden Letters Tripitaka Institute). The residence had actually been lavishly built making use of the labour of about fifty hostages of the provincial nobility, who were forced to live long periods in the capital. The house was so richly built that it must have attracted the attention of the Mongol Princess Hudulujielimishi. Sŏng-ik, afraid of the blows of her envy, asked the king permission to donate it to the sangha, permission which was granted.

Together with his inclination towards Buddhism Yŏm Sŏng-ik must have been quite talented in engineering and construction work, for the king entrusted him in 1283 with the renovation of Hyŏnhwa Temple and the reparation of the pagodas at Namgye Institute (Namgye-wŏn) and Wangnyun Temple. Of these, the pagoda of Namgye-wŏn remains to this day, preserved in the National Museum garden in Seoul. On that occasion, many sutras were copied and deposited in the pagodas when the restoration work had been completed. It has been out of sheer luck that one of these, a copy of the Seventh Book of the Lotus Sutra written in silver characters, and bearing a dedication of Yŏm Sŏng-ik, has been recovered from the Namgye-wŏn pagoda. The text is as follows:

Especially made for the King and the Princess so that they suffer no misfortune, arms disappear and the country be in peace, and myself do not face the Nine Misfortunes, quickly escape the Three Worlds and make great pious actions till the end of time. At the same time I wish that all the members of my family and relatives be spared from illness and suffering and experience together Enlightenment through the endless cycle of births and deaths and the dharmma worlds. Recorded on the ... day of the Second Month The Grand Master for Proper Consultation, Director of the Bureau of Military Affairs, Recipient of Edicts of the Right, Generalissimo of the Six Divisions, Grand Treasurer and Director of the Board of Military Affairs, Yŏm Sŏng-ik Wishing that I, on the point of death completely rid myself of all obstacles and upon seeing the Buddha Amitabha obtain rebirth in the Temple of Happiness.

The dedication contains an indication relating to the post Yŏm Sŏng-ik occupied at the time, which was that of director of the Bureau of military affairs. This dedication must have been written after 1284, year in which he was only vice director of the Bureau of military affairs, and before 1287, year in which he was promoted to the post. If we consider the timing, we cannot exclude the possibility that this sample of the Lotus Sutra was written at the scriptorium he had donated to the Buddhist community earlier in 1281 [Lotus Sutra in silver on indigo paper, Book 7 (Yi 1987, pp.102-103). In fact, Yŏm Sŏng-ik is referred to in the inscription as vice director of the Bureau of military affairs (milchikkasa). He was promoted to the post in 1284. Therefore, the dating should be comprised between the years 1284 and 1287 - when Yŏm Sŏng-ik was promoted concurrent overseer of the Office of special councillors, and not in 1283 as indicated by Yi Ki-baek (Yi 1987, pp.102-103).

Belonging to Yŏm Sŏng-ik we also have a colophon on the image "The Descent of the Buddha Amitabha", written in 1286. The text is as follows:

Especially made for the King and the Princess so that they may enjoy an endless and happy life. I wish that upon the end of my life I may get rid of all obstacles and do not experience suffering. And as soon as I see the Buddha Amitabha may I be reborn in the Temple of Joy.

Grand Court Master and Censor Yŏm Sŏng-ik
23rd Year of the Zhiyuan Era, the Year of the Dog, 5th Month
In both inscriptions, the center stage is occupied by the Buddha Amitabha, absolute Lord of the Western Paradise and universal savior of all living beings. The cult of Amitabha was very popular with all Buddhist sects. It is related to the trilogy of the Amitabha sutras and it is well represented in the dedications contained in the sutra manuscripts and the paintings of the period, like the ones quoted above. As we have seen, in these dedications the donors, after wishing safety and welfare to the king and the queen, and peace to the home country, clearly express the wish to be reborn in the Western Paradise of Amitabha.

The Lotus Sutra owes its success to the heavy stress on devotion. To have a better understanding, we quote a few passages from Book 17, "Distinctions in Benefits", where the Buddha explains in verse to the Bodhisattva Maitreiya:

If after I have entered extinction
a person can honor and uphold this sutra,
his blessings will be immeasurable.....

In the evil age of the Latter Day of the Law
if there is someone who can uphold this sutra
it will be as though he supplied all the alms
described above....

If someone with a believing and understanding mind
accepts, upholds, reads, recites and copies this sutra
or causes others to copy it
or offers alms to the sutra rolls,
scattering flowers, incense and powdered incense
or constantly burning fragrant oil ..... 
if he offers alms such as these
he will gain immeasurable merits,
boundless as the open air
and his blessings will also be like this ...
(The Lotus Sutra, Book 17 Distinction in Benefits , pp. 242-243)

We find in the Lotus Sutra a suitable description of the merits Yŏm Sŏng-ik and the people of his age strove to achieve, such as the copy of the Sutra, the recitation of its text, the construction of stupas, the offer of alms, and so on.

As mentioned above, in the figure of Yŏm Sŏng-ik we find exemplified the religious atmosphere of the time, characterized by a strong tinge of devotionalism. This kind of atmosphere and religious sentiment can also be detected in a few compositions in the Anthology of Eastern Letters, (Tongmunson, Book 111) which belong to the same, or a close time frame. Yŏm Sŏng-ik's role in the cultivation of the Way is a passive one, as he shares with his contemporaries the conviction to be living in a period of decay of the Law. Therefore, if he is to reach salvation, meditation and renunciation suffice no more: he would need the divine intervention of the Buddha Amitabha. This explains the religious background of both the Lotus Sutra manuscript and the image of The Descent of the Buddha Amitabha. To obtain divine intervention it is necessary to pray, repent and suffer, make acts of faith, like the compilation of sutras, the painting of sacred images, the building of stupas, the funding of pious works, and so on. One of the ways for Yŏm Sŏng-ik to proceed on the path to salvation must have been also that of curing the physical illness of others.

In all the cases quoted above the image of Yŏm Sŏng-ik that emerges is full of contradictions but lives anyhow attuned with the main trends of his age. In Yŏm Sŏng-ik's faith, continuous prayer and penitence play a very significant role (as when he went around holding live charcoals in his hands) while another aspect, in perfect accordance with this, is
the hand-copy of the sutras, the painting of sacred images, the donation of his house to the sangha to be used as a scriptorium, and so on. It is to be noted that Koryo had a glorious tradition both in religious painting and in hand-copying the canon, so much so that in Yŏm Sŏng-ik's lifetime hundreds of monks went from Koryo to the Yuan capital to work in these fields under official request and protection.

4. Conclusion

We have stressed above that Yŏm Sŏng-ik was a product of his age. He was an opportunist, full of contradictions on both the political and religious aspects of his personality. The existence in the Koryo court of such an individual can only be explained with the social disruption that characterized the Latter Koryo Period. The intensity of his faith in Buddhism, the strong accent on devotionalist and thaumaturgical aspects is perfectly in tune with the atmosphere of the time, which put aside the cold rationalism of Šon meditation to embrace devotionalist and mystical aspects, ascetical practices, prayer and penitence. One of the most important manifestations of his faith - aside from its hind motives - was the offering of his mansion to be used as a Scriptorium by Buddhist scribes. Such was the religious fervor of his Buddhist faith that he became a monk after having definitely abandoned political life in 1301. This way he crowned his religious life by renouncing the world and joining the Buddhist community to better follow his ideal of the Bodhisattva. Sources refer that he used to pray all the time, while holding embers in his hands, without the slightest expression of pain in his face. Sources relate also that the gullible used to sigh and murmur what a pity it was to let such a talent wither away without employing him in the highest offices of government (Koryŏsa, Book 123, Biogr., Yŏm Sŏng-ik.) Today we wonder whether such a harsh form of repentance as the one chosen by Yŏm Sŏng-ik would have been enough for him to expiate his past political sins and gain him a place in Amitabha's Western Paradise.

All this notwithstanding, thanks to him and to his faith, through the remains he has bestowed to posterity, namely the hand-written copy of the Lotus Sutra and the image The Descent of the Buddha Amitabha, we can have a glimpse at a world whose artistic production and whose modes of expression must have been highly refined. This production was driven by the humble faith that people like Yŏm Sŏng-ik unswervingly upheld and which was almost totally erased from the face of history by the iconoclastic fervor of its Confucianist persecutors after the fall of the Koryo dynasty.

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Koryŏsa Choryo (高麗史需要)


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### Appendix.

**The life of Yŏm Sŭng-ik**

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1277</td>
<td>Ch’ungnyŏl’s 3 year Yŏm Sŭng-ik accompanies the king to Ch’ŏnhyo Temple (天孝寺). At the time Yŏm Sŭng-ik was a director (政郎). Some time later he became supervisor of the Office of ceremonial for foreign visitors (判禮賓事).</td>
</tr>
<tr>
<td>1278</td>
<td>&quot; 4 &quot; Yŏm Sŭng-ik becomes clerk (必阉赤), a newly instituted post, together with Pak Hang and others.</td>
</tr>
<tr>
<td>1280</td>
<td>&quot; 6 &quot; He follows the royal family on a trip to Hyŏnhwŏ Temple (玄化寺) and the king entrusts to him the construction of a new temple hall.</td>
</tr>
<tr>
<td>1281</td>
<td>&quot; 7 &quot; Yŏm Sŭng-ik becomes recipient of edicts (承旨). Fearing reprimand and envy from the Mongol princess he asked permission to donate his newly-built house to the sangha to be used as scriptorium.</td>
</tr>
<tr>
<td>1283</td>
<td>&quot; 9 &quot; The king orders him to oversee the works of reparation of Hyŏnwha Temple and to build stupas at Namgye-wŏn (南溪院) and Wangnyun Temple (王輪寺).</td>
</tr>
<tr>
<td>1284</td>
<td>&quot; 10 &quot; As prefect of the Board of military affairs (副知密直司使) he is ordered to become patrolling inspector (都巡問使) of Kyŏngsang, Ch’ungch’ŏng and Chŏlla provinces. While in his capacity as prefect of the Board of military affairs he offers a dinner to the king at his residence.</td>
</tr>
<tr>
<td>1287</td>
<td>&quot; 13 &quot; Yŏm Sŭng-ik becomes concurrent overseer of the Office of special counsellors (議議理). Following orders from the princess, he searches, together with In Hu and others, beautiful girls to be offered to the Yuan court as tribute.</td>
</tr>
<tr>
<td>1288</td>
<td>&quot; 14 &quot; Yŏm Sŭng-ik is promoted administrator of the Office of special counsellors (知都議議司使). He resigns and is substituted with In Hu.</td>
</tr>
<tr>
<td>1289</td>
<td>&quot; 15 &quot; He follows the royal family on a trip to China together with Cho In-gyu, In Hu and An Hyang.</td>
</tr>
<tr>
<td>1291</td>
<td>&quot; 17 &quot; Yŏm Sŭng-ik is promoted director of the Board of finance and assistant to the heir prince (判貍圖司事 世子保).</td>
</tr>
<tr>
<td>1293</td>
<td>&quot; 19 &quot; As supervising inspector (判監察司事) follows the royal family on a trip to the Yuan court. Among the following, besides Yŏm Sŭng-ik were also Cho In-gyu, In Hu and Min Chi.</td>
</tr>
<tr>
<td>1295</td>
<td>&quot; 21 &quot; Yŏm Sŭng-ik resigns due to illness.</td>
</tr>
<tr>
<td>1297</td>
<td>&quot; 23 &quot; The mother of Yŏm Sŭng-ik dies. Princess Cheguk Taejang falls ill and Yŏm Sŭng-ik is called at court to assist her. The princess dies.</td>
</tr>
<tr>
<td>1301</td>
<td>&quot; 27 &quot; He finally resigns as state councillor (都議議中贊).</td>
</tr>
<tr>
<td>1302</td>
<td>&quot; 28 &quot; Yŏm Sŭng-ik becomes a monk and dies a few months later.</td>
</tr>
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Index of Korean and Chinese Names

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<tr>
<th>Korean Name</th>
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The Structure of Hegang’s Thinking System: ch’uch’ük (推測)

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Introduction

Ch’uch’ük is the total cognitive process of a human being. When we see a certain object, for example, a car, it is impossible to say whether we know a car at first sight (if we have never seen it before). If we see a car for the first time, we might simply think that there is something in front of us, which has certain attributes such as color, shape etc. Because we don’t have any cognitive framework to recognize a car, it then does not mean anything to our consciousness. If this is the case, how can we know a car? This question appears very simple, however it involves several complicated problems. When we see a car, we usually don’t think that “There is something. And then, that something is called a car.” This fact might be interpreted into a bifurcation between existence and property. Now we can ask, “Can we separate existence from its property?” It might be possible. However, it might also be possible to think that existence includes its property. For example, when we see a car, we can recognize an existence which has such and such properties, and we call it a car. The existence does not prescribe itself, but the properties prescribe the existence. But simply, if we don’t prescribe the properties of the thing, we

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1 Ch’oe han’gi (Hegang, his pen name) was born in 1803 and died in 1877. He wrote many books but most of them have not survived. The remainder were compiled into the Myongnamnujonji (in English, The Full Collection of Myongnamnu, 明南懷全集). His writings in the collection are as follow:
1834, Noni’gyông ’hoeuy (農政會要, Agricultural machine), Yuk’haepop (陸海法, Agricultural machine);
1836, Ch’uch’ükrok (推測錄, Philosophy), Kanggwawon (講官論, Sociology), Sin’gi’t’ong (神氣通, Philosophy); 1838, Kamp’yong (鑿桿, Sociology); 1839, Usangrisu (儀象理數, Astronomy); 1842, Simgu’tosol (心器圖說, Machine in general); 1843, Soch’aryuch’An (硫箭類纂, Sociology); 1850, Supsaninpôl (習算津袞, Mathematics); 1857, Wujuh’ak (宇宙策, Astronomy), Chigujiyo (地球典要, Geography), Kihak (氣學, Philosophy); 1860, Injong (人民, Sociophilosophy), Wunhwach’ük’hôm (運化測驗, General Science); 1966, Singich’ön’hôn (身機應驗, Medicine); 1867, Sôngiwyunwu (養氣運化, Astronomy)

His major work of philosophy is Kich’ukch’ědi (氣之體義) in which he argues about l(t) (理), or ch’i (氣), or knowing (知) and other important terms. This book, which incorporates two books - Sin’gi’t’ong (神氣通) and Ch’uch’ükrok (推測錄), was published in Renhetang (人和堂), Beijing, in 1838. In the book, Kihak, he completes his philosophy and in Injong, he applies his theory to society. These four books are the main philosophical works of his.

Hegang’s philosophical system uses the new concepts of sin’gi (神氣, shench’i in Chinese, mysterious material force in English) and ch’uch’ük (推測, to investigate and to fathom in English). In the 1830’s, he tried to set up an ontological foundation of being as a basis for explaining how we could recognize external world. According to him, ch’i is the basic element of the world and people can make contact with external world through the eight communication route (sense organs). He also introduced a new method of learning in terms of ch’u and ch’ük. In the 1850’s, Han’gi presented the essential qualities of ch’i as hwaldong’unhwa (活動運化) in his book, Kihak. At the same time, the goal of his ch’i-studies was directed towards “well-governing (治安).” In this period, in asserting that the world is a living organism, he attempted to present his idealistic picture of the future. In the 1860’s, he developed the concept sungsun (承順) in order to achieve the goal of his ch’i-studies. He explained the harmonious state of the universe as sungsun (承順), and asserted the all studies should be practical.

2 Refer to “Theory of ch’u” of this paper.
cannot know its existence. In a case like this, the question of how we can know a car, is still available, but it requires us to think about a certain cognitive space or a cognitive framework, where we are able to recognize its properties. *Ch'uch'ük* is the way of creating and extending the cognitive space and, at the same time, the method of recognizing an external object.

**Ch’uch’ük: Investigating and Fathoming**

What is *ch’uch’ük*? Hegang’s (1803-1877) thinking system requires us to take notice of our everyday life because his system deal with not only a theory but also our everyday life itself. Therefore his system always maintains a tension between theory and practice. As we will see later, he attempts to explain everything according to his *ch’uch’ük* theory. Now we can find two definitive passages about *ch’uch’ük* in his book, *Ch’uch’ükrok*.

"Since our senses (eyes and ears) are limited, we can investigate what we can sense and then fathom what we can’t sense. This is the principle of *ch’uch’ük*" (*Ch’uch’ükrok 2:28a*).

"We investigate what we have seen and heard and what we have experienced, and then we fathom accurately the principle of flux (流行之理). This is the standard of *ch’uch’ük*" (*Ch’uch’ükrok 1:36a*).

The passages are too simple to get to the whole picture of Hegang’s theory, nevertheless we can appreciate *ch’uch’ük* as a method for understanding an external object. Hegang also says, “Things have their own ch’i (氣) and li (理); I have my own ch’i and li. Only the principle of *ch’uch’ük* is a matchmaker of my side [between me and the external things]” (*Ch’uch’ükrok 2:24b*). That is to say, *ch’uch’ük* is the method for us to make a contact with the external realm. Hegang further explains the meaning of *ch’uch’ük* in the following way:

"The words: in [因, because], i [以, by means of], yu [由, to come from], and su [遂, to result in] explain the meaning of ch’u. And the words: ryang [量, to fathom or to estimate], to [度, to deliberate or to calculate], chi [知, to know], and ri [理, principle or to govern] explain the meaning of ch’ük" (*Ch’uch’ükrok 1:6b*).

To further explain this, Hegang presents a parable of archery. In order to hit the bull’s eye, we automatically think about what we’ve done before. We remember our experiences, such as why we have failed or how we’ve hit the bull’s eye. Also we might ask others for advice on the way of archery. The information we have gathered can be used as fundamental data for predicting the method to hit the bull’s eye. Now we can predict the best way to hit the bull’s eye since we have enough information (*Ch’uch’ükrok 1:38b-a*).

According to Hegang, the fact that we make contact with the external world raises not only the question of how we understand existence, but also how we interact with existence. Accordingly we can draw two basic structures from the parable: acquiring information about how to hit the bull’s eye and attempting how to hit it. This is the basic cognitive process of our daily life and Hegang delves into this basic human thinking process using *ch’uch’ük*.

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3 In this paper I have the used McCune-Reischauer system for transcribing Korean terminology. I translated ch’uch’ük into to investigate and to fathom, which I maintain throughout this paper.
Beginning of *ch’uch’ük*

Before we continue to discuss Hegang’s *ch’uch’ük* in a detail, we need to understand how *ch’uch’ük* came to exist. Above all, Hegang asserts that *ch’uch’ük* comes from our body. Hegang states:

“According to the way of *ch’uch’ük*, we call an existence existence and nothing nothing. Existence means the fact that there is a body; nothing means that there is no body. The body means not only my body but also the body of the people of the past and the future. If there is a body, there certainly is *ch’uch’ük*. If there is no body, there is no *ch’uch’ük*” (Ch’uch’ükrok 5:35a-35b).

Hegang certainly was certainly well aware of the numerous theories about philosophy, religion, science etc., circulating at his time and has shown a remarkable knowledge about those subjects. However, he argued that many of these theories lacked any concrete basis for supporting themselves. Accordingly Hegang attempts to confirm whether his own theory has a basis when he discusses it. Thus his *ch’uch’ük* theory starts from the body as a basis for a further discussion. We have our own bodies, from which *ch’uch’ük* comes to exist. He claims, “No body, no *ch’uch’ük*.” The *ch’uch’ük* of each person is not the same. This is a natural conclusion from which we can draw the fact that *ch’uch’ük* develops at the personal level. However, there should be a certain function where *ch’uch’ük* is possible, which Hegang regards as the mind.

“A human mind, of itself, has an ability of *ch’uch’ük*. It can investigate what has been done and fathom what is to come. This is the principle of *ch’uch’ük* in the human mind” (Ch’uch’ükrok 2:13b)

The mind plays a role in performing *ch’uch’ük*. What then is relation between mind and body? Hegang says:

“The mind is a pure part of the bodily ch’i. When ch’i of the mind begins to work, the principle of *ch’u* and *ch’ük* also begins to work accordingly” (Ch’uch’ükrok1:47b).

There is no separation between mind and body in Hegang’s ch’i system because both of them are composed of the same ch’i. He explains this in detail:

“Generally speaking, the human body is the origin of the mind. Speaking in a detail, to see means the mind of eyes; to hear means the mind of ears; to smell means the mind of a nose; to taste means the mind of a tongue; to touch means the mind of the skin. All agencies [of the mind] have their own objects, so that *ch’u* and *ch’ük* can occur” (Ch’uch’ükrok 1:3b).

We have sense organs, which, according to Hegang, are bodily organs for contacting with the external world. And each organ has its own function as such, not separated but interrelated altogether. The mind is the totality of these functions. And he says, “The principle of *ch’uch’ük* is hidden in the root of the mind,” (Ch’uch’ükrok 1:47b) which means, although *ch’uch’ük* does not occur before contacting, it exists as a potential entity. And as soon as we, through the organs, make contact with the external objects, *ch’uch’ük* comes to arise. As he says:

“The mind is the mirror which investigates and fathoms events and things. In terms of its original state, it is quiet, pure, void, and clear; and there is nothing in it. Only what we have experienced and what we see and hear are accumulated and absorbed into the mind; then, [and only] *ch’u* and *ch’ük* come to exist in the mind. If there is no accumulation of experiences, where would *ch’u* and *ch’ük* come from?” (Ch’uch’ükrok 1:20a).

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4 He wrote about a lot of subjects such as philosophy, sociology, cosmology, politics, medicine, etc. His works were collected and published as Myōngnamnu chŏnjip in 1988.

5 Hegang’s use of the term “body” should not accord to contemporary English usage. It is a special term of Hegang’s ch’i-system. Basically our bodies are composed of the same ch’i, but we have different *ch’uch’ük*. 

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Therefore Hegang finally says:

“Since we have a physical body, we have a mind and can investigate and fathom all the things...therefore, if we don’t have our body, there is no mind and no ch’uch’ük” (Ch’uch’ükrok 4:12b).

In this case, how does ch’uch’ük develop? According to Hegang, when a human being is born, he can only investigate his body. As he sees and hears, ch’uch’ük comes to exist. However, because, then, he does not have further extension of ch’uch’ük yet, he can only investigate the object as it were. That is to say, he might be able to understand fire on seeing fire and water on seeing water, but he can’t fathom (or infer) the principle of water from only investigating fire. As he becomes accustomed to ch’uch’ük, he can investigate a thing through referring to other objects. Or he can investigate things without any direct relations. Hegang says:

“When a human being is born, ch’uch’ük, although he has a little, is indistinct; [That is to say,] he does not have [a broad scale of] ch’uch’ük about the things. Later, he sees and hears about the things for the first time. And when he sees and hears them again, he investigates what he has seen and heard before and fathoms what he sees and hears again. Here ch’uch’ük begins. Therefore he himself investigates the things and he himself fathoms them. Nobody can give them to him and he also cannot give them to anybody” (Ch’uch’ükrok 1:35a-36b).

It is natural that, when we are born, we don’t have a full scale understanding about external things. As we grow, our mental ability expands its capacity. And we can also apply this to our everyday life level. Hegang says:

“When we face what we have never seen or heard before, we are ignorant of it. And when we come to face it again, we can investigate it. When we come to face it a third time, we can fathom it. We compare it with the same kind of things and collate it broadly, then ch’uchük comes to arise” (Ch’uch’ükrok 6:37b).

According to Hegang, as a new born baby recognizes the world bit by bit, we also experience the same progress towards a new object. Namely ch’uch’ük is not a completed form of understanding, but a process of understanding the world.

Theory of ch’u

Ch’u is much more important concept in Hegang’s ch’uch’ük theory because ch’u becomes the basis for ch’ük. According to Hegang, we can categorize the meaning of ch’u into four spheres: senses, human relations, material, and institutions. Firstly, in the sense realm, we can investigate sensations by our sense organs. For example, we can see by means of our eyes or we can hear by means of our ears. This is how we can see a horse running or we can hear another people’s thoughts. This is a cognitive issue. Secondly, ch’u includes human relations. We construct certain relations with others, and thus we investigate the ethical code for each relation: for example, the Five Confucian...
Virtues. Thirdly, *ch' u* means material comforts. We can find a lot of materials, and then we can investigate its usefulness. We can make food or other conveniences for us. Fourthly, *ch' u* refers to the social area. Here social institutions, including things such as the political system, the educational system, the legal system, etc and we should investigate what kinds of benefits for the people are possible or how we could manage them appropriately.

*Ch' u* needs a concrete target because it deals with the external world. Hegang relates that we are living in the material world and that we have direct relations with it. Therefore his first step in the cognitive processes includes almost all possible states of both the human being and the external world. If we understand Hegang’s cognitive theory as an existence-oriented one, then his categorization does not seem to mean anything because it deals a lot of genres which can hardly be discussed within the topic. However, if we think of it as a function or property-oriented one, we can definitely understand it because an existence may have a multitude of forms according to its property.

Although *ch' u* includes a broad scope of objects, we should not forget the fact that it is *ch' u k* that makes them united. Therefore, Hegang warns that *ch' u*, at the same time, should be considered with the second step, *ch' u k*, which is only a function of our mind. That is to say, even though we initially can take in sensations, ethical codes, material comforts, and social benefits, we should derive a certain principle or relate them to the principle of Heaven (*Ch'uch'ukrok* 6:30b-a).

Next, *Ch' u* requires a basis; in other words, we need a solid ground for understanding each object or phenomenon. Hegang continues to illustrate this point by relations between a human being and things. According to him, there are four aspects for understanding *ch' u*. In other words, we can investigate people by means of people, people by things, things by people, and things by things. For example, we can understand other people’s thoughts and behaviors by means of the people whose thoughts and behaviors we have already known about. We can use external objects for understanding human relations and teaching others. Next we can understand the function of clothes if we feel cold. We can understand the function of a boat’s rudder by means of examining the action of the tail fin of a fish (*Ch’uch’ukrok* 1:53b-54b). These four cases show that *ch’ u* occurs when we have a cognitive framework, which is a totality of possible information. If we don’t have enough information about how people act in a particular case, we can’t investigate or understand those people. It is also impossible to understand a new thing if we don’t have enough information about similar kinds of things. That is to say, if we don’t form the meaning space or cognitive framework where a thing can have its meaning in our consciousness, the thing can’t mean anything to us. Simply speaking, we cannot know it. Accordingly *ch’ u* is a process by which we can accumulate well-grounded information about external objects in order to create the meaning space.

*Ch’ u* is definitely significant to accumulate information about external objects. Mainly, it requires a causality, which means that we need a cause by which we can investigate or understand an object. This fact prevents us from imagining a thing without any cause or reason. Based on proved data, we can then go on researching the external world. In terms of acquiring accurate information, Hegang suggests four basic keys for *ch’ u*: memory, classification of information, seeking for an origin, and an elimination of obstacles (*Ch’uch’ukrok* 1:41b-42b). Firstly memory is related to all the activities which are performed using the language. We need to possess as broad a scope of knowledge as possible about literary works so as to enable us to be much more accurate in investigating a new theory or thoughts. However, according to Hegang, if we can’t memorize what we have read or heard, we should write them down for access when needed. Secondly we should classify information in order to cope with difficulties before we begin some
endeavor. This fact is related to our action. Without enough information, we can hardly begin our business. Thirdly we should seek for the origin of the fact if we are looking for a principle. In fact this third point marks the point where Hegang departs from Neo-Confucianism. His ch'u theory does not allow li, or principle, to maintain an absolute status in the intellectual sphere. Li, or principle, belongs to the sphere of our mind, that is, ch'uk, and it is likely to become groundless because it naturally does not have any concrete basis. Also Hegang regards li, as a certain rule that we can infer from facts. Therefore a fact is much more fundamental to him than li. Finally, we should seek for practical things to discard useless theories. If there is no basis for a theory, it cannot be practical. In this sense, ch'u is very practical because its logical structure requires a basis for further understanding. Accordingly we can identify useless or baseless ideas.

The next question though is how we could acquire this well-grounded information? Hegang suggests four practical methods of ch'u:

"There are four basic methods of ch'u. As for the function [of a thing], we investigate its essential body. As for indistinct things, we should investigate the concrete things. As for progress, we should investigate [the things'] past. As for things, we should investigate their categories" (Ch'uch'ukrok 1:43b).

Hegang continually emphasizes the basis for recognizing the facts. Provided that we don't have any clear picture of a thing or a fact, we should not merely imagine or guess it to be. Starting with what we have learned before, we should add accuracy to understanding the object. And he again claims: "What we have learned the day before becomes the object that we investigate the next day" (Ch'uch'ukrok 1:23b). Therefore, it is important that we should learn correctly, which means that we need to possess accurate information.

The next question Hegang address is what happens if we do not perform ch'u? Hegang answers this problem case by case. When we only perform ch'uk without ch'u, we would think ourselves clever and ignore everyday life. We only seek for so-called 'awakening'. In other words, we come to seek for a mysterious thing. When we don't perform both ch'u and ch'uk, we don't recognize what is what. Although we are performing ch'u, its degree might become shallow and naïve. In a case like this, the result of ch'u would become superficial or confused and ch'uk would also become unclear and groundless. On the other hand, if we investigate the things and facts profoundly and shrewdly, we could understand the cause and effect of the things and facts clearly, so that we can fathom their correct way of functioning (Ch'uch'ukrok 6:39b-a).

Ch'u is the first step of Hegang's ch'uch'uk theory, which means that it is the first step towards making contact with the external world. This is very important because ch'u plays a fundamental role in the second step, ch'uk. The scope of ch'u includes all possible states of a human being and the external world. This is mainly because ch'u is a method to deal with the function or property of external objects. The function of ch'u is to extend the range of the human cognitive framework. In other words, we need a certain framework to recognize a new fact, and ch'u enables us to extend its parameters. Next, Ch'u requires accuracy. As Hegang criticized other theories, if there is no basis, it is not practical. When we say that we are investigating a thing, the function of investigating should have a target as its basis. If there is no basis, ch'u has no meaning, and accordingly it can't not play any role in the second cognitive step, ch'uk.

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9 The meaning of function and essence, originally Buddhist terms, does not seem to be significant in the context. Hegang uses them in order to support his ch'u theory, that is, we need to seek for its origin to understand the fact.

10 Hegang basically criticizes religions, Neo-Confucianism, Buddhism, and Taoism because they are chasing after an empty imagination. Almost all of his writings are full of similar such criticisms.
Basically Hegang's *ch'u* theory does not allow any groundless facts. When something happens, it has a cause upon which it is based. In a case like this, we must approach its cause in order to cope with the facts. This is his fundamental intention to set up the concept of *ch'u*. And it is the natural conclusion from which he can draw from his *ch'i* system.

**Theory of ch'ük**

As we discussed before, *ch'ük* is the second step of the human cognitive processes. It is the function of our mind to seek for a certain general principle of the things and facts. According to Hegang:

“The meaning of *ch'ük* is that we put together all the things and factual events and let them return to the origin” (Ch'uch'ükrok 1:36a).

While we can accumulate the information of the external world according to the function of *ch'u*, *ch'ük* is the function by which we can predict a general principle from what we have accumulated. When Hegang says that we can “return them to the origin,” he certainly implies that we can derive a certain general principle.

“All factual events and things have their own natural law respectively. *Ch'ük* means that we do not go against this law, which also means the fact that we follow the principle of Heaven. When *ch'ük* occurs, it requires an essence and a proof as two standard elements. The essence is the principle of Heaven; and a proof means *ch'u*. *Ch'ük*, between two elements, takes the proof and makes it reach the essence” (Ch'uch'ükrok 1:37b).

In Hegang's *ch'i* system, myriads of things; following their own principles, come to exist and disappear. *Ch'ük* is the function whereby we can find their principle and follow it. *Ch'ük* starts from *ch'u*, which is the proved and established information. Hegang says, “When we, based on our experiences, investigate the things present, *ch'ük* comes to rise” (Ch'uch'ükrok 1:25b-a). And then, we *fathom* how we should act next. He continues to explain in a detail:

“The meaning of *ch'ük* is, generally speaking, that we *fathom* how to harmonize things with the principle of Heaven. In detail, when we make friends, we *fathom* their character and feelings; when we examine a thing, we *fathom* its original character and what it should be; when we carry out a task, we *fathom* its advantage and whether it succeeds or fails; when we talk [to other people], we *fathom* how to be in harmony and keep moderation; when eating and spending money, we *fathom* how to preserve basic materials and to keep frugal; when we use tools, we *fathom* how to be proper in use and to decide whether they are convenient” (Ch'uch'ükrok 1:36b-a).

Here are six cases - making a friend, examining a thing, carrying out our task, talking to other people, using resources, and using the tools - of which Hegang clarifies the meaning of *ch'ük*. These cases share two facts in common. Firstly we can predict how. Next, each case requires its own proper norms. Since we have enough data for decision making, we can predict how we should act in each category. This is the first important meaning of *ch'ük*. However, predicting in itself is likely to be false, so we should predict our actions according to the norms of each category. Because each category respectively shows what *should be*, we should, following them, decide upon our further actions. These two characters of *ch'ük*, according to Hegang, are described as “to *fathom* how to accord the principle of Heaven.” As a result, *ch'ük* completes Hegang’s *ch'uch'ük* system. “It is not easy to complete the beginning and end of *ch'u* alone and its end; however, it is *ch'ük* that completes it” (Ch'uch'ükrok 1:24a).
Ch'u and Ch'ük

Now we turn to the relationship between ch'u and ch'ük and how does they work. Hegang illustrates the relation using a parable (Ch'uch'ükrok 1:46b). We can use either a horse or an ox to carry something. However if we use an ox for farming, it is a correct way of ch'u. And if we encounter any problems in using the ox, we can use another auxiliary means, which can be interpreted into that correct performance of ch'ük. On the other hand, if we use a horse for farming, it will already be a false ch'u, which will cause many problems due to its unsuitability.11 Even though we try to find an auxiliary means to this, it becomes increasingly difficult to solve the problem. Hegang says, "Ch'u is an already-proven ch'ük; and ch'ük is the pywont'ong of ch'u."12 The fact that we use an ox for farming is an already-proven ch'ük; in other words, somebody used it before and he proved this way to be correct. However, since we cannot maintain the same original circumstances, we use ch'iick to complete ch'u in the present circumstances.

According to the parable, we may think we are always performing ch'u and ch'ük at the same time because it seems self evident. To a certain degree, we are doing it simultaneously, but in most of cases, we are likely to incline towards one side. Therefore, Hegang warns that we should not separate ch'u from ch'ük. These two steps should be interrelated and function mutually.

"If we only investigate things and not fathom them, we would be blocked from distinguishing between when to actively [investigate] and when to stop. If we only fathom things and not investigate them, wouldn't it be vacuous? The correct way is to use ch'uch'üktogether" (Ch'uch'ükrok 1:3a).

While we are trying to investigate the facts to acquire accurate data, we are apt to cross over the scope of the target. The more data we collect beyond the limits, the more indecisive we become. On the other hand, what if only attempt to predict something without any information? In this case, it becomes mere fancy. So Hegang says, "Ch'u is difficult to acquire, but easy to lose. Ch'ük is difficult to be refined, but easy to become rough" (Ch'uch'ükrok 1:47b). He continues to say, "An eye investigates the appearance of the object. An ear investigates a sound. A nose investigates smell. A tongue investigates taste. A body investigates touch. It is the mind that fathoms either good or bad and later decides whether to take in or discard it" (Ch'uch'ükrok 6:28b-a). Therefore, if we don't acquire enough information from ch'u, we cannot predict what should come later. We can only imagine it. This is not the proper way of ch'uch'ük. What then is the correct way of ch'uch'ük? Hegang explains it by means of the relation between the principle of Heaven and the principle of ch'uch'ük.

According to Hegang, although the principle is only one, we practically seem to have two different principles: of Heaven and of ch'uch'ük. He names the principle of Heaven in terms of the fact that Heaven is in a state of flux. After we investigate what we have seen and heard, we can fathom how we deal with the things in the future. This is called the principle of ch'uch'ük. While these two have the same origin, it is likely to go against the principle of Heaven when we perform ch'uch'ük. Specifically because we haven't investigated things correctly. And whether we investigate things correctly depends on whether we fathom them correctly. Therefore, we should make the principle of ch'uch'ük follow the principle of Heaven (Ch'uch'ükrok 3:11b).

11 The traditional Korean rice field is made of wet and sticky mud. This condition is not fit for a horse's walking.
12 Ch'uch'ükrok 1:46b Pywont'ong is one of the important concepts of Hegang's ch'i system, which means that we apply all of the possible methods to penetrate obstacles.
According to Hegang, if we don't investigate things properly, we cannot fathom them properly. When we can't collate enough information about the object yet, we should change the way of ch'ū because there might be any number of possible approaches. Nevertheless what if we can't find anything? In this case, we should stop performing ch'uch'uk because it allows its limits; that is, we can't know what we can't know. However, even though we investigate the things properly, we might not fathom their principle properly. Then we should try to figure out the reason why we don't. If we face a dead end, we have to change the way of ch'uch'iik (Ch'uch'u'krok 1:19b). Therefore he asserts that we should distinguish what we are able to do from what we cannot. According to Hegang, we are able to do the following: we can follow the principle of Heaven according to investigating things; we can overcome our selfish desires according to fathoming our own nature. One thing we cannot do is change our life span. We grow old and die. Next we cannot change the four seasons and other natural phenomena (Ch'uch'u'krok 1:27a-28b). And also he says:

"Ch'ū needs a cause and ch'ūk needs a method. If there is no cause and method, ch'uch'ūk will become baseless. When we are good at ch'uch'ūk, we fathom what we can fathom, and we discard what he cannot fathom" (Ch'uch'u'krok 1:6b).

Therefore, if we believe that there is nothing that we cannot fathom, this is not correct. When we become good at ch'uch'ūk, we can choose whether we can or cannot (Ch'uch'u'krok 1:6a).

Since ch'uch'ūk is the method for us to make contact with the external things, we can ask a question about ourselves. How can we deal with ourselves? Or more specifically, how could we get ch'uch'ūk? Hegang says:

"When we scrutinize ourselves by means of ourselves, it is called reflection. (反觀) When we scrutinize things by means of things, it is called no self. (無我) When we scrutinize things by means of ourselves, it is called investigation of principle. (窮理) When we scrutinize ourselves by means of the things, it is called proving. (證驗) When there are we but no things, it is called no beginning. (未發) If those five are ready, ch'uch'ūk becomes completed" (Ch'uch'u'krok 6:44b).

Hegang himself explains the topics one by one. According to him, firstly we investigate our mind and fathom our behaviors. We can get rid of an old habit and predict a better form of behavior. Secondly, we investigate the former thing and fathom the latter thing. Thirdly, we investigate what we have acquired the other day and fathomed and proved. Fourthly, we follow the principle which we have already fathomed and proved. Fifthly, when we do not have any contact with things, we keep our mind lofty and cultivate our nature. In such case, there is no reaction in our mind (Ch'uch'u'krok 6:44a).

These five topics include all of the possible relations between us and external things. In other words, ch'uch'ūk can cater to all of the human cognitive possibilities, and it is the correct way that we human beings should follow.

In a conclusion, Ch'uch'ūk is the human thinking process. And ch'ū and ch'ūk should always be performed at the same time because those two are interrelated. Since ch'uch'ūk is the principle of a human realm, it is likely to deviate from the correct way. So we should accord ch'uch'ūk to the principle of Heaven. However, because ch'uch'ūk has limits, we should not cross over it. Nevertheless ch'uch'ūk is the correct way of a human being because it covers all of the human cognitive possibilities.

Ch'uch'ūk and its Meaning
What did Hegang intend to say with his *ch'uch'uk* system? How can we interpret his *ch'uch'ük* system? We can appreciate five important meanings from the structure of his *ch'uch'ük* system.

Firstly, Hegang has a profound confidence in human being's ability to think, namely *ch'uch'ük*. Hegang says:

“If I look at myself from the point of view of Heaven and Earth, I am a bubble in the ocean. If I look at myself from the point of view of the myriads of things, I am a grain of sand on the ground. However, if I look at Heaven and Earth from my *ch'uch'ük*, I am precedent to no beginning and behind from no ending. And I can bear the great mass and embrace no limitation. If I look at the myriads of things from my *ch'uch'ük*, I can analyze even a piece of hair and see through iron and stone” (Ch'uch'iikrok 6:27a).

Hegang places *ch'uch'ük* as the loftiest attribute of being a human being. It might be regarded as the victory of human reason over nature. However, *ch'uch'ük* does not conquer the natural world owing to its implicit structure. The human beings can claim their victory over nature while following the principle of nature.

Secondly, *ch'uch'ük* can cleanse prejudices and make people more humble. According to Hegang, those who don't know about *ch'uch'ük* can't think reasonably. They only think about their own *ch'uch'ük* and can't escape its prejudice. They can't understand others because they can't find any similarity between themselves and the others. They forcibly understand others by their own prejudice. On the other hand, those who know the faculty of *ch'uch'ük* investigate everything broadly and make clear what is proper in each cases. If they can't fathom a consequence, they then try to clarify what is inhibiting them. Since they investigate themselves and fathom the other, they always try to understand from the point of the others. Finally they can say that they don't understand when they don't understand, so that they can investigate the things more openly (Ch'uch'iikrok 2:31b-a). This can be extended to the question of good and evil. In this case the problem of good and evil does not center around the arguments about human nature, but instead depends on how we becomes accustomed to *ch'uch'ük*.

Thirdly, *ch'uch'ük* expands our consciousness. This is mainly caused by the property of *ch'u*, by which we extend our range of thinking. Hegang says:

“[The scholars of] investigation of principle, regarding there to be an unchangeable origin, investigate whether they lack understanding [of it]. As for the learning of [the scholars of] *ch'uch'ük*, they, regarding that they are able to find a principle, confirm either what they [should] take in or [what they should] discard. This is a practical method” (Ch'uch'iikrok 6:29b).

Since there is no restriction to our consciousness, we can think more broadly, and we can accept a lot of new information. This can develop into “a translation of culture.”

Fourthly, *ch'uch'ük* is future-oriented. This comes from the property of *ch'u*. Hegang says, “*Ch'u* [requires us] not to forget [the things] and *ch'ük* [requires us to] renovate ourselves day by day. [We would] forget [the things] because *ch'u* is not refined, and [we can] renovate ourselves because of the progress of *ch'ük*” (Ch'uch'iikrok 1:52b). Accordingly we develop ourselves day by day, which means that we can continually extend the range of our thought.

Lastly, Hegang asserts rationality. As we have discussed above, *ch'u* plays a pivotal role in this topic. *Ch'uch'ük* rejects all of the groundless ideas. And also our life begins with *ch'uch'ük* and ends with *ch'uch'ük*. Finally Hegang claims:

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13 Everyone is performing *ch'uch'ük* because *ch'uch'ük* is the human thinking process. However, whether they realize this is a different story.

14 This is a general principle of communication between each different paradigm. I am preparing another article about this subject.
“The life span starts when our ch’uch’ük comes to rise and ends when our ch’uch’ük disappears. During this period, we have tasks to be done. When we succeed [the things] in the past and open [them] for the future, we should investigate the people of the past and fathom the people of coming; when we refer to the past and are prudent for the future, we should investigate the things of the past and fathom the things of coming. I don’t believe anyone if he, discarding this fact, seeks for any mysterious things. I also do not accept those who pry into inscrutable things from ch’uch’ük” (Ch’uch’ükrok 1:45b).

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A Study on Studies on the Korean Economy and Business *

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1. Introduction

Experiencing dramatic economic growth and turmoil, the Korean economy has provided a variety of interesting research topics to economists. When one studies the Korean economy or business, does this simply reflect personal tastes and interests, or are there any social or economic forces, which cause the person to be interested in the topic? While it is virtually impossible to trace the personal history and research tastes of all the economists who write papers about the Korean economy to establish the basis for their interest in Korea, it may be possible, and provide valuable information to explore what kind of factors drive them to become interested in the subject.

This paper attempts to provide information about studies on the Korean economy and business in the world, and to answer the following questions:

(i) How much work has been done for the Korean economy and business in the world?
(ii) What are the determinants of Korean studies in a country or region?
(iii) Has any specific country or region been carrying out relatively more or less studies on the Korean economy or business than expected?

2. Studies on Korean Business and Economics

2.1. Data and Overview

Research works published in refereed journals and books, and other works listed in the database EconLit, have been collected and reclassified according to the country (or region) where the study was done for the period covering 1960 to 2000. This study also categorizes published research works on Korea by their major fields in Economics and Business. This information, and the discussion surrounding it, are presented in the

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1 Therefore, there is a limitation concerning the scope of these figures. Some journals and books are not included if they are not listed in the EconLit, although it is certain that most of the significant works are listed in the database.
following sections. After modelling the production function of papers, the next section empirically estimates the determinants of Korean studies. Data for 1995-2000 are used in this section since relatively few studies on the Korean economy and business were conducted prior to 1995. The last section suggests some reasons why studies on the Korean economy and business should be valued highly by countries in Australasia and receive more attention and funding in the future, by pointing out the significance of the Korean economy and its importance in the most dynamic region in the world.

2.2. Korean Studies by Publications

This section provides some relevant figures on Korean studies, such as how many research works on business and economics have been published in selected major countries (or regions) since 1960. These publications are also disaggregated further according to their fields in Economics and Business.

Table 1 shows how many articles on the Korean economy and business have been published in journals and books, and as discussion papers (by some institutions) in major countries or regions for the last 40 years. Since 1960, according to EconLit, 315 articles or books have been published on the Korean economy and business. The United States (US) outperformed all other countries (including Korea), publishing 127 papers or books, or about 40.3% of total publications. It was followed by Korea, which published 86 research outputs, or 27.3% of the total publications. 4 As shown in the table, Australasian countries published 33 articles or books during the same period. While Australia published 21 articles and books, other economies in the region, such as New Zealand, Singapore, Taiwan, Hong Kong, Malaysia and Indonesia produced 12 works throughout the period. Altogether, the number of Australasia’s publications on the Korean economy and business is quite similar to the combined total for the UK and Western Europe. Western Europe and the UK follow Australia in terms of the number of publications, with 17 and 16 outputs respectively.

Table 1 also shows that the research output on Korea increased dramatically up until 1997 and then stagnated. For five years since 1996, amongst the various countries and regions, the US produced the largest output, 45 papers or books, followed by Korea with 36 papers or books. Australia shows the strongest upward trend of research on Korea. Considering the five years since 1996, Australia published 18 works on Korea, which is about 13.4% of the world’s total publications for the same period, and, significantly, outperformed all other countries except the US and Korea. If publications from Southeast Asia and New Zealand are included, Australasia published 24 research works for the five years, which is 17.9% of the world total.

Table 2 reports the composition of research by country and field. The two most popular fields are ‘Growth and Development Economics’ and ‘International Economics’, which together explain 43% of total publications. This proves that the miraculous

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2 The geographical place of affiliation of the authors was considered when the number of publications in each country/region was counted. When there were more than one author, it was counted as (1/n) where n is the number of authors.

3 Only the works which consider Korea as the main object of analysis are counted here. If the amount devoted to the Korean economy or business comprises approximately less than one half of the work, it has not been included.

4 One of the reasons why we can find more US rather than Korean works on Korea is that the database used does not list any publications written in Korean. The same argument may apply for the Korean studies undertaken in Japan.

5 When a paper is related to more than one field, a fractional point is given according to the number of fields related.
economic growth and trade expansion of Korea aroused considerable interest amongst overseas researchers. While these two topics dominate research in the US and Australia, macroeconomics and monetary economics were the most popular research topics in Korea. In the US, as many as 65.5 papers or books were written about growth, development and international economics, comprising more than one half of its total publications on Korea. It is also noteworthy that 32.5 works regarding the economic crisis were published throughout the world. Bearing in mind that the economic crisis hit Korea in November 1997, and that time lags are a factor in publishing research works in journals or books, it is reasonable to suppose that the papers devoted to the crisis would appear in print after 1998. From 1998 to 2000, 77 research works were published and, to our surprise, 32.5 were devoted to the crisis, which represents more than 40% of all publications. This result indicates how fashionable it became recently to write articles on the economic crisis. Korea produced the largest number of papers on crisis (= 12.5), followed by the US (= 9).


3.1. How are Papers Produced?

In brief, research outputs (products) related to the Korean economy and business in one country, will be decided by the number of scholars or researchers (labor or human capital) who specialize on Korea, and the amount of research funds available (capital). Diagram 1 summarizes how research outputs are produced in a certain country in detail.

The number of researchers (or the amount of human capital) in a country (say, country A) specializing in Korean studies could be determined by two factors: the level of interest in Korea in country A and a scaler, where the scaler is the population in the country. It is expected that, as either the level of interest or population increases, the number of scholars interested in Korea will also increase. The level of interest is considered to be closely related to, and interacts with, the volume of research funds available. As country A’s level of interest in Korea increases, more research funds will be made available, which, in turn, will attract more people to conduct research on Korea.

The level of interest is, in turn, influenced by many factors. The most prominent variables may include country A’s GNP, Korea’s GNP, the size of the population in Korea, the volume of merchandise trade and other economic transaction variables (such as DFI, migration, tourism, etc.) between the two countries, and ‘other factors’ (such as the recent economic crisis). All these factors are expected to have positive effects on the level of interest, while the effect of ‘other factors’ will be determined differently across different cases.

The amount of research funds available is also affected by those factors, which are expected to affect the level of interest. It is expected that as the magnitude of factors (except ‘others factors’) increases, the more research funds will become available.

Among the independent variables suggested above, GNP and the population of Korea (and some of ‘other factors’), will apply to Korean studies in other countries as well. Therefore, when comparing country A’s studies on Korea with other major countries’, the factors to be considered are GNP and the population of country A, as well as the amount of economic interaction between Korea and country A. Table 3 shows some basic figures on GNP and population for selected countries with the largest numbers of Korea-related publications. The size of the population and GNP of Australia are, as reported in the table, much smaller than those of the UK, not to mention the US. The larger populations of the US and the UK suggest that these countries would have much larger pools of scholars, and,
therefore, potentially greater numbers of Korean specialists. Also, a higher level of GNP indicates the possibility that the level of interest in foreign countries would be higher in these countries. The higher levels of GNP of the US and the UK imply that these countries might be able to provide more research funds on Korean studies, other things being equal. Consequently, when we consider population and GNP for the countries, it is natural to conclude, *ceteris paribus*, that Korean studies in Australia are likely to produce fewer outputs than those in the US and the UK. However, our previous observation informed us that Australia produced more research outputs than the UK did. It may be argued that country A's intensity of interest in Korea depends on Korea's relative importance in terms of trade to country A. Table 4 reports the importance of Korea in terms of trade to the three countries with the most publications; Australia, the US and the UK. As shown in the table, in 2000, the total value of trade between Australia and Korea was about US$7.6 billion, which was a little higher than that between the UK and Korea (US$7.3 billion), and much lower than that between the US and Korea (US$68.2 billion). However, due to the size of the total trade of each country, Korea's weight to the UK's trade in 2000 was just 1.4%, while it was about 6% for Australia, and 3% for the US. Another important fact that needs to be discussed is that, in general, the US and the UK recorded trade deficits with Korea (although the US recorded surpluses just before the economic crisis), while Australia has consistently recorded a surplus. This suggests that Korea is an important market for Australia, while it is an important import source for the UK.

For simplicity, suppose that the number of publications in one country has a Cobb-Douglas function with three independent variables, population, GNP and trade relationship. Then country A's publications $P_A$ can be written as

$$P_A = K (L_A)^a (G_A)^b (T_A)^c$$ (1)

where $L_A$ is country A’s population, $G_A$ is country A’s GNP, $T_A$ is (some kind of) trade relationship and $K$, $a$, $b$ and $c$ are constants. From 1996 - 2000, the US population was about 13 times larger and US GNP was about 22 times greater than Australia’s. In contrast, during this period Australia produced 15 articles while the US produced 38; that is, the US produced 2.53 times more publications than Australia. This result implies that either Australia’s $K$, $a$, $b$ or $c$ is higher than the US’s, or, if $a$, $b$ and $c$ are assumed to be the same across countries, strong diseconomies of scale (such as $a + b + c < 1$) exist in the number of Korean studies published. Alternatively, the relative importance of Korea to Australia might be advanced to explain why relatively Australia outperformed the US in publications on Korea. Korea is Australia’s second or third largest trade partner while it is the fifth or sixth largest trading partner of the US.

### 3.2. Modelling Research Publications

To explore the issue of research publication topics further, we can use a panel analysis of research publications. As shown in Table 1, we selected seven countries/regions not including India and Others. For each country/region, five years of data are available from 1996-2000. Therefore, by combining time-series and cross-section data, 35 observations become available. While this number is rather small, we were confident of producing some

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6 Nominating which variable is the most appropriate to explain the intensity of interest may arouse controversy. This paper nominates 'trade relationship', without any rigorous tests being conducted, since the main purpose of this paper is simply to present a possible explanation for the determinants of a country's studies on the Korean economy.
interesting results that might act as a catalyst for future discussion and research on related subjects.

We adopted a Cobb-Douglas form of research production function, which is explained in equation (1), where a country’s research output is determined approximately by total population, GDP per capita and its trade relationship with Korea. Taking the logarithmic for each side of the equation gives

\[
\log (PUB_A) = \alpha_0 + \alpha_1 \log (GPC_A) + \alpha_2 \log (POP_A) + \alpha_3 \log (TRD_A).
\]

It has already been explained that the number of publications used in this study was taken from the EconLit database, where research works published in languages other than English are usually not included. The possibility exists therefore, that this data is biased towards publications from English-speaking countries. In order to overcome this dilemma, a dummy variable (DENG) was introduced to arrange ‘1’ for English-speaking countries/regions and ‘0’ for the others.\(^7\)

It has also been pointed out that a particular type of shock such as the economic crisis, that attacked some East Asian countries as well as Korea, may render studies on the region more attractive and encourage more outputs. A dummy variable that captures this effect was consequently added (DCRS). Considering that the crisis occurred in Korea in 1997, and that it usually takes more than a year to publish one’s work in a journal or a book, ‘1’ is arranged for three years from 1998 to 2000.

While English is not an official language, scholars in Korea still may have a comparative advantage in publishing research works on Korea. Although a certain degree of comparative advantage may be already captured by its trade ratio variable, which is 100% for Korea, a dummy variable (DKOR) was arranged to find whether its performance is better than all the others.\(^8\) Taking into account all of the variables, the estimation should be

\[
\log (PUB_A) = \alpha_0 + \alpha_1 \log (GPC_A) + \alpha_2 \log (POP_A) + \alpha_3 \log (TRD_A) \\
+ \alpha_4 DENG + \alpha_5 DCRS + \alpha_6 DKOR + \epsilon_A.
\]

where \(\epsilon\) is an error term. The countries/regions in this analysis were not chosen randomly. They cover all the major areas where Korean studies have been done and published. Therefore, we believe that over time, behavioral differences between individual regions may be captured by the regions’ dummy variables or intercept. Regional dummies were,

\(^7\) While trade ratios are included as (2) to catch the intensity of the relationship between the two economies, geographical distance may influence the level of a country’s knowledge of Korea. Therefore, geographical distance was also included, which is measured by the distance between capitals. For Western Europe and South East Asia, the distance between Seoul and Paris and Seoul and Singapore, respectively, are used. While the inclusion of geographical distance is conceptually reasonable, it causes some technical problems. First, it has a very high correlation with two variables: trade ratio and English dummy. Empirical results indicate that it significantly changes the coefficient for English dummy, while leaving all other coefficients very similar to the cases without geographical distance. Therefore, the results with geographical distance are not provided in this paper, but are available from the authors on request.

\(^8\) In calculating the trade ratio for country A, the formula used is \([(X_{AK} + M_{AK})/(X_{AW} + M_{AW})]\), where \(X_{Ai}\) and \(M_{Ai}\) stand for country A’s exports to and imports from i; and K and W stand for Korea and the rest of the world respectively. Therefore, if we calculate the trade ratio following this formula, the trade ratio for Korea will be zero, which is not consistent with our intuition. Alternatively, we can regard \(X_{KK} = M_{KK} = TP_K - X_{KW}\), where \(TP_K\) is GDP for Korea; i.e. the total value of Korean exports to (and imports from) Korea itself is the difference between its total product subtracted by its total exports to the world. However, for simplicity, we arrange ‘100%’ for trade ratio of Korea, which is intuitively correct as Korea must be the most important to itself.
therefore, introduced. Nevertheless, when they were used together with other variables as discussed in equation (3), neither of them turned out to be significant. They also incur multicollinearity problems. As none of them is significant, for better fitness and parsimony of the model, we discard regional dummies with an assumption that regional differences other than variables already included in equation (3) are negligible.

In estimation, the figures for PUB could not be used directly, since some of them were ‘zero’. To avoid the problem, we added a small number (= 0.1) to all publication numbers. This changed our interpretation of the coefficients estimated. While \( \alpha_1, \alpha_2 \) and \( \alpha_3 \) in equation (3) reflect the elasticity of publication with respect to relevant variables, the coefficients estimated using \( \log (PUB + 0.1) \) do not have that meaning any more. More specifically, when a number \( \delta \) is added to PUB, the elasticity of PUB with respect to a certain variable \( x \) is

\[
\eta = \frac{\partial \log(PUB)}{\partial \log x} = \frac{\partial \log(PUB)}{\partial \log(PUB + \delta)} \frac{\partial \log(PUB + \delta)}{\partial \log x}
\]

\[
= \frac{\partial (PUB)}{\partial (PUB + \delta)} \frac{(PUB + \delta)}{PUB} \alpha_x,
\]

where \( \alpha_x \) is the coefficient for \( x \) estimated from regression. As our result indicates that the average value for PUB is 3.43, the elasticity is, finally,

\[
\eta = 1.03 \alpha_x.
\]

Table 5 presents the results of regression for various cases, with some variables included or excluded. All estimations were free from heteroskedasticity. We can summarize our findings in the following way:

1. GDP per capita does not perform very well in explaining a country/region’s Korean studies. It is insignificant in all cases.

2. Population is significant except for regression (1) where all dummy variables were excluded. When significant, it ranges from 0.657 to 0.722. In terms of elasticity, it ranges from 0.677 to 0.744, implying that a 1% increase in population in one economy corresponds with a 0.7% increase in publications about the Korean economy and business.

3. The trade ratio is always significant. Except in one case when it is 0.547 (in regression (1)), it ranges from 0.775 to 0.965. This indicates that the elasticity of publication in response to a 1% increase in trade share of Korea to a specific country/region, increases publications on Korea by 0.798 to 0.994%.

4. As expected, the English dummy turns out to be very important in determining the number of publications. Coefficients are significant and positive, implying that English-speaking countries/regions produce papers and books on Korea relatively more frequently than non-English speaking counterparts.

5. The Economic crisis dummy and the Korea dummy are both positive as expected, nevertheless, none of them are significant. There is no evidence that the economic
crisis did in fact lead to an increase in publications on the Korean economy or business. To some extent, this is different from what we expected, as it has already been observed in the previous section that the number of papers on economic crisis was fairly large. It may indicate the existence of 'substitutability' in production between the topics of the papers. Those who publish papers on economic crisis and those who publish papers on other topics are probably by and large identical. If they maintain a certain level of productivity, increases in the level of interest in the topic of crisis may cause the number of publications about all the other topics to decrease. In consequence, no significant increase in the total number of publication after the crisis would be observed.

While the trade ratio is always significant, population is not. Except for regression (1), where population is not significant, it is found that the sum of coefficients for population and trade ratios ($\alpha_2 + \alpha_3$) range from 1.432 to 1.687, which are, in terms of elasticity, 1.475 to 1.738. This result indicates that, while GDP per capita is not significant, there are strong increasing returns to scale in research production, with respect to population and intensity (trade ratio). In other words, if the population and trade ratio increase by the same rate (say 1%), research output will increase more than proportionately (more than 1%, probably around 1.475 - 1.738%).

As mentioned earlier, some characteristics of the independent variables are closely related to country/region dummies, which makes it difficult to include all the relevant variables together. In addition, when they are all included, the effects of the independent variables are, in general, insignificant. However, some people will undoubtedly be interested in whether some countries/regions actually carry out more research on Korean than others. To accommodate this question, more analyses are presented in the following section.

### 3.3. Who Studies More on Korea?

As discussed previously, country dummy variables are expected to capture the difference among countries/regions in their publications on Korea through the shift in intercepts. Unfortunately, the estimation including country dummies did not perform well, and we decided to exclude them from our regression analyses. Nonetheless, this is a very exciting topic, worthy of exploration, where studies on Korea are relatively better established. This question can be at least partly resolved by investigating the residuals from regressions.\(^9\)

The residuals from regressions using equation (3) explain the difference between the mean regression line and the actual number of publications (+0.1) in logarithmic value, for each country/region, for each year. If country A’s publications on Korea are more than expected (by the regression line), the residual will be positive, and vice versa. We picked up the estimation with the highest fitness (column (3) in Table 5) and computed the residuals for each observation using the results of estimation as follows, where subscripts $A$ and $t$ respectively stand for country A and period $t$:

$$\hat{u}_{At} = \log \left( PUB_{At} + 0.1 \right) + 7.960 - 0.297 \log \left( GPC_{At} \right) + 0.722 \log \left( POP_{At} \right)$$

\(^9\)We accept the critique that residuals should be random, and if any systematic pattern is found from the residuals, it indicates that the regression itself has flaws. Nonetheless, we carry out this analysis, as country dummies could not capture the difference and were excluded from the analysis. This problem may be resolved once more data is collected and more variables are used.
Figure 2 shows the residuals for each country/region in each period. While the relative performance of a country/region fluctuates across different years, on average, four countries/regions – Australia, the USA, Western Europe and Korea - produced relatively more publications on the Korean economy and business in the late 1990s, while the other three – Southeast Asia, Japan and the UK – published relatively less. As the figure indicates, while Australia and Western Europe performed relatively well, the publications of the USA and Korea lie very close to the regression line. Taking into account the explanatory variables included in estimation, Japan’s publications on Korea is relatively the lowest. While language barriers may be critical, in this estimation, the effect of language has already been accommodated as the English dummy (DENG) has been included. Therefore, these differences in relative performance should be regarded as random effects, or, alternatively, some missing variables from the regression might affect the results. More research is needed to identify the source of these biases.

If we use the value of residuals as an indicator of ‘under-research’, then the Korean economy and business is under-researched in three countries/regions, as discussed previously. Who is disadvantaged from this “under-research”? Is Korea disadvantaged or is it the country that under-researched Korea? This question is analogous to the question frequently asked of students in introductory international trade classrooms: whose loss is it, if one country does not import an optimal amount of goods and services? A student who has successfully mastered this course should answer that it is at least as big a loss to the importing country as to the exporting country.

Research outputs have two important characteristics: they are public goods and they have externalities. When a country produces one research output on the Korean economy or business, the contents of the output, such as information and models, can be used by all the people in the country with insignificant marginal cost.

If it is true that Korean studies in a certain country fall below the optimal level, it is not just Korea, but also that country, which should make strenuous efforts to encourage Korean studies.

4. Why Study Korea?

This paper does not investigate the number of researchers in each country who specialize in Korea, or the volume of research funds available for Korean studies, as they are in general very hard to measure. Instead, this paper reviews variables which might affect the factors mentioned earlier – the level of interest and amount of research funds available - and compares them with one another.10 From this comparison, it is concluded that population, the trade relationship and language, are in general, important explanatory variables. As discussed in the previous section, if too little research is currently being carried out on Korea in a certain country, this state of affairs is more likely to represent a loss to that economy, as well as to Korea.

In case reasons exist why Korean studies are really undervalued in some countries/regions, which are not discussed in this paper (such as unnecessary distortions or

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10 As the main purpose of this paper is to provoke studies on the similar topics and suggest how the issues should be formulated, we do not go further to discuss technical problems related to econometric methods, such as problems concerning misspecification or omitted variables.
misperceptions about Korea\(^{11}\)), we would like to suggest why Korean studies should be considered important:

- Korea is one of the most dynamic countries in terms of structural change, especially since the economic crisis. Related topics worthy of examination include what kind of structural adjustments, market liberalization measures, and technological requirements are needed to sustain Korean economic development.
- Korea has unique industrial organization, especially the *chaebols* which are also the source of serious domestic problems. Their operations, labor/management relations, land ownership and future, will provide various important future research topics.
- One of the most important reasons why Korean studies should be encouraged is that they can be used as a key to open and understand what is likely to be the most powerful economic region in the future, but one, which is likely to suffer from ongoing tensions between the countries of which it is comprised. Moreover, as a result of consistent efforts to restore a unified sovereign state in the peninsula, in the long term, the Korean economy will become ever more dynamic as it progresses along the road to cooperation and unification with the North. While the size of population, even after reunification, would be smaller than that of China or Japan, it will still be one of the most significant economies in the world and a focal point for balancing the superpowers in the region.

These are some of important reasons why Korean studies should not be understood as a residual of Japanese or Chinese studies. It should not be seen as a field in which specialists on Japan or China, who label themselves as 'also Korean specialists', can promote themselves and exert influence. Only those who specialize in the Korean economy and business with a thorough knowledge of East Asia and its economies can conduct accurate and professional research and maximize the potential benefits to both countries.

While this paper examines a variety of variables determining the level of Korean studies, it is not necessarily applicable to Korea only. By accumulating more variables and observations – for longer periods and more countries - studies or research interests on specific countries and regions, as well as Korea, can be estimated and analyzed more accurately.

\(^{11}\) For example, it has been argued frequently (incorrectly) that Australians have tended to regard Korea as a small and insignificant country in the world economy. For example, see Garnaut (1989), Dupont (1992) and Cho (1996) among many other articles.
References


- The EconLit was used as one of the databases.
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|              | (6.7%)   | (3.8%)          | (2.9%) | (40.3%) | (5.1%) | (5.4%) | (1.3%) | (27.3%) | (7.3%) | (100.0%) |
Table 3: Population and GNP for Selected Countries

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Source: International Financial Statistics Yearbook (various years)

Table 4: Import and Export Trade Shares in Relation to Korea (in US $ millions)

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Source: Direction of Trade (various years)
### Table 5  Determinants of Studies on the Korean Economy and Business.

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Figure 1 How Are The Studies on Korea Formulated?
Figure 2 Who Studies More on Korea?

Residuals

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Countries: Australia, SEA, Japan, the US, the UK, W.Europe, Korea
Foreign Direct Investment and Comparative Advantage: A Comparative Analysis of Korea and Taiwan during the 1990s

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1. Introduction

Korea and Taiwan have become major capital exporters in the 1990s (UNCTAD 1997). Rapid industrialisation has accompanied wage hikes and rising values of their currencies, and created significant pressures on many manufacturing firms in Korea and Taiwan. Particularly, for many export-oriented firms with labour intensive technologies, maintaining competitiveness was a matter of their survival in the time of rising costs and deteriorating competitiveness. In order to overcome the pressure, these firms moved out overseas through FDI, prominently to neighbouring Asian countries. However, this is only half of what’s happened to these two economies during this period. Along with the massive outflows these two economies also attracted a large amount of inward FDI during the same period (UNCTAD 1997). Researchers like Simon and Jun (1995) and Suh and Seo (1998) argued that the motivations of inward FDIs in the 1990s to these two economies were seeking market opportunities, unlike in the 1970s and 1980s.

The general observations above of FDIs in both countries have been explained in the context of the following two underlying approaches. The first approach is the flying geese pattern of FDI, which was initially proposed by a group of Japanese economists (see for example, Kojima 1978). The flying geese FDI postulates that when an industry in the first tier country, ie. Japan, loses comparative advantage in the industry, the industry is handed over from the country to countries in the second tier, such as Korea and Taiwan. This hand-over process also takes place when the countries in the second tier lose their comparative advantage to the countries in the next tier, including countries in ASEAN. This linear process involves FDI. When this process is focused on a product level, the flying geese pattern of FDI is equivalent to Vernon’s product life cycle hypothesis. The flying geese pattern of FDI was believed to have been much effective in accounting for FDI developments in Asia, particularly Japanese FDI in the region (Vernon 1971 & Kojima 1985). The other underlying approach is more recent, and it observes that inward FDI into Korea and Taiwan is motivated by market oriented factors, associated with a new wave of FDI in the region (Petri 1995; Suh and Seo 1998).

However, there is a conspicuous difference in the developments of FDI between these two economies, especially in net positions of FDI. The difference refers to the fact that FDI outflows are dominant over FDI inflows in Korea, whereas the inflows are much larger than the outflows in Taiwan. Such a stark difference was unnoticed in the above
mentioned studies of FDI. What accounts for this difference existing between these two economies? We argue that the difference has arisen primarily due to different dynamics of comparative advantages in manufacturing industries between the two countries. Nevertheless, we focus in this paper on comparatively analysing the patterns of foreign direct investment (FDI) inflows and outflows during the 1990s of Korea and Taiwan. And the, we subsequently question if there is a systematic relationship between comparative advantage and FDI in Korea and Taiwan, especially during this period.

The simple relationship, as the flying geese hypothesis postulated, envisages that outward foreign direct investment arises from the industries where home country possesses comparative disadvantage. The mirror image of this simple relationship for host country is that inward FDI is attracted to where the host country has comparative advantage (Vernon 1966 &; Kojima 1978 and 1982, for example). However, recent literature on this subject presented more a complex, than simple, relationship between the comparative advantage and FDI of a country. Nachum, et al (2000) discuss that the complexity of the relationship arises from various factors, such as motivations of firms conducting FDI, the extent of investing firm’s ownership advantage, the government policy and interventions. Thus, these factors weaken the link between comparative advantage and FDI. The empirical results are mixed. Maskus and Webster (1995) found a positive relationship between comparative advantage and inward FDI for UK and Korea. More recently, Nachum et al (2000) found that the largest share of outward UK FDI were concentrated in sectors where UK possessed comparative disadvantage. Dunning (1985 and 1988) found no evidence that UK outward FDI was concentrated in comparatively disadvantaged industries.

The structure of the paper is as follows. In section 2, we describe and compare inflows and outflows of FDI in Korea and in Taiwan by looking at industry distributions of FDIs in the 1990s. Our focus is limited to the distribution of FDI in manufacturing industries, and it is where the difference in net positions of FDI flows is prominent.1 In section 3, we discuss the extent of intra-industry FDI. In section 4, we present the movements of exchange rates and wages in Korea and Taiwan during this period. Here we try to investigate if they are related with inward and outward FDI. In section 5, we look comparative advantages of the two countries during this period. In order to quantify the comparative advantage, we use Balassa’s revealed comparative advantage (RCA) index. Then, we investigate if a systematic relationship exists between comparative advantage and FDI. We highlight similarities and differences of the relationship between the two countries. The final section will conclude the paper.

2. Patterns of Foreign Direct Investment

2.1. Foreign Direct Investment Inflows

Tables 2-1 and 2-2 show industry distributions of inward FDI flows to manufacturing during the 1990s in Korea and in Taiwan. Inward FDI in manufacturing industries in both countries moved and was not greatly different until the mid-1990s. That is, inward FDI to manufacturing industries in both countries experienced a downturn in the early part of 1990s and then recovered slightly by the mid-1990s. However, since 1998, the post financial crisis recovery period, FDI inflows in the two countries started to diverge from the earlier trend. FDI inflows in Korea dramatically increased, culminating at over US $ 7

1 It should be noted that services industries attracted at least almost half of the total FDI inflows in both countries.
billion (in 1995 price) at in 1999-2000 period, whereas the inflows in Taiwan showed a downward movement.2

Broadly, more capital and technology intensive industries, such as electrical and electronics, transportation equipment and chemicals, are high in ranks in the distribution of FDIs in both countries. More labour intensive industries, such as textile, paper & lumber and other manufacturing, rank lower. This type of industrial distribution pattern of inward FDI is somewhat expected, and is believed to reflect changes of comparative advantage of both countries during the period. Differences are prominent at the specific industry level. In Taiwan, the electrical and electronics among more capital and technology intensive industries attracted the largest proportion of inward FDI throughout the entire period considered in this paper. The same industry in Korea took the leading position only in the post crisis period while the chemicals industry was the leading attractor until the mid-1990s. The textile industry among labour intensive industries was ranked high in Taiwan and at the bottom in Korea. Another noticeable difference is food industry. The food industry in Korea ranked in the middle and often at the bottom in Taiwan.

2.2. Foreign Direct Investment Outflows

Tables 2-3 and 2-4 show distributions of outward FDI from manufacturing in Korea and Taiwan during the same period. In these two tables, we observe a general trend that the distribution pattern of outward FDI in both countries has become increasingly dissimilar over time. Both the electrical and electronics industry and the textile industry ranked high throughout the entire period in both countries for different reasons. We conjecture that the textile industry might have been intensively utilising labour intensive and matured standardised technology and rushed out of both countries with rapidly decreasing comparative advantage. In the case of electrical and electronics, the lively outward FDI was part of active globalisation through fragmentations of labour-intensive production or assembly process. It is notable that the relative magnitude of outward FDI of the textile industry in Korea was a lot more than in Taiwan, especially in the early 1990s.3 In all the remaining industries, the distribution seems much different from one another. Particularly, transportation equipment industry is worth mentioning. This particular industry in Korea has ranked high while it has been constantly positioned at the bottom of the distribution. This stark difference reflects the fact that automobile industry in Korea pursued active globalisation strategy during the period, whereas it is still a nascent industry in Taiwan.

2.3. Net Foreign Direct Investment Flows

We construct tables 2-5 and 2-6 for net positions of FDI flows in Korea and in Taiwan at each industry level, and examine if there are differences or similarities between the two countries. Overall, we observe a stark difference in the net positions of the two countries. In the total net position of FDI in the manufacturing, there are more outflows in Korea than in Taiwan: 6 years for Korea and 1 year for Taiwan respectively out of the 10-year period.

A quick observation of the tables 2-5 & 2-6 also reveals that in both countries industries using more labour-intensive technologies, such as the textile industry, had more outflows than inflows. In more capital and technology intensive industries, like the chemicals and the transportation equipment industry, the inflows were larger than the outflows.

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2 The divergence is both in current prices but also in constant prices.
3 Also similarly highly positioned in the distribution is metals industry.
While the electrical and electronics industry has been the leading industry for FDI outflows and for inflows in both countries, the amount of outflows were larger than the amount of inflows in Korea for six years out of 10 years. On the contrary, the picture of the same industry in Taiwan is remarkably different. The inflows were larger than the outflows for eight years during the same period. The textile industry is also interesting to compare between the two countries. In this industry, the FDI outflows were always larger than the inflows throughout the entire period in Korea. In Taiwan, however, the outflows were more than the inflows for 6 years. Another contrast can be made by looking at the transportation equipment industry. In this industry, the outflows were larger than the inflows in Korea and the inflows outweighed the outflows in Taiwan. This contrast reflects, as pointed out earlier, that firms in the transportation equipment industry in Korea have been actively pursuing its globalisation through outward FDIs.\(^4\) In Taiwan, it still is a new and nascent industry.

3. Intra-Industry FDI

The above observations of the net FDI positions in Korea and Taiwan do not tell the extent to which the degree of inflows and outflows of FDI take place in the same industry. It merely tells if the amount of inflows was greater than that of outflows or vice versa. How do we measure the extent of the two way FDI? Following Greenaway et al (2002) and Seo et al (2002), we measure the extent of two-way FDI similarly to the way we measure the extent of intra-industry trade index, proposed by Grubel and Lloyd (1975). The index of the two-way FDI is called intra-industry FDI (IIFDI) and calculated as following:

\[
\text{IIFDI} = \left(1 - \frac{\text{outflows} - \text{inflows}}{\text{outflows} + \text{inflows}}\right) \times 100
\]

IIFDI takes values between 0% and 100%. The index value of 0% indicates completely inter-industry FDI, and the index value of 100% a complete intra-industry FDI. The greater the IIFDI, the higher the intra-industry FDI. Tables 3-1 and 3-2 show IIFDIs of Korea and Taiwan during the 1990s.

From the movements of average\(^5\) IIFDI for the two countries, we note the following two points. First, the average IIFDI of Taiwan is in general slightly higher than that of Korea, except two years, 1997 and 2000. The higher level of IIFDI in Taiwan indicates that there have been more two way FDIs in Taiwan than in Korea. Second, while the Taiwan's average IIFDI showed a weakly declining trend, Korea's average index showed an upward trend toward the end of the period.

At individual industry level, we observe much conspicuous differences of IIFDIs between Korea and Taiwan. In the transportation equipment industry and the machinery industry, the IIFDI of Korea were larger than that of Taiwan throughout the 1990s, except 1998. In the case of the transport equipment industry, it merely reflects the fact that Taiwan's transport equipment industry, especially the automobile industry, is a nascent industry. Other industries in which IIFDIs of Korea were larger than Taiwan's indices include the food industry and the ceramics industry. Particularly, the food industry, along with the chemical industry, in Korea was one of the industries in which the inflows were larger than the outflows.

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\(^4\) In the particular industry, globalisation has been actively pursued by Korean Chaebols. See Ungson et al. (1997).

\(^5\) We use a simple arithmetic average of indices.
In the textile industry, the electrical and electronics industry, the chemicals industry and the other manufacturing industry, Taiwan's IIFDIs were larger than Korea's indices. In the textile industry, not only was Taiwan's IIFDI index greater than Korea's index, but also the extent of two-way FDI was far greater than that of Korea. In many years, Taiwan's textile industry showed extremely a high level of two-way FDI. A similar observation can be made in the electrical and electronics industry in which Taiwan's IIFDI indices exceeded Korea's indices, except only three years of 1991, 1995 and 1998. This generally higher level of IIFDI also tells that the two-way FDI in the electrical and electronics industry has been far more active in Taiwan than in Korea.

4. Exchange Rates, Wages and Foreign Direct Investment

4.1. Exchange Rate Movements and FDI in Korea and Taiwan

Literature on FDI argue that depreciation of a host country's currency encourages more inward FDI due to wealth effect and competitiveness effect. Rising value of foreign currency as a result of the host country's relative depreciation makes foreign investors richer than otherwise and lead them to bid higher prices in acquisitions or merges of local firms. The competitiveness effect stems from the fact that the lower value of the host country's currency make more competitive the exports from the host country and less competitive the imports from overseas. Although details how each effect work in relation to FDI, the literature generally postulates, cetris paribus, a positive relationship between depreciation of the host country's currency and the inward FDI. In the case of the outward FDI, the relationship is reversed.

We earlier said that both countries' currencies, Won and New Taiwan Dollar have been appreciated quite rapidly since the mid-1980s, particularly against the US dollars. Table 4-1 shows the movements of nominal and real exchange rates against the US dollars of Korea and Taiwan during the 1991-2000 period. In terms of nominal rates, currencies of Korea and Taiwan have been depreciated: Korean Won at roughly 6 per cent and New Taiwan Dollar at slightly less than 2 per cent per annum. The major depreciation of currencies took place around the financial crisis period, particularly in 1998. In nominal terms, Won lost 47.1 percent of its value in comparison with its value in 1997. During this period, New Taiwan Dollar lost its value by 17 percent. In the post crisis period, Won and New Taiwan Dollar appreciated. Real exchange rates of currencies of the two countries demonstrated a similar trend, but with slightly smaller magnitudes. Won depreciated at 2 per cent per annum in real terms and New Taiwan Dollar at 2.6 per cent.

If inward FDI and the exchange rate depreciation of the host country is positively associated, as the literature argues, we would have seen more of the inward FDI than the outward FDI during this period. This was the case for Taiwan while the circumstance in Korea was reversed, as we witnessed in tables 2-5 and 2-6. That is, we observed more frequently the inward FDI exceeding the outward FDI in Taiwan and the latter exceeding the former in Korea during the period.

We test this relationship with a simple, non-parametric method, ie. correlation test, for this period and the results are shown in Table 4-2. The hypothesis is a positive relationship between exchange rates and inward FDI relationship. The correlation coefficients of nominal exchange rates and inward FDI in both countries during the period

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6 The exchange rates for Korea and Taiwan are Won or New Taiwan Dollar per US Dollar.
are positive and statistically significant, supporting the hypothesis.\(^7\) The implication of the significance of this hypothesis is that exchange rates matter to foreign investors in these two countries, perhaps due to an associated wealth effect.

The above hypothesis suggests another related hypothesis, that is, a negative relationship between outward FDI from these two countries and their exchange rates. However, this hypothesis is not supported in both countries, in that the correlations positive were and significant only for Taiwan.\(^8\)

4.2. Wages and FDI in Korea and Taiwan

Table 4-3 shows hourly compensation for production workers in manufacturing industry for Korea and Taiwan during the 1991-2000 period in local currency terms and also in US dollar terms. The annual rate of increase in nominal wages in Korea, (14.9 \%) was more than twice that in Taiwan (6.5\%) during this period. In US dollar terms, the growth rate of Korean manufacturing worker's wage was also more than double the Taiwanese counterpart: 10.5 per cent versus 5.0 per cent. Such a rapidly increasing wages growth was coupled with depreciations of Won than New Taiwan Dollar, creating more pressures on firms in labour intensive industries. The same observed differentials between the two countries of growth rates of nominal wage are also found in real terms and are shown in Table 4-4. In the table, it is shown that the growth rate of real Korean worker's wage was still more than twice the growth rate of Taiwan worker's wage. That is, 8.9 per cent in Korea was compared with 3.6 per cent in Taiwan.

How are movements of wages related with inward and outward FDI? Labour cost is one of major factors determining international competitiveness of an industry, particularly of a labour-intensive and matured industry. FDI literature says that labour costs affect inward FDI negatively and outward FDI positively. This relationship is based on that higher wages tend to increase the cost of production. Thus, producers tend to move away from the location with higher wages. However, this relationship is more than likely to depend on the factor intensity, the matureness of production technology of an industry.\(^9\) If the industry is labour intensive, using standardised technology, outward FDI is seeking cheap labour costs for production. The relationship is as simply expected one, that is, a positive impact of wages is expected on outward FDI, and a negative one on inward FDI. On the contrary, for FDI using advanced technologies or seeking market opportunities, wages would not be a factor seriously affecting FDI. As mentioned earlier, the rapidly increasing wage rate was one of strong pushing-out factors for FDI from Korea and Taiwan since the mid-1980s (Lee and Tcha 1995). In the cases of inward FDI to these countries, people (Simon and Jun 1995 & Suh and Seo 1998) in the field argued that they foreign firms in these two economies were motivated by market opportunities Therefore, it is meaningful to see if these hypothesis is still effective in Korea and Taiwan during the 1990s.

Table 4-5 shows correlations between nominal wages and FDI in Korea and Taiwan. So far as the outward FDIs are concerned, the correlation coefficients are positive in both countries, suggesting that higher wages in these two countries were associated with larger amount of outward FDI. Nevertheless, the correlation are not statistically significant. In

\(^7\) For real exchange rates, inward FDI is positively related in both countries, but the coefficient was significant only in Korea at 10 percent level.

\(^8\) For real exchange rates, the correlation is negative for Korea and insignificant. However, in Taiwan the correlation is still positive and significant.

\(^9\) Also productivity of workers matter, so that higher wages may indicate higher productivity of worker. In this case, the link between wages and inward FDI breaks. Therefore, we can expect inward FDI be attracted by higher productivity.
the case of inward FDIs, they are significantly positively related with local wages. This result is not at all affirming but merely suggesting the hypothesised relationship: the wages do not matter much when FDI is seeking market opportunities in the host country.\(^\text{10}\)

The relationship that is argued in the literature about the exchange rates and FDI is rather mixed in Korea and Taiwan during the considered period. However, if exchange rates have an impact on FDI, it will be at macro level. Furthermore, as we noted above, differences in the magnitudes of exchange rate changes of Korea and Taiwan during the period are relatively smaller, both in real and in nominal terms. Such smaller differences are not enough to justify sufficiently the relatively stark differences in the patterns of inward and outward FDI in manufacturing. An investigation of the impact of wages on inward and outward FDI are also equally mixed and merely suggestive at best, requiring different pattern of FDI in the two countries to be explained further.

5. Dynamics of Comparative Advantage and Foreign Direct Investment

Balassa (1965) argued that trade performance could reveal the comparative advantage of particular countries because the commodity pattern of trade would reflect relative costs as well as differences in non-price factors. In order to measure the comparative advantage, we use Balassa’s revealed comparative advantage (RCA) index. The index is calculated as follows:

\[
\text{RCA}_{ij} = \frac{(X_{ij} / \Sigma X_{ij})/(\Sigma \Sigma X_{ij})}{(\Sigma \Sigma X_{ij})/\Sigma \Sigma X_{ij}}
\]

where \(X\) refers to exports, and subscripts \(i\) and \(j\) respectively stand for country and commodity. When the value of \(\text{RCA}_{ij}\) value is greater than one, it is said that country \(i\) has comparative advantage in commodity \(j\). \(\text{RCA}\) value of less than one shows comparative disadvantage.

Tables 5-1 and 5-2 show the RCA index for manufacturing industries of Korea and Taiwan during the 1990s. From these two tables, it is noted that industries in which Korea had comparative advantage are also the industries Taiwan had comparative advantage, except the machinery industry and the transportation equipment industry.\(^\text{11}\) During this period both Korea and Taiwan had comparative advantage in the textiles industry, the metals industry, the electrical and electronics industry, and the other manufacturing industry. In the machinery industry, Taiwan had comparative advantage and Korea, not.

Among the industries in which Korea had comparative advantage, there was a trend of RCA value declining, especially in the textiles industry, the metals industry and the electrical and electronics industry. The gradually declining RCA values of indicate that Korea’s comparative advantage in these industries has been declining.\(^\text{12}\) Although we find a similarly declining RCA values for Taiwan in the textile industry, RCA values have consistently been increasing in the metals, the electrical and electronics industry, and the metals industry. In other industries, the chemical industry in Korea is notable in that its

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\(^{10}\) Thus, it still leaves various possible interpretations to be explored.

\(^{11}\) Korea has comparative advantage in the transportation equipment industry and disadvantage and Taiwan has comparative disadvantage.

\(^{12}\) In Korea’s transportation equipment industry, the RCA value increased until the mid-1990s and then declined.
RCA values have been consistently increasing during the period. However, the food industry and the ceramics industry in Taiwan showed consistently decreasing RCA values.

We can make a broad but rather systematic observation of the relationship between RCA and net position of FDI in Korea. In Korea, manufacturing industries with comparative advantage generally had more outflows than inflows and the industries with comparative disadvantage had more inflows than outflows. However, for Taiwan, we fail to notice such a systematic broad relationship. Only the textile industry with the comparative advantage in Taiwan demonstrates a similar pattern to Korea. In all other remaining manufacturing industries in Taiwan, inward FDI were larger than outward FDI.

In order to investigate if there exists any systematic relationship between comparative advantages and FDI in Korea and Taiwan, we conducted a correlation analysis. A positive correlation means that the ranking of FDI inflows are similar to industry's RCA ranking. Therefore, a high rank industry for RCA, i.e. industry with comparative advantage, also attracts inward FDI more. In case of outward FDI, a positive correlation means that a high rank industry for RCA also invests more abroad. If figures are negative, the interpretation becomes purely reversed.

Table 5-1 shows rank correlation between RCA and inward and outward FDI in Korea and Taiwan. As for inflows, the rank correlations are predominantly negative in Korea, except the more recent 1999-2000 period. Therefore, it suggests that in Korea the industries with comparative advantage attracted relatively less amount of inward FDI. Nevertheless, the correlations are not significant. Although negative and positive figures are mixed in Taiwan's inward FDI, the figures are positive since 1997 but entirely insignificant. More an interesting feature is observed for outflows. The correlations in Korea are positive throughout the entire period and significant, except two years of 1991 and 1999. This significant relationship suggest that industries with comparative advantage in Korea conducted more outward FDI in the 1990s, which is closely in line with what Nachum et al (2000) found for UK. We also find positive correlations in Taiwan throughout the period, and the correlation is significant only one year, 1999.

6. Concluding Remarks

Along with active developments of FDI in the 1990s, there are greater differentials between Korea and Taiwan in terms of amount of FDI. The differentials were prominent in net position of FDI and patterns of distribution in manufacturing industries. However, these differentials were unnoticed under a general argument that FDI in the Asia-Pacific region in the 1990s have been differently motivated from FDI in the 1970s and 80s. During the period, Korea had more outward FDI than inward FDI and a lower extent of intra-industry FDI in manufacturing. In Taiwan, inward FDI was greater than outward FDI and the extent of intra-industry FDI was higher than Korea. Revealed comparative advantage of the two countries might have not been important for foreign investors in the two countries. Inward FDIs were significantly positively related with depreciations of local currencies and higher wages. These findings suggest that foreign investors might take advantage of increased wealth effect arising from exchange rate movements and targeting high productivity manufacturing industries, if a high level of wage indicates a high productivity.

13 A similar but very moderate increase was noted for the same industry in Taiwan.
14 Industry's ranks are according to the amount of inward or outward FDI and RCA values of respective industry.
15 The correlations of inflows are significant for only two years for Korea, in 1998 and 2000.
In so far as outward FDI were concerned in Korea and Taiwan, the findings in this paper showed that their FDI were not affected seriously by wage rates or revealed comparative advantage. Even depreciations of Won and New Taiwan Dollar during the period did not seem to constrain firms from conducting outward FDI in these two countries, as we did not find systematic relationships between them. Note that the underlying hypothesis explaining FDI developments in the region was concerned with the relationship between wages and outward FDI or dynamics of comparative advantage and outward FDI. The experiences of the two countries challenge the effective of this underlying hypothesis. Furthermore, their experiences suggest that firms in these two countries implementing more in a sophisticated way their globalisation strategy and activities in each manufacturing industry.

References


### Table 2-1 FDI Inflows\(^1\) in Korean Manufactures

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<tr>
<th>Year</th>
<th>Food</th>
<th>Textiles</th>
<th>Paper &amp; Lumber</th>
<th>Chemicals (incl. Petroleum)</th>
<th>Ceramics</th>
<th>Metals</th>
<th>Machinery</th>
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<td>1.8</td>
<td>38.1</td>
<td>6.9</td>
<td>1.9</td>
<td>12.1</td>
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<td>32.0</td>
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Note:
1. Figures refer to percentage of FDI by notification.
Table 2-2 FDI Inflows\(^1\) in Taiwan Manufactures (\%)  

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Notes:  
1. Figures indicate percentage of approved foreign direct investment by overseas Chinese and foreigners.  
2. Other manufacturing refers to precision instruments.
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Note:
1. Figures represented total accepted outward FDI each year.
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Table 2-4 FDI outflows\(^1\) in Taiwan (\%)  


Notes:  
1. Figures indicate approved foreign direct investment.  
2. Other manufacturing refers to precision instruments.
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Notes:
1. Net flows is calculated as the difference between outflows and inflows. That is, net flows = (outflows - inflows).
2. Freq refers to the number of years in which outflows are greater than inflows. If the cell is positive, it means that outflows > inflows.
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<td>1</td>
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Notes:
1. Net flows is calculated as the difference between outflows and inflows. That is, net flows = (outflows – inflows).
2. Freq refers to the number of years in which outflows are greater than inflows. If the cell is positive, it means that outflows > inflows.
Table 3-1. Intra-Industry FDI\(^1\) in Korea

<table>
<thead>
<tr>
<th></th>
<th>Food</th>
<th>Textiles &amp; Clothing</th>
<th>Paper &amp; Lumber</th>
<th>Chemicals (incl. Petroleum)</th>
<th>Ceramics</th>
<th>Metals</th>
<th>Machinery</th>
<th>Electrical &amp; Electronics</th>
<th>Transport Equipment</th>
<th>Other Manufacturing</th>
<th>Average</th>
</tr>
</thead>
<tbody>
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<td>24.74</td>
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<td>28.66</td>
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<td>28.56</td>
<td>50.77</td>
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<td>40.21</td>
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Source: Authors own calculation from Taiwan Flows and Inflows Tables

Note:

1. IIFDI = \(1 - |\text{outflows-inflows}|/(\text{outflows} + \text{inflows})\) * 100.
<table>
<thead>
<tr>
<th>(US$'000)</th>
<th>Food</th>
<th>Textiles Clothing</th>
<th>Paper &amp; Lumber</th>
<th>Chemicals (incl. Petroleum)</th>
<th>Ceramics</th>
<th>Metals</th>
<th>Machinery</th>
<th>Electrical &amp; Electronics</th>
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<th>Other Manufacturing</th>
<th>Average</th>
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</table>

Source: Authors own calculation from Taiwan Flows and Inflows Tables

Note:
1. \( \text{III-FDI} = \{1 - \frac{|\text{outflows} - \text{inflows}|}{|\text{outflows} + \text{inflows}|}\} \times 100. \)
Table 4-1. Exchange Rates of Korea and Taiwan

<table>
<thead>
<tr>
<th></th>
<th>Nominal Exchange Rates (per US $)</th>
<th>Real Exchange Rate (per US $)</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Taiwan</td>
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<tr>
<td>1991</td>
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<td>Average Annual Changes (%)</td>
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<td>5.9</td>
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Notes:
1. Yearly exchange rates were obtained from the Bank of Korea website (www.bok.or.kr) for Korea and from the Central Bank of China website (www.cbc.go.kr) for Taiwan.
2. In calculating real exchange rates, CPI indices of Korea, Taiwan and the US were used. CPI was indexed to 1995 = 100. The US CPI index was obtained from IFS Yearbook 2002.

Table 4-2 Correlation Coefficients\(^1\) between Exchange Rates and FDI in Korea and Taiwan

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<th>Nominal Exchange Rates</th>
<th>Real Exchange Rates</th>
</tr>
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<tbody>
<tr>
<td>Korea Inward FDI</td>
<td>0.889 (^*) (0.001)</td>
<td>0.628 (^**) (0.052)</td>
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<tr>
<td>Korea Outward FDI</td>
<td>0.162 (^*) (0.655)</td>
<td>-0.470 (^*) (0.171)</td>
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<tr>
<td>Taiwan Inward FDI</td>
<td>0.553 (^**) (0.097)</td>
<td>0.437 (^*) (0.207)</td>
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<tr>
<td>Taiwan Outward FDI</td>
<td>0.770 (^*) (0.009)</td>
<td>0.693 (^**) (0.026)</td>
</tr>
</tbody>
</table>

Notes.
1. Pearson correlation coefficients.
2. Numbers in parenthesis are p-values.
3. *, **, and *** represent 1%, 5%, and 10% significance level.
Table 4-3. Nominal Hourly Compensation for Production Workers in Manufacturing in Korea and Taiwan

<table>
<thead>
<tr>
<th>Year</th>
<th>In US Dollars (Korea)</th>
<th>In US Dollars (Taiwan)</th>
<th>In Local Currency (Korea) (Won)</th>
<th>In Local Currency (Taiwan) (NT$)</th>
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<td>7471</td>
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<td>7.35</td>
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<td>8.48</td>
<td>5.85</td>
<td>9589</td>
<td>182.73</td>
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</table>

Average Annual Growth Rate (%) (1990-2000) 10.5 5.0 14.9 6.5


Table 4-4. Hourly Compensation for Production Workers in Manufacturing (in 1996 prices)

<table>
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<tr>
<th>Year</th>
<th>In Local Currency (Korea) (Won)</th>
<th>In Local Currency (Taiwan) (NT$)</th>
<th>Annual Changes (%) Korea</th>
<th>Annual Changes (%) Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
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</table>

Average Annual Growth Rate (%) (1990-2000) 8.9 3.6

<table>
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<th>Nominal Wage in US$</th>
<th>Nominal Wage in Local Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Korea</strong></td>
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<td></td>
</tr>
<tr>
<td>Inflows</td>
<td>0.428 (0.217)</td>
<td>0.896* (0.000)</td>
</tr>
<tr>
<td>Outflows</td>
<td>0.716** (0.019)</td>
<td>0.467 (0.172)</td>
</tr>
<tr>
<td><strong>Taiwan</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inflows</td>
<td>0.379 (0.280)</td>
<td>0.612*** (0.060)</td>
</tr>
<tr>
<td>Outflows</td>
<td>-0.042 (0.907)</td>
<td>0.511 (0.121)</td>
</tr>
</tbody>
</table>

Notes:
1. Pearson correlation coefficients.
2. Numbers in parenthesis are p-values.
3. *, **, and *** represent 1%, 5%, and 10% significance level.
### Table 5-1. The RCA index in Korea

<table>
<thead>
<tr>
<th></th>
<th>Food</th>
<th>Textiles Clothing</th>
<th>Paper &amp; Lumber</th>
<th>Chemicals (incl. Petroleum)</th>
<th>Ceramics</th>
<th>Metals</th>
<th>Machinery</th>
<th>Electrical &amp; Electronics</th>
<th>Transport Equipment</th>
<th>Other Manufacturing</th>
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<td>Textiles &amp; Clothing</td>
<td>Paper &amp; Lumber</td>
<td>Chemicals (incl. Petroleum)</td>
<td>Ceramics</td>
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<td>Machinery</td>
<td>Electrical &amp; Electronics</td>
<td>Transport Equipment</td>
<td>Other Manufacturing</td>
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<td>2.06</td>
<td>1.92</td>
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Table 5-3. Rank Correlation\(^1\) between RCA and FDI in Korea and Taiwan

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<tr>
<th>Year</th>
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<th>Korea Outflows</th>
<th>Taiwan Inflows</th>
<th>Taiwan Outflows</th>
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<td>(-0.28)</td>
<td>(0.42)</td>
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<tr>
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<td>1997</td>
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<tr>
<td>1998</td>
<td>-0.47(**)</td>
<td>0.73(*)</td>
<td>0.07</td>
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<td>2000</td>
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Notes:
1. Spearman's rank correlation with t critical values 1.397(10%), 1.86(5%), and 2.896(1%).
2. Numbers in parenthesis represents t-statistics.
3. *, **, and *** represent 1%, 5%, and 10% significance level, respectively.
Table 5-3 Correlation Coefficients\(^1\) between Changes in RCA and FDI in Korea and Taiwan

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<td>Netflows</td>
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<td>Outflows</td>
<td>Netflows</td>
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<td>(0.419)</td>
<td>(0.771)</td>
<td>(0.052)</td>
<td>(0.744)</td>
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<td>(0.034)</td>
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<td>(0.197)</td>
<td>(0.943)</td>
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<td>(0.522)</td>
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<tr>
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<td>(0.060)</td>
<td>(0.502)</td>
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<td>(0.222)</td>
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<td>(0.401)</td>
<td>(0.988)</td>
<td>(0.550)</td>
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<td>(0.662)</td>
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<td>(0.053)</td>
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<td>(0.525)</td>
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<td>(0.107)</td>
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Notes:
1. Pearson correlation coefficients.
2. Numbers in parenthesis represent p-value.
3. *, **, and *** indicate 1%, 5% and 10% significance level.
The Globalisation of the Korean Automobile Industry

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and

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University of New South Wales

1. Introduction

Most of the existing theories of foreign direct investment (FDI) either begin the existing ownership advantages of a firm or explain that the firm-specific ownership advantages are developed internally through experiences (Cantwell 1991). On the other hand, Porter's Diamond (1990) lists the conditions that would be conducive to the creation of international competitive advantage of an industry. As most theories do not aim to explain how competitive advantage (or ownership advantage) is created or augmented, there are limitations with these theories in explaining the emergence of latecomers in the international markets such as Korean automobile companies during the past thirty years. Korean automobile companies did not have any substantial firm-specific ownership advantages when they started exporting in the international market in the early 1980s. Most of the conditions in the Porter's Diamond could not easily identifiable among the Korean automobile industry. Yet, today, they have become one of the strong competitors of the Japanese automobile companies.

This paper surveys the globalisation process of the Korean manufacturing firms, in particular the Korean Automobile industry. Section 2 is the overview of the globalisation strategies of the Korean manufacturing firms since the 1960s, with an emphasis on the revision of the strategy after the 1997 economics crisis. Section 3 surveys the trends in foreign direct investment (FDI) outflows from Korea since the mid 1980s and their changes after the economics crisis. Section 4 briefly surveys the growth of the Korean automobile industry since its beginning in the early 1960s, followed by the strategies for growth adopted by the Korean automobile industry in Section 5. Section 6 discusses the international strategic alliances made by the Korean automobile companies and an analysis of their subsidiaries overseas, followed by concluding remarks.
2. Globalisation and Korean Manufacturing

Most of large Korean firms grew with strong international orientation. From the beginning of the industrialisation in the early 1960s, export was used as the main engine of the growth of the Korean economy and most firms regarded export as one the most important goals. As the industrialisation proceeded, there has been a gradual shift of major export items from 1960s to 70s and 80s. While the labour intensive products continued to enjoy its international competitiveness until the mid-1980s, capital and heavy industry products emerged as new export items since the mid-1970s, supported by the aggressive export promotion policy of the government. During the 1960s and 70s, most of the globalisation process of the Korean firms were confined to the expansion of the export. Most of the subsidiaries established overseas in this period were representative offices and/or sales offices. Although the first FDI undertaken by Korean firms took place in 19~8, FDI in the 1970s occurred only within natural resource development areas in order to support the expansion of Heavy and Chemical industry.

Since the mid-1980s, Korean manufacturing companies began to consider other modes of serving foreign markets. This was largely initiated by the changes in their domestic and international business environments. On the macroeconomic front, current account turned into massive surpluses in 1986, for the first time in the history of industrialisation. On the other hand, soaring wage rates and land prices sharply increased the production costs and the problem was exacerbated by the appreciation of the Korean Won. Moreover, the massive current account surpluses called for trade frictions with the major trading partners in the industrialised world.

When the Korean firms entered the foreign markets, its generic strategy was mainly a “low cost” strategy, targeting the lower end of market segment. As the competitiveness of the traditional exports was eroded, Korean firms began to realign its strategy on three fronts. First, they tried to relocate their labour-intensive production processes to overseas, in particular Southeast Asia. Second, as traditional export items were subject to trade frictions and the movements towards North American Free Trade Area (NAFTA) and European Union (EU) accelerated, they began to consider producing closer to the foreign markets. Finally, they were trying to upgrade its major export items to capital and technology intensive products. In the case that they stayed in the same market, they were forced to upgrade the quality. For this, however, they could not continue to rely merely on borrowed technology and reverse engineering. Hence there was an urgent need to develop/acquire new technology. These three motives caused the Korean firms to realign globalisation policies, resulting in a rapid expansion of foreign direct investment in the 1990s. While the size of the companies and the quantity of international transactions increased significantly in the 1990s, their brand names were beginning to be well recognised in international markets. Yet, in many cases, this international expansion was an extension of domestic strategy, focusing on the market size and power rather than relying on the internal core competence. As oligopolistic competition in the domestic market intensified, many firms tried to explore opportunities overseas and made foreign direct investment (FDI), following other firms which entered the foreign market.

1 The eruption of massive independent trade union movement since 1987 resulted in sharp rise of labour costs. Average wage amount in the manufacturing sector increased from $US296 in 1984 to $US723 in 1989 (Korea Labor Institute 1994). Furthermore, Korean won was appreciated from 827.4 won to 679.6 won (to US$1) during the same period (The Bank of Korea 1999)

2 Dunning (1993) explains these three motives as Market-Seeking, Trade-Seeking and Strategic Asset Seeking foreign direct investment. See also Suh et al (2000).

3 This can be explained by the theory put forward by Knickerbocker (1973).
This active globalisation of Korean firms reversed its course dramatically in the wake of the Asian financial crisis that started in 1997. The South Korean economy was one of the most severely affected by the crisis, when its banking system was unable to pay its large international debt or maintain the stability of the currency.

The roots of this crisis lie in the close relationship between the large Korean conglomerates and the state-controlled banking sector created to assist rapid industrialisation of Korean economy from the 1960s. However, this relationship resulted in widespread corruption and provided the conglomerates with ready access to state support in time of crisis. Hence, the Korean conglomerates were able to achieve its rapid growth in size, financed through large borrowings. Over time, the level of insolvent debts held by Korean banks and the large corporations increased considerably. When the instability of the currency crisis struck the Korean economy in late 1997, the collapse of the currency increased the level of international debt to the extent that many large firms and banks were unable to meet their repayments. For example, the average debt/equity ratio of the top thirty conglomerates (excluding the finance and banking sector) had reached 450% by December 1997. This is almost twice in comparison with those in 1996 due to sharp depreciation of the Korean Won. Therefore, the short-term mobility of fund during the 1997 crisis was only the symptom of the problem, whereas a more fundamental cause can be found among their business practices and the economic policies of the state.

This financial crisis instigated massive restructuring in the state’s economic policies and expansion strategies of South Korean firms. The state was no longer the supporting agency for the large conglomerates to secure large loans and expand into new areas of business. Some conglomerates, such as Daewoo Business Group, that were unable to sustain their operations due to large debts, faced bankruptcy. Others have undertaken serious restructuring to survive. These restructuring forced by the 1997 economic crisis covered almost all the facets of their business practices. Large Korean conglomerates dramatically downsized the operations and revised debt- and volume-based growth strategy, known as an ‘Octopus Arm’ style (Kwon and Suh, 2003[forthcoming]). To address their financial insolvencies, these firms were forced to attract foreign capital either by selling off their unrelated businesses in Korea or those in overseas. In some business groups, this restructuring meant a significant reduction of the member companies, while the rest of the companies being sold off. However, other business groups, such as Hyundai group were divided into several smaller groups to increase the efficiency and profitability.

For the first time since the creation of the Chaebol, efficiency in operation and profitability were placed in their business as priorities on top of market share and the size of the company. All new investments, including FDI, needed careful scrutiny in terms of their profitability. These initiated two significant changes in the foreign subsidiaries of the Korean companies. First, inefficient foreign subsidiaries were sold off to ease the pressures to finance the debt (Kwon & Suh, 2001). Second, foreign subsidiaries began to consider themselves more as independent business units in terms of profitability, rather than a mere service unit of the head office. So, along with the rationalisation of the chaebol groups, the globalisation strategies of the Korean companies began to be fine-tuned after the 1997 economic crisis.

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4 Among them, the four largest conglomerates, Hyundai, LG, Samsung and Daewoo, accounted for more than half of South Korea's debt (Hankyoreh Newspaper, 24 March 1998).

5 For example, exchange rate of foreign currency against $US1 rose from 844.2 won in 1996 to 1415.2 won by December 1997 (Kwon and O'Donnell, 1999, p 278).
3. Trend in FDI Outflows and the 1997 Economic Crisis

The globalisation process of an industry can be examined broadly from two angles; (1) investigating the changes in the mode of serving the foreign markets such as export, licensing, franchising and direct investment, and (2) the relationship between firms; including the intra-firm relationship such as headquarter-subsidiary relationship and inter­firm relationship such as strategic alliances and global supply chains. In the process of industrialisation of Korea, the government did not encourage inward FDI until the late 1990s, relying on loans to finance the investment needed. Consequently, the degree of interdependence between domestic and foreign firms has been much lower than that in other countries. For technology development, Korean firms followed the Japanese model, relying more on purchased technology and reverse engineering than on technical alliances.

As mentioned in the previous section, FDI has been a rather recent phenomenon in Korea, and FDI outflows have been more active than inflows until recently. Before we examine the globalisation process of the Korean automobile industry, the trends of FDI outflows from Korea, and the impact of the economic crisis on FDI are surveyed in this section.

Table 1 shows the trends in FDI outflows from Korea since the mid-1980s. During the period from 1986 to 1990, the volume of FDI increased by 74 per cent per annum. After a decrease in the early 1990s, the growth rate recovered in the mid-1990s. The cumulative stock of FDI by Korean firms in foreign countries reached $US13.7 million in 1996, approximately six times that of 1990. However, since the late 1990s, the trends changed substantially. As shown in Table 1, this growth of FDI of Korean firms was halted in the late 1990s due to the 1997 economic crisis, since then showed a fluctuating trend. The average size of FDI increased since 1993, reached a peak in 1998 then decreased substantially. Two reasons can be found for this. First, since the crisis, the Korean Chaebols have revised their strategy and put more emphasis on efficiency rather than the increase in size of the company. Consequently, they have been more careful in making lumpy investments overseas. Second, although the relative position of small and medium sized firms in foreign investment has deteriorated after the crisis, but gradually improved since then.

As shown in the table, the manufacturing sector, especially the electronics and automobile industries, has been the most important source of FDI outflows in the 1990s, whereas the mining industry was the main investor in the pre-1990 period. Overall, there have been more substantial changes in FDI from the manufacturing sector, while other sectors showed only minor changes. Yet, the same manufacturing sector was most affected by the 1997 economic crisis. As shown in the table, FDI by the manufacturing sector increased from $US603 million in 1991 to $US1,486 million in 1994 and to $US2,232 million in 1996. However, it showed a decreasing trend continuously after the 1997 economic crisis until 2000, reaching the pre-crisis level only in 2001.

Table 2 shows trends of FDI outflows from Korea by major host regions. In the 1980s, most of the FDI to the US was carried out to facilitate and assist direct exports from Korea, whereas FDI to Southeast Asia represents relocation of manufacturing plants, which was losing their competitiveness in Korea. The direction of FDI to less developed countries (LDCs) and developed countries (DCs) changed considerably since the late 1990s. LDCs in Southeast Asia as destination of FDI of Korean firms has lost their relative importance, whereas FDI by Korean firms into DCs increased. As shown in the table, of the total amount invested ($US3,105 million) in 1995, 56 per cent has been invested in Southeast Asia region but it declined to 38 per cent ($US4,219 million) in 1998,
decreasing further to 30 percent in 2001. In contrast, 37 per cent of the total FDI went to DCs in 1995, reaching 67 percent in 2001.

In all regions negative impacts of the 1997 financial crisis appeared, as significant fluctuations in FDI outflows. FDI to the US increase significantly in 1998 but has been decreasing rapidly since then, whereas FDI to EU has shown a marked revival in 2001. FDI to Southeast Asia has been decreasing continuously since the crisis, however its share in total investment recovered slightly in 2001. However, the average size of FDI to Southeast Asia has been decreasing, while the number of project has been increasing since the crisis. This implies that Southeast Asia, including China is still the most popular destination for FDI from small and medium size industry.

Overall, we observe a diversification of the destinations of the globalisation of Korean firms during the second half of 1990s. Several factors could be identified as a driving force for this trend. Until the end of 1980s, most of the subsidiaries of Korean companies in advanced countries were either sales office or representative offices, i.e. market-oriented investment. However, since the mid-1990s, a new motivation has emerged for investment in DCs; i.e. to acquire technology. Traditionally, the Korean government did not encourage inward FDI for the country’s industrial development. Most of Korean firms developed their technologies, through licensing, purchasing and reverse engineering. However, as the wage rate increased and the traditional industries were losing their competitive advantages, the old ways of technology acquisition was neither appropriate nor sufficient. While increasing their internal R&D budgets significantly, large Korean firms established subsidiaries in the advanced countries to acquire technology.

In the 1980s, FDI into Asia was motivated only by cheap labour, i.e. they were trade-oriented investments. However, in the 1990s, significant changes were observed there as well (Suh and Seo 1999). As the standard of living increased in East and Southeast Asia, the region became important as a market destination. The recessions in the Japanese domestic economy, the continued growth in China and the prospect of ASEAN economies becoming one big market reinforced this trend. On the other hand, many companies have already relocated their labour-intensive production processes to Southeast Asia. As a result, relocation of labour intensive industries is gradually losing its importance as a major reason for investing in Southeast Asia. Hence, although FDI in East and Southeast Asia in the 1990s are still a combination of both market and trade-oriented, the former is becoming more important (Suh and Seo 1999).

Table 3 traces the trends in the manufacturing FDI outflows from Korea according to industries. As shown in the table, FDI in the declining industries such as textile and footwear increased only marginally in the early 1990s and its relative importance decreased in the late 1990s. In contrast, FDI in fabricated metals, machinery and equipment sectors have grown rapidly since the early 1990s. In particular, its annual growth ratio reached over 39 per cent between 1994 and 1998, accounting for 50 percent of total manufacturing FDI outflows in 1998. Among these sectors, FDI from the electronics industry was the most active, accounting for more than 70 per cent of the FDI in fabricated metals. As is the case with other industries, there have been two types of FDI by the Korean electronics industry. One was to relocate low quality and low value-added electronics products into LDCs. For example, old model of domestic appliances and low quality of computer chips for which low production cost is one of the most important factors for international competitiveness. The other is to develop high quality and high value-added electronics products utilising sophisticated technologies and high-quality human recourses, such digital TV sets, semiconductor, advanced computer hardware and software. As the size of the investment needed is much larger in the automobile industry.
compared with the electronics industry, relocation of production facilities in the automobile industry took place at a much slower pace.

4. Growth of the Korean Automobile Industry

In our analysis of the trend and strategy of globalisation in large Korean company and trend of outward FDI in the previous sections, we have witnessed that many Korean firms have become major global players within the first 30 years of their life. As is the case with many other manufacturing companies, the Korean automobile industry has a very short history. This section surveys the brief history of growth of the Korean automobile industry, before the globalisation process is analysed in the next section.

The Korean automobile industry began with the repair industry for the vehicles released during and after the Korean War. The first assembly plant was established in 1955 with an annual capacity of 1,500 units. When the Korean government launched the first Five-Year Economic Development Plan in 1962, it introduced the “Automobile Industry Protection Law” and began to promote the automobile industry. The development of the Korean automobile industry since 1962 can be divided into four periods: (1) Preparation for local production (1962-71), (2) Development of the own models (1972-82), and (3) Period of mass production and globalisation (83-present). (Hyun 1991, pp 62-67)

During the first period (1962-71), Saenara Motor Company was first established with a technical alliance with Nissan in 1962. However, due to the shortage of foreign exchange, the company went bankrupt and was taken over by Shinjin Motor company, which had a technical alliance with Toyota. Shinjin produced “Corona” as CKD (Complete Knock-Down) production. During this period, Kia Motors began assembling small trucks, and Hadongwhan Motor Co. assembling buses.

Hyundai Motor Company (Hereafter Hyundai) and Asia Motors (Here After Asia) were established. Hyundai started producing “Cortina” in 1968 with a technical alliance with Ford, and Asia produced Fiat 124, with a technical alliance with Fiat. The government announced a localisation plan in 1970, planning to increase the localisation ratio from 38 percent in 1970 to 100 percent for small passenger cars by 1972, and for all cars by 1974. However, the localisation rate achieved at the end of 1972 was approximately 50 percent.

The Korean automobile industry grew very rapidly during the second period (1972-82). The government announced “A Long-term Plan to Promote the Automobile Industry” in 1974, which consists of three major targets: to achieve a localisation ratio of 85 percent by 1975; 80 percent of domestic sales will be in the small car segments below the engine capacity of 1500cc; and the export target of 75,000 units by 1981. As Toyota divested from Korea in the mid 1970s, Shinjin Motors established General Motors Korea, a joint venture with GM, which was subsequently purchased by Daewoo. After Asia Motors was taken over by Kia, the Korean automobile industry had a triad of producers; Hyundai, Kia and Daewoo. Hyundai developed its own model Pony, while Kia and GMK produced Brisa and Gemini respectively. By 1976, three companies achieved a localisation ratio of 85 percent.

As the global recessions which began in late 1979 resulted in severe excess capacities in the Korean automobile industry, the Korean government announced a “decree to consolidate the Automobile industry in Korea” in August 1980. The details of the plan were only confirmed in July 1982, which included (1) the small passenger cars were to be produced only by Hyundai and Saehan (Daewoo), (2) Kia to concentrate on small to medium commercial vehicles and (3) buses, and large trucks and buses to be open to
competition. Although these measures were adopted to avoid creating excessive competition and excess capacities, they in effect resulted in a substantial contraction of the industry. Table 4 shows the production and export of the Korean automobile industry since 1976. The consequences of the Decree in the early 1980s are shown in the table. 1980 was the only year when the automobile production decreased in the history of the Korean automobile production. This decrease was different from the temporary reduction in 1988 after the economic crisis. Only in 1983, the level of production returned to the 1979 level.

The Korean automobile industry began exporting in 1976, starting from South America. However, the major expansion in export during this period was in the EC market. In 1982, exports to EC accounted for 52 percent of total automobile exports. During this period, the Korean Automobile industry took off as one of the major industries in Korea, while achieving a localisation ratio of 90 percent by 1981.

The third period that began in 1983 can be characterised as “a Period of Mass Production”. In 1985, Hyundai Motors built a mass production plant with an annual capacity of 300,000 units, while Daewoo built a plant with an annual production capacity of 170,000 units in the same year. As the restrictions in production of small passenger cars were lifted in 1987, Kia developed its own model “Pride” and expanded its production capacity to 120,000 units.

As the domestic markets were saturated with the rapid increase in production capacity, and the three companies began exploring the international market aggressively. By the mid-1980s, more than 50 percent of the total production was exported, and the Korean automobile industry became one of the major exporting industries in Korea. As the Korean economy continued to record huge current account surpluses for four consecutive years from 1986, trading partners in the industrialised world began to put pressures on the Korean exports, which contributed to a substantial decrease in exports from 1989. During the period of sluggish exports from 1989 – 1993, domestic consumption continued to expand, more than offsetting the declines in exports, hence provided a buffer for the fluctuations in export demand until the mid-1990s. Since the mid-1990s, however, exports again accounted for more than 50 percent of the total production.

5. Entering at the Lower End and Moving Up

The previous section surveyed the growth path of the Korean automobile industry, which started with the domestic sales, but soon were able to compete in the international market. However, the international automobile market has not been an easy market. Many companies enjoy long histories and good reputations, which makes the markets very difficult for a new comer to penetrate. Japanese companies already have managed to obtain global recognition with high quality and reasonable price, which called for strong competition in nearly every segment of the international automobile market. Moreover, the global automobile industry has generally been suffering from excess capacities in the 1990s. In this unfavourable international environment, how did the Korean companies manage to grow? What factors contributed to such a remarkable performance?

The first factor that can be singled out would be the relentless support from the government. From 1962, the government had the vision to create the automobile industry. The government provided the industry with the protection from the competition from the imports and guided the industry through various plans, regulations and decrees. This certainly is one of the convincing reasons used to explain the rapid expansion of the

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6 This is partly due to the rapid appreciation of the Japanese Yen after the Plaza accord.
domestic sales. However, as this protection against imports cannot explain the rapid expansion of exports, additional explanations are required. It is the expansionist spirit of the Korean chaebols and accompanying massive investments that enabled the industry to enjoy economies of scale and reduce costs. In fact, the size of the investment was so huge, that the industry would face bankruptcy if they do not export. As explained before, the end of 1970s was a very difficult period for the Korean automobile industry, due to the global recession. However, in the mid 1980s, all three companies made huge investments. The third factor can be found in the aggressive export-oriented strategy adopted by the Korean companies. The competition in the export market helped the Korean companies not to be complacent behind the protection by the government. The fourth factor, last not the least, is the motivated and diligent workforce which gave the Korean automobile industry a distinct competitive edge.

There exist similarities and differences between the globalisation of the Japanese and Korean companies. In assessing how the Korean automobile industry manage to create core competence, a comparison of the two country's experiences, especially those in the early to mid 1990s will shed more light to the answers.

Table 5 shows a comparison of production and sales by the Korean and Japanese automobile companies in the early to mid 1990s. In 1992, the size of the domestic market in Japan was five times larger than that in Korea. Although Toyota started exporting to the US market in the 1950s, the major momentum of growth of the Japanese automobile industry in the 1950s and 60s was still found in the domestic market. (Moon 1995 pp. 10-13). After the domestic demand had already achieved a stable growth, the Japanese automobile industry expanded very rapidly during the 1970s and overseas production started in the early 1980s.

However, in the early 1990s, the Japanese automobile industry has already begun its restructuring, in response to the increase in wages and appreciation of the Japanese Yen in the second half of 1980s. The deep recession in the 1990s after the burst of the bubble also encouraged relocation of production overseas. As a result, both the domestic production and direct exports from Japan decreased substantially in the first half of 1990s, and by 1995 Japanese companies produced about 35% of the global production by the subsidiaries outside Japan. Meanwhile, the globalisation strategy concentrated on the expansion of the overseas production, coordination of part supplies among various global production centres. (Song, 1998, pp 176-180) As the Japanese companies relocated its production bases to the US after the sharp appreciation of the Japanese Yen, the market shares of Japanese cars regained its position in the US market in the mid 1990s.7

In 1995, the proportion of exports to total domestic production in Korea was similar to that in Japan, which is a significant achievement for a latecomer in the international market. Yet, the globalisation of the Korean automobile industry was still focusing mainly on exporting domestically produced cars until the mid-1990s. While the domestic sales were stagnant and exports were decreasing in Japan, both the domestic sales and the exports grew simultaneously in Korea. Although overseas production began to increase since the late 1990s, the proportion was still very small and the most of the production continued to take place in Korea.

Even in the 1990s the production capacity continued to increase in Korea, which could not be absorbed by domestic sales only, expansion of export to achieve economies of scale and to avoid excess capacities in the domestic were not only the priority, but also the only means for survival. Therefore, the Korean automobile industry tried hard to expand

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7 During this period, the automobile exports from Japan also declined from 2,363,000 units in 1992 to 1,301,000 units in 1995. However, the cars produced in the US increased substantially. (Song, 1998, pp. 176-178)
market shares in the global market. The composition of investment budget supports this trend. In the early 1990s, approximately 65 percent of the investment budget in Japan was spent on the R&D investment, whereas 70 percent of the investment budget in the Korean automobile industry was spent on the facility investment while the total investment budget in Korea was 50 percent larger than in Japan. (Song, 1998, pp 179-180) This indicates that the Korean automobile industry’s globalisation began before acquiring substantial firm specific competitive advantage whereas the Japanese firms’ globalisation was based on distinct firm specific competitive advantage developed through the experiences in domestic production.

The Korean automobile industry in the early 1990s was rapidly catching up the Japanese industry, in terms of production capacity, quality and globalisation strategy. As was the case with most of the manufacturing industry’s growth experiences in Korea, the Korean automobile industry adopted a similar strategy to those adopted by the Japanese companies, i.e. ‘enter at the lower end and move upward’. As was the case with other manufacturing exports from Korea, the competition strategy adopted by the Korean automobile industry in the first stage of international market expansion was mostly price competition. However, as they were competing in the international market without established firm specific advantages, this was an even more demanding task. Cost reduction was the utmost priority, and gaining a secure market share was considered much more important than creating short-term profit. This strategy may not have been sustainable for a medium to long run, without a long planning horizon and aggressive expansionist strategy in Korea, combined with strong visions of the CEO’s.

Table 6 shows a comparison of the number of defects of cars sold in the US market in the early 1990s, which can be used as a proxy for quality indicators. As shown in the table, there existed significant differences in the quality; hence the competitiveness of the Korean cars in the early 1990s has to be found in prices. However, the table also indicates that there has been a continuous improvement in quality to survive global competition. Table 7 shows a comparison of average assembly time per vehicle in the early 1990s. As shown in the table, the average assembly time per vehicle in Korea was nearly twice as long as that in Japan. A comparison of productivity indicators among the part suppliers in the automobile industry in the US, Japan and Korea, shown in Table 8 also shows a similar trend. Part suppliers in Korea were a lot more labour intensive that their counterparts in the US and Japan. Considering that the Korean cars were still competing in the low price segments of the market, this implies that both wage rates and the labour productivity were the critical factors which determined the competitiveness of the Korean exports. This supports our earlier argument that the human resource management was one of the critical sources of the Korean companies competitiveness.

As the duration of globalisation process was relatively shorter in Korea compared with Japan, the path for globalisation also differed in two countries. The Japanese path can be summarised by “Import Substitution → Stable Growth based on Domestic Demand → Exports to LDCs → Exports to DCs → Production in LDCs → Production in DCs”. However, the Korean path can be summarised by “Import Substitution → Rapid Growth of Industry simultaneously with Increase in Exports to DCs → Exports to LDCs → Production in LDCs → Production in DCs”. The Korean automobile companies exported to the EC and US market before it expanded its sales to less developed countries. The US

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8 Adopted from Moon (1995). Moon states the Korean path as “Import Substitution – Exports to DCs – Exports to LDCs – Production in DCs – Production in LDCs”. However, HMC’s investment in Canada was closed down only two years after its operation. (Lansbury et al, 2002)

9 Similar experiences can be found in the expansion of exports by the Korean electronics industry, which exported microwaves and colour TV sets even before they began to sell in the domestic markets.
and EC markets were large enough to warrant rapid growth of exports, and the success in the US market would help the Korean companies to penetrate the other markets much easier. Although it is much more difficult to export to the US market without substantial experience in exporting to the markets of less developed countries, this can shorten the process of gaining secure market shares in the international markets, and the time to gain global recognition.

Figure 1 and Table 9 show a composition of automobile exports from Korea by destination. While the exports before 1985 was dominated by exports to EC, during the rest of the 1980s, the US market was the major destination of the Korean automobile export. As the trade frictions became intensified, and the Japanese companies regained its competitiveness in the US market, the Korean automobile companies tried to diversify export markets, into LDCs in Asia and Middle East. The experiences in the US enabled the Korean automobile companies to expand the exports very rapidly in other markets. During this period, Daewoo established sales offices, whereas Hyundai and Kia began its offshore KD assembly, in Asia, Europe and South America. As a result, the EU market became the major export destination in the first half of 1990s and during the second half of 1990s, the export destinations became well diversified, as shown in the table. However, after the 1997 economic crisis, the share of export to industrialised countries regained their positions.

6. International Network and Global Production

In the 1990s, substantial changes have taken place in international business. One of the important changes is the unprecedented increase in strategic alliances, both within and across the countries. The international automobile industry is a very good example, where most of the major producers have established international networks in strategic alliances, in many areas including model sharing, supply of parts, marketing and technology development. Table 13 shows a trend in global alliance networks in 1985, 1990 and 1994. In just 9 years the total number of strategic alliances (for technology transfer) across the four groups of companies increased more than three times, with the Japanese and European companies leading the trend. However, the Korean companies are only beginning to be connected to the global networks in the early 1990s.

Although the basic production system of the Korean automobile industry was set up according to the Fordist style, technical improvement in the Korean automobile industry during the period of rapid expansion was heavily influenced by the Japanese companies. Table 11 shows the details of the technical transfers from overseas to the Korean automobile industry. As shown in the table, technical transfers from Japan were most important, with the exception of 1993. Due to the geographical proximity, combined with the understanding of language and culture, it was not difficult for Korean firms to understand the Japanese management system. As a result, many Korean large companies adopted similar strategies when they began to enter the international market. Korean firms tried to introduce some features of the Japanese management strategy as well. Both Hyundai and Kia tried to adopt a Lean Production System, initially developed by Toyota. However, the basic production system remained a Fordist linear system, hence resulting in a combination of Lean production and Fordist production system. Table 11 summarises major strategic alliances of the Korean automobile industry in 1995. Hyundai had technical alliances with Mitsubishi in developing the engine system, Kia had technical

10 John Dunning summarised these as “the Paradoxes in Global capitalism”. (Dunning, 1998)
11 See Chapter 4 for the details of the production system in HMC and HMI.
alliances with Mazda for the production system. Daewoo had the most diverse strategic alliances, with GM, Honda, Isuzu, Suzuki and Volvo.

The Korean firms strategic alliances with the companies in DCs were mainly in the area of technical alliances, whereas those with LDCs were mainly joint venture agreements for assembly, marking and sales. LDCs usually provided land for production site, and information gathering, and the connections to the local agents, including the local governments. Most of the overseas assembly plants of the Korean automobile companies were joint ventures.

Table 14 shows the subsidiaries of the three Korean automobile companies established from 1980 until 2000. The process of globalisation of the Korean automobile industry can be broadly divided into for major stages, where there was a progression in globalisation in each stage. The first (1980 – 1990) is a period of export through sales agents; the second (1990 – 94), a period of expansion through sales offices; the third (1995 – 1998), a beginning of overseas production through KD assembly; and the fourth (1999 – present) is a beginning of relocation of complete production system overseas.

During the first stage, the three companies relied mainly on the direct export through independent sales agents in the host countries. Therefore, overseas subsidiaries are the representative offices which handle information gathering, coordination with the local sales agents and public relations. During the second stage, many sales offices were established as subsidiaries, in Europe and less developed countries, while Kia commenced KD assembly in less developed countries. Daewoo's efforts to globalise were most prominent and aggressive in this stage, partly to overcome the limitation in the domestic market as a follower. During the third period, all three companies actively established the assembly plants in less developed countries, most of them being joint ventures with local partners. The protection of the automobile industry was very strong in LDCs, and moreover in many LDCs there were no other ways to establish the assembly plants. Naturally, there were transfers of technical and management know-how through these joint ventures. However, they were mainly assembly plants, based on labour intensive technology, human resource management become the keys to the successful operation of subsidiaries in LDCs.

Although Hyundai opened the first overseas production plant in Canada in 1985 with a production capacity of 100,000 units per annum, it was closed in 1993 after prolonged operational difficulties. Excluding the investment to Canada, the fourth period begins with the opening of Hyundai's plant in India and subsequently in China and the US in 2001 and 2002. Kia also started complete production in China in 2001. This is a milestone in the history of globalisation of the Korean automobile industry, indicating that an era of global production has begun. Thanks to the successful establishment and operation of Hyundai Motor India (HMI), Hyundai has decided to re-enter the North American market in 2002.

12 Hyundai had several technical alliances with smaller companies in Japan, the US and Europe.
13 However, these four periods mainly indicate the beginning of new major activities, which overlaps with one another.
14 Although Daewoo began producing the cars in Eastern Europe in 1996, its operations faced serious difficulties due to the bankruptcy of the head office in 1998. Closures of some subsidiaries of Daewoo after the 1997 economic crisis may not necessary indicate their inefficient operation.
15 See Lansbury et al. (2003), for the comparison of HMC Canada and HMI.
16 Daewoo also started production in Poland and Romania in 1996. However, they are experiencing difficulties after the 1997 economic crisis.
7. Concluding Remarks

In this paper, the growth of the Korean automobile industry was analysed with a particular attention to its globalisation process. Several important observations can be made.

First, the growth of the Korean electronic companies shows three distinct stages of development; the import substitution period (1962-71), Taking off with own models (1972-82); (3) Period of mass production and globalisation (1983 – present). The globalisation process can be further divided into four periods; is a period of export through sales agents (1983 – 1990); the period of expansion through sales offices (1990 – 94); The beginning of overseas production through KD assembly (1995 – 1998); and a beginning of relocation of complete production system overseas (1999 – present).

At a first glance, these four stages in globalisation seem to indicate that the models put forward by the Scandinavian school (Johanson and Vahlne, 1977) explains the Korean experiences adequately, in that the globalisation proceeded in stages. However, there are important distinctions to be made with respect to this proposition. The stages model assumes that the main forces that enables the firm to move to the next stage is the experiences accumulated during the current stage, and globalisation would normally proceed according to the psychic distance. The experiences of the Korean automobile companies are different from these expectations in two ways. First, the increase in export took place simultaneously with the rapid expansion of the domestic sales. Due to the large-scale investments, focusing on the domestic sales would result in massive excess capacities. Second, Korean firms’ globalisation was not carried out according to the psychic distance. Subsidiaries were established in various parts of the world simultaneously, with different modes of investment in each region. Even for market-seeking investment, the market size tends to dominate the choice of location (Suh and Seo 1998, 1999; Seo & Suh, 1999).

Most of the FDI carried out by the Korean automobile companies were market-oriented. Subsidiaries in DCs were mostly representative offices and sales companies. Subsidiaries in LDCs comprise sales companies and assembly plants. It is worth noting that trade oriented investment did not exist among the subsidiaries of the Korean automobile companies. Due to the importance of the brand name, cars produced in other LDCs would be hard to compete with domestically produced cars and those imported from DCs. With the absence of supply chain, intra-industry trade of parts and components was not developed extensively either. Technology-seeking investments were carried out by the Korean automobile industry. The establishment of R&D offices in the US, Germany and Japan has an aim to acquire technologies belong to this category.

Until recently, most of the globalisation efforts by the Korean automobile industry still focused on direct export of domestic production. However, since 1997, the Korean automobile industry has recently re-starting its overseas production, in India, Poland, Romania and China. In 2002, Hyundai Motor Company re-entered the US, for local production. The era of global production has begun among the Korean automobile companies.

As the Korean automobile industry has recently begun overseas complete production, most of the parts are either produced in Korea or local countries. The extensive supply chain, and global materials management is yet to be developed for the maturity of global production system. Also, most of the important management decisions are still made in the head office. For the deepening of globalisation and maturity of the Korean automobile industry, to compete successfully in the era of global production network, the progression of globalisation in this stage needs to take place in the following directions: (1) an increase
in the proportion of overseas production as was the case with the Japanese automobile industry in the early 1990s, (2) an establishment of global supply chains, both among the subsidiaries in the same region and between the head office and subsidiaries, and (3) global coordination of production, marketing and technology development between the head office and the subsidiaries and among the subsidiaries.

References


Table 1: Trends in total FDI Outflow from Korea

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<th>Agriculture &amp; Fishing</th>
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<th>Construction &amp; Building</th>
<th>Trade &amp; Retail</th>
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<th>Telecommunication &amp; Information</th>
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Table 2 FDI trends by Major Host Regions

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<th>Europe</th>
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<td>Amount</td>
<td>Percentage</td>
<td>No. of project</td>
<td>Amount</td>
<td>Percentage</td>
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<td>12</td>
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<td>81</td>
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<tr>
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<td>18</td>
<td>132</td>
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<td>41</td>
<td>189</td>
<td>46%</td>
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<td>66</td>
<td>45</td>
<td>21%</td>
<td>57</td>
<td>96</td>
<td>44%</td>
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<tr>
<td>1989</td>
<td>125</td>
<td>128</td>
<td>22%</td>
<td>74</td>
<td>285</td>
<td>50%</td>
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<tr>
<td>1990</td>
<td>185</td>
<td>290</td>
<td>30%</td>
<td>86</td>
<td>438</td>
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<td>270</td>
<td>426</td>
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<td>83</td>
<td>460</td>
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<td>521</td>
<td>43%</td>
<td>61</td>
<td>391</td>
<td>32%</td>
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<td>553</td>
<td>504</td>
<td>40%</td>
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<td>1,214</td>
<td>1,152</td>
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<td>1,731</td>
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<td>137</td>
<td>550</td>
<td>18%</td>
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<td>1,773</td>
<td>41%</td>
<td>198</td>
<td>1,562</td>
<td>36%</td>
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<tr>
<td>1997</td>
<td>906</td>
<td>1,693</td>
<td>48%</td>
<td>227</td>
<td>883</td>
<td>25%</td>
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<tr>
<td>1998</td>
<td>392</td>
<td>1,705</td>
<td>40%</td>
<td>135</td>
<td>898</td>
<td>21%</td>
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<tr>
<td>1999</td>
<td>663</td>
<td>1,082</td>
<td>40%</td>
<td>319</td>
<td>1,113</td>
<td>41%</td>
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<td>2000</td>
<td>1149</td>
<td>995</td>
<td>25%</td>
<td>699</td>
<td>1,217</td>
<td>31%</td>
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<tr>
<td>2001</td>
<td>1356</td>
<td>968</td>
<td>30%</td>
<td>506</td>
<td>414</td>
<td>13%</td>
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Note: These three regions account for 85 per cent of FDI outflows from Korea. Southeast Asia includes China.

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<td>Food &amp; beverages</td>
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<td>123.1</td>
<td>(5.4)</td>
<td>166.3</td>
<td>(4.0)</td>
<td>231.3</td>
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<td>Textile &amp; clothes</td>
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<td>(3.7)</td>
<td>310.6</td>
<td>(13.7)</td>
<td>545.5</td>
<td>(13.0)</td>
<td>730</td>
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<tr>
<td>Leather &amp; footwear</td>
<td>2.3</td>
<td>(2.5)</td>
<td>90.3</td>
<td>(4.0)</td>
<td>210.1</td>
<td>(5.0)</td>
<td>271.8</td>
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<tr>
<td>Wood &amp; furniture</td>
<td>6.9</td>
<td>(7.4)</td>
<td>94.3</td>
<td>(4.1)</td>
<td>117.4</td>
<td>(2.8)</td>
<td>150.2</td>
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<tr>
<td>Paper &amp; printing</td>
<td>1.4</td>
<td>(1.5)</td>
<td>49.4</td>
<td>(2.2)</td>
<td>86.1</td>
<td>(2.1)</td>
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<tr>
<td>Petroleum &amp; chemical</td>
<td>18.5</td>
<td>(19.9)</td>
<td>264.5</td>
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<td>408.1</td>
<td>(9.7)</td>
<td>531.9</td>
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<td>Non-metallic mineral</td>
<td>29.3</td>
<td>(8.0)</td>
<td>117.4</td>
<td>(5.2)</td>
<td>231.5</td>
<td>(5.5)</td>
<td>365.1</td>
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<tr>
<td>Basic metals</td>
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<td>(4.8)</td>
<td>399</td>
<td>(17.5)</td>
<td>464.4</td>
<td>(11.1)</td>
<td>545.9</td>
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<tr>
<td>Fabricated metals, machinery &amp; equipment</td>
<td>15.7</td>
<td>(16.9)</td>
<td>667.2</td>
<td>(29.3)</td>
<td>1,627.4</td>
<td>(38.8)</td>
<td>2,660.3</td>
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<tr>
<td>Others</td>
<td>5.8</td>
<td>(6.3)</td>
<td>157.9</td>
<td>(6.9)</td>
<td>334.3</td>
<td>(8.0)</td>
<td>430.4</td>
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<tr>
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<td>92.8</td>
<td>(100.0)</td>
<td>2,273.7</td>
<td>(100.0)</td>
<td>4,191.1</td>
<td>(100.0)</td>
<td>6,012.8</td>
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Unit: US$1million, (%)

Table 4 Korean Automobile Production and Exports

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<th>Production (A)</th>
<th>Domestic Sales (%)</th>
<th>Export (%)</th>
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<td>1976</td>
<td>49,549</td>
<td>48,306 (97.5)</td>
<td>1,243 (2.5)</td>
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<tr>
<td>1977</td>
<td>85,210</td>
<td>76,074 (89.3)</td>
<td>9,136 (10.7)</td>
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<tr>
<td>1978</td>
<td>158,958</td>
<td>132,621 (83.4)</td>
<td>26,337 (16.6)</td>
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<tr>
<td>1979</td>
<td>204,447</td>
<td>172,861 (84.6)</td>
<td>31,486 (15.4)</td>
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<tr>
<td>1980</td>
<td>123,135</td>
<td>97,883 (79.5)</td>
<td>25,252 (20.5)</td>
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<tr>
<td>1981</td>
<td>133,084</td>
<td>108,147 (81.3)</td>
<td>24,937 (18.7)</td>
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<tr>
<td>1982</td>
<td>162,590</td>
<td>141,988 (87.4)</td>
<td>20,602 (12.6)</td>
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<tr>
<td>1983</td>
<td>221,019</td>
<td>195,663 (88.7)</td>
<td>25,356 (11.3)</td>
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<td>1984</td>
<td>265,361</td>
<td>213,011 (80.4)</td>
<td>52,350 (19.6)</td>
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<td>1985</td>
<td>378,162</td>
<td>255,052 (68.5)</td>
<td>123,110 (31.5)</td>
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<td>1986</td>
<td>601,546</td>
<td>295,177 (49.1)</td>
<td>306,369 (50.9)</td>
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<td>1987</td>
<td>979,739</td>
<td>433,429 (44.2)</td>
<td>546,310 (55.8)</td>
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<td>1988</td>
<td>1,083,655</td>
<td>507,521 (46.9)</td>
<td>576,134 (53.1)</td>
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<td>1989</td>
<td>1,129,470</td>
<td>773,430 (68.5)</td>
<td>356,040 (31.5)</td>
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<td>1990</td>
<td>1,321,630</td>
<td>974,530 (73.8)</td>
<td>347,100 (26.2)</td>
</tr>
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<td>1991</td>
<td>1,497,818</td>
<td>1,107,456 (73.9)</td>
<td>390,362 (26.1)</td>
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<td>456,155 (26.4)</td>
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<td>1993</td>
<td>2,050,208</td>
<td>1,411,651 (68.9)</td>
<td>638,557 (31.1)</td>
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<td>1994</td>
<td>2,311,663</td>
<td>1,573,720 (68.2)</td>
<td>737,943 (31.8)</td>
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<tr>
<td>1995</td>
<td>2,526,400</td>
<td>1,547,712 (61.3)</td>
<td>978,688 (38.7)</td>
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<td>1,602,557 (57.0)</td>
<td>1,210,157 (43.0)</td>
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<td>1997</td>
<td>2,818,275</td>
<td>1,501,384 (53.4)</td>
<td>1,316,891 (46.6)</td>
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<td>1,954,494</td>
<td>592,330 (31.0)</td>
<td>1,362,164 (69.0)</td>
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<td>1,445,116 (49.1)</td>
<td>1,501,213 (50.9)</td>
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Source: Korea Automobile Manufacturers Association, Korean Automobile Industry, 1993～2002
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<td>Overseas Production</td>
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<td>64</td>
<td>49</td>
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<td>Domestic Production</td>
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<td>2050</td>
<td>2311</td>
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Note: a Share in the total production
   b Share in the domestic production

Source: Song, pp. 177-178
Table 6 Automobile Exports from Korea by Destination

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<th>Year</th>
<th>Europe</th>
<th>North America</th>
<th>South America</th>
<th>Africa &amp; Middle East</th>
<th>Asia</th>
<th>Pacific (Australia &amp; NZ)</th>
<th>Total</th>
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<td>12,131</td>
<td>268,485</td>
<td>6,388</td>
<td>11,968</td>
<td>2,713</td>
<td>4,571</td>
<td>306,369</td>
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<td>28,394</td>
<td>474,400</td>
<td>12,672</td>
<td>14,967</td>
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<td>8,617</td>
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<td>15,212</td>
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<td>8,383</td>
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<td>25,185</td>
<td>277,232</td>
<td>6,868</td>
<td>8,453</td>
<td>26,461</td>
<td>11,840</td>
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<td>30,551</td>
<td>251,183</td>
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<td>112,135</td>
<td>56,435</td>
<td>45,564</td>
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<td>96,527</td>
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<td>554,432</td>
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<td>58,172</td>
<td>1,501,213</td>
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</table>

Table 7 Comparison of the Number of Defects
(Number of defects during the first 90 days among 100 new vehicles)

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<th>Year</th>
<th>US</th>
<th>Japan</th>
<th>Korea</th>
<th>Germany</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GM</td>
<td>Ford</td>
<td>Toyota</td>
<td>Honda</td>
<td>Hyundai</td>
</tr>
<tr>
<td>1989</td>
<td>169</td>
<td>149</td>
<td>117</td>
<td>113</td>
<td>178</td>
</tr>
<tr>
<td>1991</td>
<td>134</td>
<td>127</td>
<td>90</td>
<td>111</td>
<td>235</td>
</tr>
<tr>
<td>1992</td>
<td>136</td>
<td>129</td>
<td>83</td>
<td>106</td>
<td>193</td>
</tr>
<tr>
<td>1993</td>
<td>95</td>
<td>112</td>
<td>74</td>
<td>92</td>
<td>194</td>
</tr>
</tbody>
</table>


Table 8 A Comparison of Average Assembly Time per Vehicle in Korea, Japan, the US and Europe

<table>
<thead>
<tr>
<th>Year</th>
<th>Korea</th>
<th>U.S.</th>
<th>Japan</th>
<th>Europe</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>32.5</td>
<td>25.1</td>
<td>16.8</td>
<td>35.6</td>
</tr>
<tr>
<td>1993</td>
<td>26.5</td>
<td>20.6</td>
<td>16.8</td>
<td>26.7</td>
</tr>
</tbody>
</table>


Table 9 A Comparison of Productivity Indicators among the Automobile Part Suppliers in 1995
(U.S., Japan and Korea)

<table>
<thead>
<tr>
<th></th>
<th>Korea</th>
<th>Japan</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Machines per worker</td>
<td>1.4</td>
<td>7.4</td>
<td>2.5</td>
</tr>
<tr>
<td>Time taken to change dies on the pressing machine (minutes)</td>
<td>48.0</td>
<td>7.9</td>
<td>114.3</td>
</tr>
<tr>
<td>Amount of Inventories (Days)</td>
<td>8.0</td>
<td>1.5</td>
<td>8.1</td>
</tr>
<tr>
<td>Provider</td>
<td>1985</td>
<td>1990</td>
<td>1995</td>
</tr>
<tr>
<td>----------</td>
<td>------</td>
<td>------</td>
<td>------</td>
</tr>
<tr>
<td></td>
<td>Japanese Co</td>
<td>US Co</td>
<td>European Co</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td>US Co</td>
<td>5</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>European Co</td>
<td>1</td>
<td>3</td>
<td>14</td>
</tr>
<tr>
<td>Korean Co</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>19</td>
<td>15</td>
</tr>
<tr>
<td>US Co</td>
<td>10</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>European Co</td>
<td>8</td>
<td>2</td>
<td>35</td>
</tr>
<tr>
<td>Korean Co</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>26</td>
<td>24</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td>16</td>
<td>22</td>
<td>18</td>
</tr>
<tr>
<td>US Co</td>
<td>12</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>European Co</td>
<td>10</td>
<td>3</td>
<td>34</td>
</tr>
<tr>
<td>Korean Co</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>29</td>
<td>56</td>
</tr>
</tbody>
</table>

Note:  
*a* Companies that provide finished cars, parts and technology under a strategic alliance  
*b* Companies that receive finished cars, parts and technology under a strategic alliance  

Source: Kim, (1996), p 152
Table 11 Technical Transfer to the Automobile Industry from Overseas
[Unit: Number of Project, (US$1000)]

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>11(1,540)</td>
<td>6(3,071)</td>
<td>8(2,854)</td>
<td>14(14,355)</td>
<td>12(5,535)</td>
</tr>
<tr>
<td>Japan</td>
<td>37(12,965)</td>
<td>28(11,877)</td>
<td>27(11,546)</td>
<td>40(16,299)</td>
<td>42(57,672)</td>
</tr>
<tr>
<td>U.K.</td>
<td>3(347)</td>
<td>9(23,750)</td>
<td>7(5,777)</td>
<td>13(23,735)</td>
<td>11(16,554)</td>
</tr>
<tr>
<td>Germany</td>
<td>2(4,16)</td>
<td>5(1,517)</td>
<td>4(79,763)</td>
<td>5(632)</td>
<td>7(102,801)</td>
</tr>
<tr>
<td>Others</td>
<td>4(12,872)</td>
<td>6(9,057)</td>
<td>4(98)</td>
<td>7(12,055)</td>
<td>13(8,354)</td>
</tr>
</tbody>
</table>

Source: Kim (1995), p33

Table 12 Major Strategic Alliances of the Korean Automobile Industry in 1995

<table>
<thead>
<tr>
<th>Company</th>
<th>With Industrialised Country</th>
<th>With Developing Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hyundai</td>
<td>-Mitsubishi : Capital (11.5%) Technology Parts</td>
<td>-Turkey : Production of Passenger Cars</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kia</td>
<td>-Ford : Capital (10%) Technology, Production</td>
<td>-Brazil: Joint Venture for production</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daewoo</td>
<td>-G M : Production (Parts)</td>
<td>-Uzbekistan: Assembly of Passenger cars</td>
</tr>
<tr>
<td></td>
<td>-Honda : Technology (Legend)</td>
<td>-Tashkent: Plan to build an assembly plant</td>
</tr>
<tr>
<td></td>
<td>-Isuzu : Technology (Truck, Bus)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-Suzuki : Technology (Light cars)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-Volvo : Technology (Large Truck)</td>
<td></td>
</tr>
</tbody>
</table>

Source: Kim (1995), p 70
<table>
<thead>
<tr>
<th>Year</th>
<th>Rep Office</th>
<th>Research, KD Assembly</th>
<th>Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>Japan (H&lt;sup&gt;a&lt;/sup&gt;)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1983</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1985</td>
<td>US (H2), Canada (K&lt;sup&gt;b&lt;/sup&gt;)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1986</td>
<td>US (H)</td>
<td></td>
<td>Canada (H, closed in 1993)</td>
</tr>
<tr>
<td>1988</td>
<td>Japan (K)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1989</td>
<td>US (H) (Financing)</td>
<td>US (K)</td>
<td>Philippines (K), Taiwan (K)</td>
</tr>
<tr>
<td>1990</td>
<td>UK (K)</td>
<td>Germany (H)</td>
<td></td>
</tr>
<tr>
<td>1991</td>
<td></td>
<td>Nigeria (D&lt;sup&gt;c&lt;/sup&gt;), Algeria (D)</td>
<td></td>
</tr>
<tr>
<td>1992</td>
<td>China (H), Germany (H)</td>
<td>US (K, 2) Japan (K) Chile (D)</td>
<td>Venezuela (K)</td>
</tr>
<tr>
<td>1993</td>
<td>Thailand (D), Columbia (D) Venezuela (D), Australia (D)</td>
<td>Thailand (H), Zimbabwe (H), Vietnam (K), Iran (K) Germany (K)</td>
<td></td>
</tr>
<tr>
<td>1994</td>
<td>Austria (D), Spain (D), UK (D), Germany (D), France (D), Benelux (D), Italy (D), Hungary (D), Kazakhstan (D), Peru (D)</td>
<td>Japan (K), UK (D), Germany (D)</td>
<td>Pakistan (K), China(D)</td>
</tr>
<tr>
<td>1995</td>
<td>HK (K)</td>
<td>Germany (K)</td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td>US (H, from Canada sales)</td>
<td>Japan (H)</td>
<td>China (H), Pakistan (H) (plan), Venezuela (H) Malaysia(K), Vietnam (D), Uzbekistan (D), Iran (D), Philippines (D), Czech(D)</td>
</tr>
<tr>
<td>1997</td>
<td></td>
<td></td>
<td>Turkey (H), Botswana (H),</td>
</tr>
<tr>
<td>1998</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>UAE (H), Miami (H), Australia (H)</td>
<td></td>
<td>Malaysia (H), Pakistan(H), Indonesia (K), Russia(K), Brazil(K)</td>
</tr>
<tr>
<td>2000</td>
<td>HME</td>
<td>HMP (H) – Poland, HMJ(H)-Japan</td>
<td>Iran(H), Costa Rica(H), Indonesia(K), Turkey(K)</td>
</tr>
<tr>
<td>2001</td>
<td>Singapore (H)</td>
<td></td>
<td>Taiwan(H), Thai(H)</td>
</tr>
</tbody>
</table>

Note: <sup>a</sup>H: Hyundai  <sup>b</sup>K: Kia  <sup>c</sup>D: Daewoo  <sup>d</sup>Projection as at 2000 ~ 2001.

Source: Hyundai Motor Company, Automotive Industry, 2002
Figure 1  Korean Automobile Exports by destination

Source: Korea Automobile Manufacturers Association, Korean Automobile Industry, 1998-2002
The Recent Technology Cooperation in the ICT Sector between Korea and Australia

Hyung-min Kim
Monash University
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1. Introduction

In the past, accumulation of national wealth was created through industrial activities based on effective use of natural resources. During the past several decades, however, as the world has become more integrated, technology has become a new source of competitive advantage in the global economy. Meanwhile, technology has played a key role in building new forms of competitiveness in international markets, based on technological assimilation, innovation, and gains in productive efficiency (Easterly and Levine 2001; Robertson 2000; Temple 1999).

While the relationship between Korea and Australia has increasingly matured in promoting two-way trade and investment for mutual gains, the two countries have been constantly interested in developing a new competitive strategy to build a more sophisticated bilateral cooperation. Since the 1990s, it has been increasingly recognised that the new strategy should be based on technology and innovation, and promote a comparative advantage based on the differentiation of the two. Recognising the enormous potential of building a knowledge-based economy, the two countries have increasingly come to the realisation that they should promote bilateral technology cooperation in cutting-edge Information and Communication Technologies (ICT).

In this paper, the main aim is to investigate potential benefits from the promotion of bilateral technology cooperation in the ICT sector between Korea and Australia in order to present new opportunities in meeting an emerging demand for the future directions of the bilateral relationship.

2. The Significance of Technology Cooperation in the Bilateral Relationship between Korea and Australia

A country is generally regarded as self-sufficient in technology when the value of its technology exports exceeds the costs of technology imports (Hong 1998, p. 18). For the achievement of self-sufficiency in the balance of technology trade, it is critical to promote a process of catching-up that enables the generation and utilisation of new technologies. In the catching-up process, there are three inter-related conditions that need to be met. These are the efficient government’s policy measures for improvement of technology development capacity, active participation of the private sector for the improvement of technology diffusion and the utilisation of capacity, and an abundance of sophisticated human resources. As can be seen in Figure 1, using the analogy of the human body, the first function is that of head, the second is the arms and legs, and the third is the rest of the body. In addition, the catching-up process can be described as the action of running, and advanced technologies can be described as a ‘running machine’ - the speed of the machine.
is equivalent to the level of advancement of the technologies. In this context, running fast means the achievement of efficiency in the process of catching-up in technology development, and requires a concerted coordination of each part of the body. For example, although the head wants to run fast, if the arms and legs do not match the required speed, the whole body will lose coordination. This example reflects that although the government is equipped with efficient policy measures for the improvement of the technological base, the outcomes are limited without the dynamic participation of the private sector.

**Figure 1. The Concept of the Successful Catching-up Process Using the Human Body**

In Korea and Australia, emerging demand for technological change in the process of technology learning have encouraged the governments to pursue strong policies for the improvement of national capacity for indigenous technology development. In particular, during the 1990s, adequate human capital was developed with the aim of improving the generation and utilisation of new technologies. In the case of Korea, the existence of strong production of manufactured goods using advanced technologies has paved the way for high economic growth. In this process, strong state guidance played a critical role in the promotion of building technological competitiveness. In Australia, efforts to build a competitive environment for the improvement of the national innovation system have been evident, particularly during the last couple of decades, with government initiatives to reduce protection measures on the domestic market.

Korea has, however, remained continuously dependent on foreign sources for some core technologies, which Korea has not yet been able to develop with its indigenous capabilities. In addition, fearing that major technology donors, such as the US and Japan will lose their monopoly on advanced technology in Korea, growing reluctance to engage in transferring technology with the Korean chaebol has been encountered. In Australia, there have been a number of remaining constraints on the further promotion of the technology and industrial development process. A major problem is a significant lack of commercialisation capability in the Australian industrial and technology base. In this regard, a high level of foreign ownership in the foreign investment inflows in the Australian market has created a negative impact on the diffusion process of new technologies to local manufacturers.
While globalisation is creating new opportunities for technology sharing, it is also generating new pressures for countries to strengthen their economic links to others in the new era. Realising that heavy reliance on imported technologies from technological superpowers in the developed world does not necessarily guarantee the achievement of technology development and diffusion process for the technology recipients, Korea and Australia have attempted to build their own capacity for technology development, coupled with adequate government policies and increasing R&D expenditures at government and private levels. In this regard, Korea and Australia have successfully absorbed advanced technologies with sufficient personnel, and now acquired at least to some extent leading technologies in many industries. Given the increasing reluctance of technology donors such as the US and Japan in undertaking technology cooperation with fast catching-up economies, possibilities have been raised that groups of active middle powers have more room to foster relationships with each other, with a greater flexibility in the search for innovative solutions to technology innovation and development (McKay 2000, p. 21). In this context, as Figure 2 suggests, a new channel for technology cooperation by exchanging comparatively advanced technologies between Korea and Australia can be more beneficial due to the provision of a similar level of industrialisation equipped with sufficient infrastructure. In other words, instead of less-technologically-developed economies merely being receivers of intended technology, more economic benefits can be provided to both transferees and transferors by exchanging their comparatively advanced technologies between them. In addition, the recent study on technology exchange in the construction industry in Singapore and Hong Kong also supports that technology exchange increases technology capacity of the participating organisations (Kumaraswamy and Shrestha, 2002), creating synergy effects through combining technological strengths and weaknesses (Ofori et al. 2001). Thus, it can be argued that when technology is exchanged within a narrow level of technological gap, more active participation in technology exchange and better performance of appropriate exchange can be anticipated. At the same time, it is highly likely that the application of the new channel in joint technology cooperation activities will enhance mutual gains by exchanging comparatively advanced technologies. Furthermore, this channel will promote strategic technology cooperation partnerships for effective technology absorption and commercialisation for their private sectors, and lead them to being more internationally competitive.
3. Recent Technology Cooperation in the ICT Sector between Korea and Australia

In this section, the collected data from the survey questionnaire is organised for analysis, with a main focus on private sector’s involvement in bilateral technology cooperation in the ICT sector between Korea and Australia.

3.1. Survey Questionnaire Instrument

In designing the survey questionnaire, particular participants were chosen in order to gain understanding of the significance of technology cooperation between Korea and Australia. In particular, there were three groups of participants in the research procedures:

- A group of participants were involved in the seminar with the theme of ‘Business opportunities in Korea’s new economy: An information seminar for Australian ICT firms’: this event was held in Melbourne on July 20, 2000 with the participation of 17 Korean ICT companies seeking joint business dealings with Australian counterparts. The delegates of the participating companies were contacted for the data collection process of this study;
- A group of participants were involved in the symposium with the theme of ‘Korean Information Technology Symposium 2001’: this event was primarily organized by the Ministry of Information & Communication of Korea and held in Melbourne on July 23, 2001 with the participation of approximately 20 Korean ICT companies seeking joint business dealings with Australian counterparts. The
delegates of the participating companies were contacted for the data collection process of this study; and

- A group of participants were involved in the fair with the theme of ‘Korea-Australia Technology & Investment Fair 2002: Partnership development’: this event was held in Melbourne on April 22, 2002 with the participation of 38 Korean companies seeking joint business dealings with Australian counterparts. The delegates of the participating companies were contacted for the data collection process of this study.

3.2. Responses Gathered in this Research

As shown in Table 1, the number of Korean companies asked to participate in the survey questionnaire was 42, while that of Australian companies was 19. The reason for the difference in the number of companies requested for the participation is the different number of companies that participated in the series of the above-mentioned events. The number of Korean companies, which responded with the completion of the survey questionnaire, was 20, while that of the Australian participants was 5. Due to the comparatively large number of Korean respondents, compared to the Australian ones, no further contacts were made with Korean participants after the first request for participation. In addition, although a small number of participating Korean companies had not formed joint technology cooperation partnership with Australian companies, their responses were included in some part of the data analysis process, due to their current interest in the Australian market and in forming technology partnership with Australian companies. The overall response rate of the survey questionnaires is over 40 per cent, which was higher than initial expectation of 30 per cent.

<table>
<thead>
<tr>
<th></th>
<th>Requested</th>
<th>Responded</th>
<th>Unwilling/irrelevant</th>
<th>Returned/Unidentifiable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Korean companies</td>
<td>42</td>
<td>20</td>
<td>19</td>
<td>3</td>
</tr>
<tr>
<td>Australian companies</td>
<td>19</td>
<td>5</td>
<td>6</td>
<td>8</td>
</tr>
</tbody>
</table>

3.3. Findings from Survey Questionnaire

All of the Korean companies which participated in the survey questionnaire have either formed joint technology cooperation with Australian companies, or are in the process of developing one, except for one Korean company which expressed no interest in bilateral technology cooperation in the foreseeable future. On the other hand, all of the Australian participants have current joint technology cooperation activities with Korean companies, except two of them with plans for forming one in the near future. A main reason for those of the Korean participants who have not yet initiated joint technology cooperation activities is a lack of information available on the Australian market in general. More specifically, they expressed a strong need for the provision of information of the Australian ICT market with technological trends and leading R&D activities in the market,
and detailed information on the size of Australian companies in the sectors and core technologies developed by them.

As can be seen in Figure 3, the main activities of the participating Australian companies (a company may be engaged in more than one category of activity) in the domestic ICT market show a strong concentration in the area of information services, with more than 70 per cent of the main activities falling into this area. On the other hand, the Korean companies' main activities largely involved the areas of information services, and manufacturing and wholesale in the domestic ICT market, with 53 per cent and 31 per cent of the whole activities involved in those areas respectively. More specific divisions of the Australian companies' main activities in the area of information services include data storage and retrieval, system integration, software development, data processing, computer consultancy, and Internet-related services. The main activities of the rest of the participating Australian companies are ICT manufacturing (Telecoms and broadcast) and ICT manufacturing (Electronic equipment). With regard to the Australian companies that are involved in joint technology cooperation with Korean companies in the Korean ICT market, all of them are engaged in the areas of telecommunication services and Internet-related activities. This implies that a high availability of competitive and advanced technologies in service provision areas in the Australian ICT sector has received strong recognition from Korean companies. It also implies strong demand for new technologies for improvement in the areas of provision of telecommunication services as well as internet-related services for Korean companies.

Figure 3. Concentration of Main Activities of Korean and Australian Companies in Sample

![Figure 3. Concentration of Main Activities of Korean and Australian Companies in Sample](image)

The most active business areas for Korean and Australian companies (a company may be engaged in more than one category of activity) in their domestic ICT market is the area of information services. In this regard, as Figure 4 suggests, the participating companies share a similar concentration on the areas of system integration and software development for their domestic activities. A similar concentration on these areas between participating Korean and Australian companies can present new opportunities for joint research and development activities in order to improve the overall efficiency in pursuing domestic activities as well as bilateral activities in the Korean and Australian markets. Furthermore, new opportunities include exchange of researchers and technicians from each of the companies to maximise mutual outcomes from effective use of new technologies. In the longer term, it can be suggested that through the promotion of joint technology cooperation as well as exchange of managerial know-how in the use of new technologies in those areas, participating companies from Korea and Australia can target third markets for extended...
mutual benefits. More specifically, based on a mutual agreement, companies from Korea and Australia can extend business activities into a third market where advanced technologies in the ICT sector are in strong demand. In doing so, potential benefits can be created from expanding market share in the foreign market, and promoting technology cooperation arrangements with local companies, such as technology licenses, and technology transfer. There are a number of areas that have different levels of concentration in participating Korean and Australian companies, such as the areas of computer maintenance, data store and retrieval, and Internet-related services. It can be interpreted that those areas will present new opportunities for forming joint technology partnerships through the strengthening of local demand for advanced technologies. In addition, different levels of concentration on main activities between Korean and Australian companies can present new demand for developing business models for more sophisticated bilateral technology cooperation.

Figure 4. Concentration in Information Services in Sample

![Graph showing concentration in Information Services in Sample](image)

The participating Australian companies have a relatively weak concentration on main activities of ICT-related manufacturing areas, with only 20 per cent of the total participants being involved in the area. All of the companies that are involved in ICT manufacturing have a current engagement in telecommunications, broadcast, and electronic equipment manufacturing. The Korean companies (a company may be engaged in more than one category of activity) show relatively strong performance in ICT-related manufacturing areas, with higher than 30 per cent of the total Korean participants being currently engaged in the areas. As can be seen in Figure 5, two of the most active items in ICT-related manufacturing for the Korean participants are computer and business equipment manufacturing (47 per cent), and telecommunications and broadcast equipment manufacturing (20 per cent). The strong performance the Korean participants in these manufacturing areas reflects a potential demand of the Korean companies to form technology cooperation with Australian counterparts.
With regard to the number of staff working for the participating Korean and Australian companies, a higher number of Korean companies have a large size of employment. More specifically, as can be seen in Figure 6, while 40 per cent of the Korean companies currently have more than 50 employees, only 20 per cent of participating Australian companies have this employment size. In terms of companies that have a number of staff of between 10 and 50, 35 per cent of the participating Korean companies have reached this employment size, whereas the Australian case show a much larger percentage, 80 per cent. In addition, for companies having less than 10 employees, 25 per cent of the Korean companies fall into this category, while none of the Australian companies do. These figures indicate that while Korean companies in the ICT sector tend to have diversity in the employment size, medium-sized companies in the Australian ICT sector perform strongly in employment creation. In addition, the different employment size of the Korean and Australian companies reflects the different concentration on the main activities in the ICT sector. In other words, since a majority of the participating Australian companies are largely engaged in the area of information services the size of employment tends to be highly concentrated in the rage of 10 to 50 employees. The high amount of turnover of a company is directly related to the profit-making process, leading to diversification of overall performance in domestic and overseas markets as well as improvement of research and development capability for developing new technologies. When the size of employment of the participating Korean and Australian companies is compared with the size of turnover, figures present that 60 per cent of the total participating Korean and Australian companies have achieved a turnover of more than A$1 million, while the rest of the Australian companies fall into the range of between A$100,000 to A$1 million. Considering that a majority of the participating Australian companies are ICT related service providers, while a relatively higher number of the Korean participants are engaged in ICT related manufacturing areas, it can be noted that the participating Australian companies are more competitive in profit-making.
In terms of technology cooperation in overseas markets, Australian companies show a stronger promotion in this area than Korean companies. More specifically, while 65 per cent of the total participating Korean companies are engaged in overseas technology cooperation activities, all of the Australian companies are currently engaged in the promotion of technology cooperation in overseas markets. These figures imply that Australian companies are more active in the promotion of technology cooperation in overseas markets, and are highly attracted to forming technology partnerships with local companies in the concerned overseas markets. As will be discussed later in more detail, a possible reason for the smaller engagement of the Korean participating companies in forming technology cooperation in overseas markets is that a majority of the Korean companies are start-ups in the ICT sector that tend to lack experience in overseas marketing for technology cooperation. A relatively higher number of Australian companies have current representation of employees in overseas markets than Korean companies. In this regard, while 40 per cent of the Australian companies have overseas-based employees in the concerned overseas markets, only 30 per cent of the participating Korean companies have representing employees in the markets. This suggests that Australian companies in the ICT sector more actively pursue technology cooperation activities in overseas markets based on long-term strategies than do Korean companies.

As shown in Figure 7, the most active overseas market for both Korean and Australian companies is the US market, with almost 80 per cent of the total participating companies that are currently pursuing technology cooperation activities in overseas markets engaged in that market. The most remarkable difference in the market engagement rate is the Chinese market, with almost 80 per cent of the Korean companies having entered the market, compared with 40 per cent of the Australian companies. With regard to profit-making processes in the overseas markets, all of the Australian companies have succeeded in making profits in the concerned overseas markets, while 23 per cent of the Korean companies made no profits in the Chinese market during the last financial year. In this regard, it can be said that the participating Korean companies entered the Chinese market at a premature stage, in order to avoid competition and achieve a strong market position. Another possible contribution to the failure in making profits in the Chinese market is insufficient preparation for the profit-building process in this market. With regard to the promotion of bilateral technology cooperation between Korean and Australian companies, different concentrations of overseas activities can present new
opportunities for joint cooperation due to the expected benefits, such as saving overseas marketing cost, improving marketing strategies, avoiding failure in profit-making in the markets, enhancing network effects from involved international alliances, etc.

Figure 7. Technology Cooperation Activities in Overseas Markets in Sample

A majority of the participating Australian companies were established before 1990, while 40 per cent and 50 per cent of the Korean companies were established between 2000 and 2002, and 1990 and 1999 respectively. The predominantly young Korean companies tend to lack experience in technology cooperation activities in overseas markets. In this regard, it is suggested that many Korean companies actively promote technology cooperation with Australian companies in order to attain know-how in market involvement. At the same time, Australian companies should further promote engagement in technology cooperation activities with Korean companies in order to acquire new technology trends in emerging overseas markets as well as the Korean market. With regard to the patterns of ownership of the companies participated in the survey questionnaire, there was no Korean ownership in the Australian companies and vis-à-vis. This reflects the recency of technological ties between Korean and Australian companies, providing further areas for improvement. In other words, in order to achieve closer ties in technology cooperation, it is suggested that not only technology cooperation, but also management cooperation should be promoted through participation in the ownership of the participating companies.

Figure 8. The Year of Establishments and the Patterns of Ownership in Sample
To attempt to grasp the factors that influenced the decision to form technology partnerships in the ICT sector between Korean and Australian companies, and determine comparative strengths and weaknesses of the market environment in the sector in Korea and Australia, both Korean and Australian companies were asked to provide an assessment of various aspects of these issues. As can be seen in Table 2, four of the most important factors that influenced Korean companies’ decisions to form joint technology cooperation activities with Australian companies are the availability of sufficient skilled labour, successful management of the government’s science and technology policy, efficient fair trade policies, and stable social systems, with 59 per cent, 65 per cent, 59 per cent, 71 per cent of the total participating Korean companies responding that these were important factors. On the other hand, the factors of sufficient advanced technologies and a well-developed structure of the ICT sector have been identified by the Australian participants as the most important factors that have motivated them to form a joint partnership for technology cooperation. In addition, six of the highly regarded factors include the high availability of know-how in overseas marketing, sufficient skilled labour, sufficient large-scaled enterprises, relatively high hardware capability for developing new technologies, the large domestic market, and stable social system in Korea, with 80 per cent of the Australian respondents agreeing on the issues. In this regard, complementarity in the different levels of ICT infrastructure in the Korean and Australian markets can present new opportunities for potential gains from promoting technology cooperation activities. This is due to the fact that a comparatively advantageous market environment can facilitate and stimulate both Korean and Australian companies to increase access to new technologies developed from different technology demands.

The least important factors in the decision for Korean companies to form a joint participation in technology cooperation with Australian companies are sufficient cheap labour and sufficient large-scaled enterprises, with 65 per cent and 59 per cent of the Korean respondents expressing these factors as unimportant. These factors can be interpreted as ones that are not relevant to the strengths of the market environment of the Australian ICT sector. On the other hand, more than half of the Australian participants considered sufficient cheap labour, strong foundation of SMEs, access to neighbour markets, well-developed service market, well-established protection of intellectual property, efficient fair trade policy, and similar legal system as unimportant in forming joint technology cooperation with Korean counterparts. One factor that has been disregarded in both Korean and Australian ICT sectors is the availability of sufficient cheap labour.

The factors that have failed to attract each other as important can be considered as unavailable aspects in the overall ICT infrastructure of each country, or ones that require further improvement in order to increase international competitiveness in the ICT sector, as well as to enhance further bilateral technology cooperation in the sector. Specific factors that require attention from Korean companies for improvement in the market environment in the ICT sector are the need of strong foundation of SMEs, access to neighbour markets, well-developed protection for intellectual property, efficient fair trade policy, and similar legal system. On the other hand, the factors of insufficient cheap labour and large-scaled enterprises can be considered as unavailable in the Australian ICT sector, or areas that need further improvement for mutual technology cooperation.

The factors that almost half of the Korean participants considered neutral are the availability of a similar management system, and a similar legal system. Meanwhile, the factors receiving neither positive nor negative responses from the Australian companies are well-developed service market, similar time zone, and similar management systems. In this regard, the factors considered neutral by Korean companies can be interpreted as a
lack of knowledge on the issues, recognition of infeasibility of the issues to be satisfactory in the foreseeable future, and/or insignificant factors in their specific joint activities with Australian counterparts. The same interpretation can be given to the responses from Australian participants. It is, however, noticeable that one of the factors expressed by both Korean and Australian companies share the same response, i.e. a similar management system. This view reflects the difference in the management system and/or insignificance of having a similar management system to form joint technology cooperation activities.

There are a number of factors that were considered most important by one party and unimportant by the other in formation of joint technology cooperation in the ICT sector. The factors that were considered as most important by Korean companies and least important by Australian ones are a strong foundation of SMEs, access to neighbour markets, and efficient fair trade policy, representing comparative strengths of the Australian ICT sector and comparative weaknesses of the Korean ICT sector. At the same time, the factors of sufficient know-how in overseas marketing, sufficient commercial technologies, sufficient large-scaled enterprises, and large domestic market can be presented as comparative strengths of the Korean ICT sector and comparative weaknesses of the Australian ICT sector. Although many of these factors are closely involved with government policy in improving the overall infrastructure level of the ICT sector in Korea and Australia, it is strongly recommended that the participating companies play an extended mutual role to support the process of establishing a more efficient environment for the stronger promotion of bilateral technology cooperation in the sector.
Table 2  Factors Affecting the Decision to form Technology Partnership in the ICT Sector between Korean and Australian Companies (%)

<table>
<thead>
<tr>
<th>Factors</th>
<th>Korea (1 &amp; 2)*</th>
<th>Neutral (3)*</th>
<th>Important (4 &amp; 5)*</th>
<th>Australia (1 &amp; 2)*</th>
<th>Neutral (3)*</th>
<th>Important (4 &amp; 5)*</th>
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<td>sufficient finance</td>
<td>24</td>
<td>41</td>
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<td>sufficient know-how in overseas marketing</td>
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<td>35</td>
<td>41</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>sufficient commercial technologies</td>
<td>41</td>
<td>35</td>
<td>24</td>
<td>0</td>
<td>40</td>
<td>60</td>
</tr>
<tr>
<td>sufficient skilled labour</td>
<td>35</td>
<td>6</td>
<td>59</td>
<td>0</td>
<td>20</td>
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<td>sufficient cheap labour</td>
<td>65</td>
<td>24</td>
<td>12</td>
<td>60</td>
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</tr>
<tr>
<td>sufficient large-scaled enterprises</td>
<td>59</td>
<td>29</td>
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<td>20</td>
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<td>80</td>
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<td>strong foundation of SMEs</td>
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<td>29</td>
<td>41</td>
<td>60</td>
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<td>access to neighbour markets</td>
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<td>47</td>
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<td>18</td>
<td>65</td>
<td>20</td>
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<td>40</td>
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<td>well-developed structure of the ICT sector</td>
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<td>24</td>
<td>41</td>
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<td>relatively high hardware capability (technology)</td>
<td>47</td>
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<td>relatively high software capability (technology)</td>
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<td>well-developed service market</td>
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<td>well-established protection for intellectual property</td>
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<td>similar legal system</td>
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<td>35</td>
<td>60</td>
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<td>0</td>
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<tr>
<td>large domestic market</td>
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<td>29</td>
<td>20</td>
<td>0</td>
<td>80</td>
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<tr>
<td>stable social system</td>
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<td>18</td>
<td>71</td>
<td>20</td>
<td>0</td>
<td>80</td>
</tr>
</tbody>
</table>

Note: Three of the Korean participants did not fill this section; *, 1 is the least important factor, while 5 is the most important one.

4. Potential Benefits from Bilateral Technology Cooperation in the ICT Sector

The ICT sector is a growing area that both Korea and Australia are increasingly dependent on future economic growth. Given different strengths and weaknesses in the
ICT sector in Korea and Australia, there are a number of potential benefits when bilateral technology cooperation is further promoted:

- **Pooling of human resources in joint cooperation activities.**
  Abundant human resources in Korea and sufficient knowledge workers in Australia can provide cost-effectiveness and time-saving in the training local workers. The costs of instructing and educating the workforce to be “knowledge-equipped” is relatively high due to the complex technologies involved and time-consuming process of improving knowledge gathering and absorbing capability of workforce in the ICT sector.

- **Promotion of joint R&D activities for the transfer of knowledge and technology at private, public and academic levels in the sector.**
  Development of new technology is the most crucial issue in the ICT sector, and a key to future success lies in research and development. It is particularly significant in the sense that collaboration of technology cooperation among private, public and academic sectors contributes to the reduction of technology development costs, avoidance of overlap in technology development, and to some extent, to establishment of standardisation of technologies.

- **Stronger inter-company technology cooperation.**
  Stronger inter-company technology cooperation in the ICT sector between Korea and Australia can provide new opportunities for forming strategic technology alliances, and contributes to the increase of utilisation of new technologies in the sector. In addition, the increasing risks and costs of R&D activities caused by the shortening technology life cycle in the sector can be reduced.

- **Healthier Korean SMEs and stronger overseas marketing for Australian companies.**
  Although there are a large number of conglomerates equipped with strong overseas marketing capabilities in Korea, the scarcity of dynamic, technology-based SMEs has been a major weakness. In Australia, the strong performance of technology-driven SMEs is critical in the domestic market. In this context, it is highly likely that an increase in strategic technology alliances between companies in Korea and Australia will provide new opportunities for improving overseas marketing capability for Australian companies and for increasing technology competitiveness for Korean SMEs. In addition, joint venture projects should be developed to facilitate dynamic cooperation activities for SMEs as part of the bilateral economic links. In so doing, mutually profitable business opportunities in either country or third countries can be created.

- **Construction of a more competitive infrastructure in the ICT sector in Australia and Korea.**
  In terms of the level of infrastructure in the ICT sector, the two countries have different strengths. In building a knowledge-based economy, it is critical to build a foundation based on a competitive ICT infrastructure equipped with high capability of both software and hardware development. Coupled with the high software development capability of Australian companies and hardware development capability of Korean ones, stronger joint technology cooperation will improve the
overall productivity and efficiency in the construction of a competitive ICT infrastructure.

- Competitive market environments in Korea and Australia.
  With regards to the overall business environment in Korea, the government should further recognise the significance of establishing a fairer business environment to improve infrastructure for the ICT sector. It can be suggested that the government further deregulate the market, improve government transparency, and establish a more transparent financial system in order to gain leverage in more advantageous technology cooperation with Australia. In so doing, more sophisticated business activities and new opportunities for technology innovation by each of the private sector between Korea and Australia can be initiated, based on a competitive infrastructure and supporting environment.

5. Conclusion

Emerging demand for technological change in the process of technology learning in Korea and Australia have encouraged the governments to pursue strong policies for the improvement of national capacity for indigenous technology development. Due to the remaining dependence on foreign technologies, it is increasingly significant that both the governments of Korea and Australia seek to promote the development of a new channel for the generation and differentiation by forming strategic technology cooperation partnerships for effective technology absorption and commercialisation for their private sectors.

Realising that advancement of technology will provide the basis for economic growth in the 21st century, the governments of Korean and Australian have increasingly recognised the significance of bilateral technology cooperation in advanced technology industries, such as the ICT sector. At a private level, the ICT sector in the bilateral relationship between Korean and Australian has increasingly coordinated joint activities, and contributed to the expansion of partnerships. As suggested from the results of the survey questionnaire, although Australian companies in the ICT sector tend to be medium-sized in terms of the number of employees, the promotion of technology cooperation in overseas markets shows an active engagement, with a large number of employees represented in overseas markets and a large average size of turnover. On the other hand, Korean companies in the ICT sector are relatively young. It is, however, particularly significant that given the relatively short experience in promoting technology activities in domestic as well as overseas markets, the foreign countries involved in overseas technology cooperation with Korean companies show a relatively large coverage in different regions. Given the comparatively advanced capabilities of technology development and application in different areas in the ICT sector, such as information services, manufacturing and wholesale, joint partnership for technology cooperation in the ICT sector between Korean and Australian companies should be further extended in order to obtain potential benefits from developing new technologies, promoting overseas marketing, and achieving network effects from international alliances.
References


Cheong Yagyong and the Construction of Hwaseong Fortress

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1. Introduction

Among different aspects of Hwaseong fortress (built from 1794 - 1796) there can be named the connection between architectural ideas implemented during its construction and the claims of *sirhak* scholars. What is more, that fortress’s construction is one of rare cases in Korean history, when *sirhak* scholars got favorable opportunity to put their ideas into practice.

A person who contributed to the planning and the construction of the fortress was Cheong Yagyong (1762 - 1836), one of the most representative leaders of *sirhak* learning. Notwithstanding the fact that the role of Cheong Yagyong in its planning and construction was significant, it is going to be argued in the paper that excessive emphasizing of the influence of *sirhak* ideas on the building of Hwaseong fortress is a kind of overestimation.

The most important fact that should be taken into account is that the fortress itself was somewhat a by-product of the newly built town it surrounded. And this town, in its turn, was founded basically due to political motives than economic or defensive necessities that consisted the core of *sirhak* scholars’ claims. Likewise, ordering Cheong Yagyong to work on the construction of the fortress can be also explained by the political reasons.

Besides it, some other details should be kept in mind. First, not all the proposals made by Cheong Yagyong were implemented. Second, even not all of those that were put into practice can be considered as the effective ones. Third, Cheong Yagyong’s approach itself was rather traditional; it roots both in his perception of such concept as “technique”, and his method of investigation. Finally, Cheong Yagyong’s participation should be regarded mostly as an act of obedience to the King’s order than as an act based on his own initiative.

On the other hand, it is due to King Cheongjo (r. 1776 - 1800) and the work on Hwaseong fortress in particular that Cheong Yagyong came closer to the ideas of the ‘school of profitable usage and popular benefit’ (*yiyong husaenghak*) and the ‘school of northern learning’ (*pukhak*), that made a serious impact on his formation as a scholar.

Thus, it can be presumed that the recognition of the role of technology in historical process and arguments about the necessity of the development of technology that are stated in his works first came to his mind while working on the fortress under the King’s guidance. Consequently, it appears that to the influence of Hwaseong fortress on the formation of Cheong Yagyong’s ideas was even more significant than his role in its construction.

2. Political Background of the Construction of Hwaseong Fortress

As soon as Hwaseong fortress was built in the memory of King Jeongjo’s father, Prince Sado (1735 - 1762), who faced tragic death by the order of his own father, King Yongjo (r.
1724 - 1776), the fortress is widely known both in Korea and abroad primarily as a symbol of 'filial piety'. In 1789 Cheongjo ordered his father's tomb be moved from Mt. Paebong to Mt. Hwa, which was commended as the most auspicious site in the country. The old town of Suwon with all its population, which was located at that place, was moved to a new one, near Mt. P'aldal, and the walls of Hwaseong fortress were built around that new town.

Still, despite the importance of 'filial piety', the construction of the fortress should be correlated with the political terms of that period. As a son of a criminal, Cheongjo's authority in the beginning of his rule was weak and unsteady. Thus, besides the politics of dissipation of different political factions and powers (so-called t'angp'yong cheongch'yi), Cheongjo needed ideological ground for his inheritance of the throne. Such measure was found: it was the rehabilitation of Prince Sado. Moreover, Cheongjo planned in the future to award his father a posthumous title of a king (Yu 2001, pp. 24-31). No doubt that in terms of eighteenth-century Korea acting against his predecessor's principles would have been viewed upon as an abuse of Confucian tradition; thus, Cheongjo planned to accomplish this task with the help of his son, future King Sunjo (r. 1800 - 1834).

According to his so-called 'year of 1804 plan' (kapchanyon kusang) Cheongjo was going to pass the throne to his son when he attains his majority and becomes available to rule the country; it would have happened in 1804, when Sunjo was 15. As soon as Sunjo succeeds to the throne, Cheongjo would have accompanied his mother Lady Hyegyong (1735 - 1815) to Hwaseong (Suwon) and lived the rest of his life there.

Doubtfully Cheongjo simply wished to leave the political stage; it is most likely that he intended to play an active part in the background, primarily by his supporters from the Royal Archives (Kyujanggak). Influenced by them, Sunjo was supposed to follow Cheongjo's political line and finally proclaim Prince Sado a king. As for Hwaseong (Suwon), the new residence of Cheongjo, it was being prepared to become the second town in the country, the alternative to the capital both in political and all other (military, economical, cultural etc.) aspects.

Though such plans became more evident in 1795, during famous procession of Cheongjo and his mother to the tomb of Prince Sado (Hyollyungwon) through Hwaseong timed for the sixtieth anniversary of Prince Sado and Lady Hyegyong (eulmyo wonhaeng) (Yu 1996, pp. 137-138), it can be presumed that this idea occurred to him next year after moving Prince Sado's tomb, in 1790, when Sunjo was born (Yu 2001, p. 32). Anyhow, first the idea of construction of the fortress (though at that time it was proposed to be no more than a mud fortification (t'oseong), with the stones on the top (yojang)) was suggested in

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1 Prince Sado was accused of treachery and sentenced by his own father to death. As nobody could touch Grand Heir, he was ordered to commit suicide. After several fails he was ordered to enter the rice chest, where he had been suffering 8 days before he died.
2 Being seriously destroyed during Korean War, and rebuilt in the 70-s, the fortress was called UNESCO World Cultural Heritage in 1997, thus, it has become famous outside Korea.
3 Nowadays it is the mountain in back of the University of Seoul.
4 The center of contemporary Suwon.
5 A year before the construction started, in 1793 Cheongjo renamed newly built Suwon into Hwaseong.
6 Despite the fact that 2 years after Prince Sado's execution, in 1764 King Yongjo made Cheongjo a posthumously adopted son of Prince Sado's elder brother, Prince Hyojang (1719 - 1728), the issue of Cheongjo's legitimacy became just more complicated (Haboush 1996, pp. 2-3).
7 After Sado's death Yongjo removed most sources connected with his son, and even any discussion of this topic became taboo.
8 Few months before his death Cheongjo officially recognized his son as Grand Heir, and ordered the scholars from the Royal Archives (Kyujanggak) to take charge of his education and assistance. In other words, the Royal Archives had to become a link between Cheongjo and his son and serve as a measure of influence on him (Cho 2001, pp. 192-193).
1790 by one of the officials (Yu 1996, pp.161-162).

In other words, the construction of Hwaseong fortress was predetermined by the political reasons. As a matter of fact, the function of the town located inside was not simply to become a place where Cheongjo could spend his declining years in peace. Taking into consideration his political ambitions, it is obvious that the main goal was to raise it to the status of the “capital number two” in the country. Therefore, to meet such demands, Hwaseong (Suwon) was to become a well-planned town with perfect military facilities and architecture, flourishing economy and developed infrastructure. In order to complete these tasks, Cheongjo needed suitable cadres that he could call to the colors. Such keen interest in talented scholars can be regarded as the essence of his domestic politics (t’angp’yong cheongch’yi); and, as a matter of fact, this factor played the dominating part in Cheongjo’s particular concern and long-lasting protection granted to Cheong Yagyong.

3. Cheong Yagyong’s Participation in the Construction of Hwaseong Fortress

As it was mentioned above, in order to promote the new town of Hwaseong (Suwon), the development of different aspects was vitally needed. Among them there were administrative ability, military facilities, economic strength etc. While administrative status was a matter of bureaucratic rearrangements (refer to Kim 2002, p. 48), economic prosperity partially rooted in new Suwon’s favorable geographic position – an important spot that connects the capital with the three southern provinces of Korea (samnam) (Yu 2001, p. 42), military facilities meant the necessity of a stronghold that could meet the demands of that time. But as soon as he made decision to build a fortress, Cheongjo faced the problem of lack of knowledge about the art of fortification. In order to fulfill this shortage of knowledge he encouraged scholars like Cheong Yagyong to study the subject thoroughly and give certain recommendations. Such investigations were carried out promptly, and in 1794 the construction started.

Although the accomplishment of the construction was scheduled to the above-mentioned ‘year of 1804’, it was completed almost 4 times quicker: the whole process took only 2 years 10 months instead of planned 10 years. On the one hand, it should be explained predominantly by economic reasons. The fact is that unlike other construction works in Choseon dynasty based on the compulsory labor of mobilized masses, this time the situation was different, and Cheongjo insured promptness by paying wages according to results of the work (Yu 2001, p. 37). On the other hand, it may be argued that such quickness was a result of solid investigation of the problem (Cho 2001, p. 210).

It was 1789 when Cheong Yagyong got acquainted with the engineering works for the first time. This year he took part in the planning of the pontoon bridge (chugyo) over Hangang river, through which each year the procession to Prince Sado’s tomb would have passed. He presented a new method of the construction of such bridges, and his efforts were noticed. On the one hand, this episode of his life might be interpreted as the sign of his extraordinary abilities as a sirhak scholar (Sin 1997, p. 27). On the other hand, it can be said that it was due to this experience in his life that he gained first knowledge about the engineering works (Cho 2001, p. 180).

In spite of the fact that in the fourth month of 1792 Cheong Yagyong’s father passed away, and he left government service for the period of mourning, the King ordered him to prepare the suggestion regarding the construction of the fortress. Being obedient to the

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9 It was located in the place of present Hangang Bridge.
order, Cheong Yagyong presented him a piece of writing which was included later in the "Complete works by Cheong Yagyong" ("Yoyudang cheonseo") under the title, "Theory of fortification" ("Seongseol"). In this work Cheong Yagyong made certain suggestions relating the fortress. He proposed optional size of the fortress, and pointed out several basic "musts" that should have been implemented during its construction. According to him, as there was no developed tradition of producing and laying bricks, suggestion to use them had no grounds. As for the earth as a building material, it was too vulnerable to weather conditions. Thus, his claim was to use stones. All the stones must have been divided into 3 groups; the heaviest should have been laid in the basis of the wall, while the lightest ones should have been placed on the top. In this work he proposed to build the wall in the following way. The wall should have been mentally divided into 3 levels, and the top part of the second one (in case the wall is divided into 9 levels it would have been the 6th one) should have been pressed inside in order to make the wall slanted, while the very top of the wall should have protruded a bit. In this case, according to Cheong Yagyong, the wall would never ruin spontaneously, and it would be easy for the defenders of the fortress to observe the foot of the wall. Besides it, Cheong Yagyong scrupulously described the method of manufacturing and the principles of exploiting the wagon (yuhyonggeo) that could carry the building materials, and calculated the cost of a wagon. He also underlined that the number of wagons (with stones) must have been calculated beforehand. Cheong Yagyong drew special attention towards the necessity of cleaning the road in order the wagons with bricks could pass to the destination easily. He pointed out that it was the first thing that should have been done, although it could be looked upon as a trifle. One more suggestion was to use a ditch that should be dug not too close to the walls of the fortress (Yoyudang cheonseo, 1, seongseol).

In the end of the "Theory of fortification" ("Seongseol") he mentioned that additional information about military facilities could be obtained from other sources. For instance, detailed information about ongseong (jar-shaped round wall in front of the gate built in order to give additional protection to the gateway) or about mangnu (watchtower) could be found in the works by Yu Seongnyong (1542 - 1607), while the principle of nujo (water reservoir established above the gateway in order to extinguish the fire set by the enemy) was explained in detail in the "Notes of military preparations" ("Wupel-chih") – a book by Mao Yuan-i, who lived in Ming China (Yoyudang cheonseo, 1, seongseol).

But as soon as he presented this work, Cheongjo insisted on describing other military facilities that might be useful and effective and which weren't dwelled on in the "Theory of fortification" ("Seongseol"). He also ordered him to investigate quickly the problem of lifting heavy objects. In order Cheong Yagyong could fulfill the task, the King granted him a book on mechanisms entitled, "Pictures and descriptions of wonderful mechanisms" ("Ch'i-ch'i t'ushuo") (Yoyudang cheonseo, 1, seongseol).

That book ("Ch'i-ch'i t'ushuo") was written in China by Wang Cheng; he wrote down oral statements of Swiss Jesuit P. Johann Terrenz (Teng Yu-han). It was published in 1627 and brought to Korea as a part of "Collection of pictures and writings of the old days and today" ("Kuchin t'ushu chich'eng") in the first year of the reign of Cheongjo (Kang 1998, p. 168; Kim 2002, p. 69). By referring to that book, Cheong Yagyong managed to project a crane called keojunggi, which was later used in the construction of the fortress.

After he had carried out that work, he presented the descriptions of military facilities and the crane to the King. The order these descriptions appear in the "Complete works by Cheong Yagyong" ("Yoyudang cheonseo") is the following: "Pictures and description of ongseong [jar-shaped round wall in front of the gate built in order to give additional protection to the gateway]" ("Ongseong toseol"); "Pictures and description of fort" ("P'oru toseol"); "Pictures and description of hyonan [hole bored in the wall in order to watch and
attack the approaching enemy]" ("Hyonan toseol"); “Pictures and description of nujo [water reservoir established above the gateway in order to extinguish the fire set by the enemy]" ("Nujo toseol"); “Pictures and description of raising loads” (“Kijung toseol”); “General theory” (“Ch’ongseol”) (refer to Yoyudang cheonseo, 1, seol).  

In the “Pictures and description of ongseong” (“Ongseong toseol”) Cheong Yagyong spoke on the necessity of protecting the gateway from unexpected attack and the roof of the gate from attacking with fire by the establishment jar-shaped round wall in front of the gate. The number of entrances (one or two) and the shape (round or square) depended on the size of the fortress (Yoyudang cheonseo, 1, ongseong toseol). 

In the “Pictures and description of fort” (“P’oru toseol”) he talked about the effectiveness of ch’i (protruded part of the wall that makes it available to fire at the side of the approaching enemy), and suggested that such ch’i should have been upgraded to forts, watchtowers and other facilities (Yoyudang cheonseo, 1, p’oru toseol). 

In the “Pictures and description of hyonan” (“Hyonan toseol”) Cheong Yagyong proposed to bore holes in the wall in order to watch and attack the approaching enemy. He pointed out that though it might have seemed as something insignificant, in fact it was essential as a perfect way to observe the footing of the wall. He urged to bore such holes in the face sides of ongseong and forts (Yoyudang cheonseo, 1, hyonan toseol). 

In the “Pictures and description of nujo” (“Nujo toseol”) he underlined the efficiency of establishing water reservoir above the gateway in order to extinguish the fire set by the enemy. He argued that though there was a method of covering the doors of the gate with a piece of iron, it wasn’t safe because the iron was too thin and thus couldn’t supply sufficient protection. As the front gate was supposed to be equipped with ongseong, Cheong Yagyong proposed to establish water reservoir above the doors of ongseong instead of establishing it above the doors of main gate (Yoyudang cheonseo, 1, nujo toseol). 

In the “Pictures and description of raising loads” (“Kijung toseol”) he noticed that it was even more difficult to lift building stones than to obtain them. For the purpose of relieving this task he projected a crane based on the principle of using pulleys and thoroughly described its construction and the way of using (Yoyudang cheonseo, 1, kijung toseol). 

While the “Pictures and description of raising loads” (“Kijung toseol”) depicted configuration of the crane, the “General theory” (“Ch’ongseol”) spoke on general principles of the work of the crane and its advantages. According to Cheong Yagyong, “when using a pulley in moving heavy objects, there are two conveniences. First, the economy of manpower, and, second, preventing heavy objects from crumbling and falling”. Cheong Yagyong emphasized that the crane that he had invented enabled to move the weight of twenty-five thousand pounds (keun) by using the force needed for forty pounds (Yoyudang cheonseo, 1, Ch’ongseol). 

Such was the investigation that Cheong Yagyong carried out for future construction of Hwaseong fortress. Though he didn’t take part in the construction personally, 11 many of what he had proposed was implemented.

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10 Although five of six above-named texts are titled “Pictures and descriptions...”, only the “Pictures and description of raising loads” (“Kijung toseol”) is supplied with pictures; pictures for four other descriptions haven’t been found. 
11 In 1794, when the period of mourning was over, Cheong Yagyong was appointed first at the Confucian Academy (Seonggyungwan), and soon after that a royal secret commissioner (amhaeng eosa) to Kyongi-do province. It was only one more time that Cheong Yagyong’s activity was connected with Hwaseong – in 1795, when he accompanied the procession to Prince Sado’s tomb (eulmyo wonhaeng).
4. The Influence of Cheong Yagyong's Proposals on the Construction of Hwaseong Fortress

The length, the height, and the slope of the wall were the most evident examples of the application of Cheong Yagyong ideas. The length of the wall was about 5 km; its average height was 5 m. It was similar to the suggestions of Cheong Yagyong. His suggestion relating inclining the wall was admitted, too. Such height was 2 times shorter than usual height of Korean fortresses (No 1999, p. 309). The length of the wall, taking into consideration that it was built around the town (not in the mountain), was rather short, too. It can be explained by the dramatic changes in Chinese concept of fortification, that influenced Korean one. The main reason for such changes was the introduction of gunpowder into warfare and the necessity of making the walls of a fortress more steady for the attack of guns and cannons. It reflected in building the walls lower than before, as high walls became useless in modern combat. Short length of the fortress made it available to equip it with the plenty of military facilities that could play the leading role in the defense. And inclined wall, with the slope of its two thirds and protruded apex, was much more steady than simply vertical one, and allowed the defenders to observe the foot of the wall.

His proposal to lay the heaviest stones in the basis of the wall, and the lightest ones on the top was implemented, too. Besides it, in the construction of Hwaseong fortress there were included all military facilities that he presented in the descriptions (Hwaseong seongyok uigye, kwonsu, toseol).

At the same time, his suggestion to use stones as building material was only partially admitted. In fact, the construction of this fortress solved the problem of choice of building material, which had been the point of issue in dispute between the supporters of bricks, building stones, and earth. The solution was found in original way. The main part of the wall was built of stones, while the gates, the military facilities, and sometimes the top of the wall were built of bricks. As for earth, it was used in the inside part of the wall to prop it up. Here it is necessary to underline that the position of Cheong Yagyong in this dispute (his claim to use stones) shows that at that time he didn’t share the ideas of the ‘school of northern learning’ (pakhak), which claims were to use bricks in the construction of fortresses, as it was in China.

Another thing that was used during the construction is the famous crane projected by him. However, it should be mentioned that only one copy of it was made (Hwaseong seongyok uigye, kwon 5, chobi, kige). In other words, doubtfully it played a significant role in the construction. Though this crane is very important as a result of Cheong Yagyong’s investigation of the principle of the work of pulleys, its practical usage was limited. It were rather wagons that were used in relatively large scale. Among different types of them there were also used 11 copies of Cheong Yagyong’s juhyonggeo (Hwaseong seongyok uigye, kwon 5, chobi, kige). As for his proposal to dig a ditch around the fortress, it wasn’t implemented at all.

Meanwhile, there were military facilities that were not proposed by Cheong Yagyong. Among them there can be named 3 towers (kongsimton). No Yonggu pays special attention to these towers, arguing that they (especially the one located to the North-East) had much in common with the bastions of European fortresses of about 1500; that bastions are considered as a result of the so-called gunpowder revolution (No 1999, pp. 314-315, 319). In short, though Cheong Yagyong’s study of fortification, accomplished in 1792, was

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12 According to Cheong Yagyong’s “Theory of fortification” (“Seongseol”), the length of the fortress should have been 3,600 po; it is approximately 4.25 km (Yoyudang cheonseo, 1, seongseol).

13 Compared, for example, with the length of the fortress of the capital (Toseong), which was about 15 km.
significant, it was only a basis for more huge investigation carried out in the Royal Archives (Kyujanggak) by the end of 1793 (No 1999, p. 311).

The question is what was the reason for ordering him to do this work, especially as he had put on mourning, while at Cheongjo’s disposal there were scholars from the Royal Archives. According to one version, making Cheong Yagyong, who was only 30 years old at that time, work on the construction (instead of entrusting it to the specialists in fortification) may be explained by the unwillingness of Cheongjo to use existing ideas and methods of construction (Kim 2002, p. 70). Indeed, Cheongjo would like to know the ideas of the young talented scholar, but the main reason seems to be different. It was to prepare him for future work under the monarch’s rule. And, actually, it is a point of discussion, whether Cheong Yagyong’s ideas of construction were new. On the contrary, his approach can be regarded as traditional.

5. Cheong Yagyong’s Approach to the Problem of Fortification

Among common features of most of Cheong Yagyong’s works relating the military facilities and the means of the construction of Hwaseong fortress, there can be named his permanent appeal to the past, either Korean or Chinese one. While working on Hwaseong fortress, he made comparisons with the ancient times in each of the texts. In the “Pictures and description of ongseong” (“Ongseong toseol”), for example, he persisted that ongseong existed already in China in Han and Wei periods and complained that in Korea it had been established properly only in Heungyinmun (Tongdaemun); in the “Pictures and description of raising loads” (“Kijung toseol”) he argued that humane rulers of Chou hadn’t have moved heavy objects at the expense of toil and hardships of commoners, and grieved that the knowledge of that times had been lost (Yoyudang cheonseo, 1, ongseong toseol, kijun toseol). Surprisingly, such parallels with the past were not made not in the commentaries on the Classical Canon, and even not in the text devoted to the problems of administration, but in those devoted to the problems of construction and defense. To put in short, Cheong Yagyong sought the solution of the problem of technical development of the country in returning back to the roots.14

Of course, this statement is open to an obvious objection that Cheong Yagyong’s appeal to the past was a kind of unconscious “pretext”, and his claims had historical similarity with the claims of the philosophers of European Renaissance, who were driving towards humanism while thinking that they were restoring the antiquity. (Sin 1997, p. 57). Indeed, such point of view can be proved by the words of Cheong Yagyong himself, who appealed to assume ideas of those who lived in the past and refer it to the new order (Yoyudang cheonseo, 1, kijung toseol). The problem is that, as it was pointed out above, such appeal to the past appeared not only in Cheong Yagyong’s commentaries on Chinese Classics or in his projects of administrative reforms, but also in the texts introducing new methods of fortification. In other words, his perception of such concept as “technique” at the time he worked on Hwaseong fortress was little different from the traditional approach.

Moreover, the problem is that besides the fact that he perceived the development of technique as a restoration of “lost traditions”, it is also important to point out that sources he referred to can’t be regarded as modern either. As it was mentioned above, projecting

14 Pak Seongnae argues that only few works among huge Cheong Yagyong’s anthology introduce Western science and technique; it means that originally Cheong Yagyong showed little interest to Western science and technique (Pak 1998, pp. 372-373).
the crane (keojunggi) was accomplished with the help of the book that was issued more than one century and a half before ("Pictures and descriptions of wonderful mechanisms" ("Ch’i-ch’i t’ushuo") by Wang Cheng). Similarly, study of military facilities was also based on either the sources from late Ming China ("Notes of military preparations" ("Wupei-chih") by Mao Yuan-i, "Record about practical government" ("Shihcheng-lu") by Lu K’uen, "Book on fortresses" ("Ch’eng-shu") by Kuo Tzu-chang, "About forts" ("Pao-yao") by Yin Keng), or Korean sources of corresponding period ("Proper base for conducting a warfare" ("Cheonsu kyiui") by Yu Seongnyong).

On the one hand, these records can’t be regarded as archaic on the reason that they were completed after the introduction of gunpowder into warfare. Thus, methods of construction of fortresses suggested in them considered the defense against the use of guns and cannons (No 1999, p. 300). That’s why general principles formulated there were applicable to the reality of the 18th century, and many military facilities described in them, being revised, were used in the construction of Hwaseong fortress (No 1999, pp. 309-312).

On the other hand, from the methodological point of view, usage of the books that were published almost 200 years before can hardly be classified as a breakthrough in technique. Certainly, such selection of sources can be partially explained by the shortage of material. For instance, the "Notes of military preparations" ("Wupei-chih"), being issued in China in 1621, was published in Korea only on the 13th year of Yongjo’s rule (1737); or, as it was mentioned above, the "Pictures and descriptions of wonderful mechanisms" ("Ch’i-ch’i t’ushuo"), published in China in 1627, appeared in Korea only on the 1st year of Cheongjo’s rule (1776). But it seems that the main reason was the worship towards Ming dynasty and despise towards “barbaric” Ching, that were a common place among Korean scholars of that time. And here Cheong Yagyong acts as a typical scholar of that time, making compilation of works written in Ming China.

In short, Cheong Yagyong’s approach to the problem of fortification shows that in the period he worked on Hwaseong fortress both his perception of the concept of technique (appeal to the past) and his method of technical innovations (reference to the books that were written almost two centuries before) doesn’t differ from the traditional ones. Doubtfully such approach could lead to self-emergence of the science of Western type in the future.

Though, as it was said above, in such approach to the problem he can hardly be distinguished with the traditional Confucian scholars, the subject of study itself was absolutely different. Working on crane or wagon for lifting building materials was not the subject Confucian scholar was supposed to study. From that point of view Cheong Yagyong’s activity was no doubt outstanding. The question is if all that investigations were carried out by him wishfully.

6. The Role of Hwaseong Fortress in Cheong Yagyong’s Formation as a Scholar

First time when Cheong Yagyong encountered the problems of fortification was 1787, when the King ordered him, at that time a student of the Confucian Academy (Seonggyungwan), to study the theory of warfare. But here the aspirations of the King and the scholar contradicted. Cheongjo, who looked upon Cheong Yagyong as a clever and talented vassal, who should be prepared for future service, considered that Cheong Yagyong must have obeyed King’s orders. However, the latter one looked upon himself as a man of high birth, and thus believed in his right to have independent point of view. That is why Cheongjo’s order entailed hidden discontent on Cheong Yagyong’s part, who even started thinking about giving up preparations for the State examination (kwageo), and
studying the Classical Canon in retirement. That is one of the reasons why he entered on an official career so late, in 1789, after several failures at the State examinations (Cho 2001, pp. 178-180, 222-225).

Such duality in the relations between the scholar and the King had been remaining all the period, until Cheongjo’s death. Even later, in the exile, Cheong Yagyong would say: “I set my mind on learning in my youth, but for twenty years I became enmeshed in secular affairs and was not able to discover the great Way with which the sage-kings of old governed the empire” (Setton 1997, p. 64). To conclude in brief, although the problems that Cheongjo ordered him to investigate were untypical for a Confucian scholar, Cheong Yagyong’s reaction to such order was quite traditional.

Nevertheless, it can be argued that working on the problems of fortification made a serious impact on the formation of his ideas. His thoughts about the role of technique in human history were later recorded under the title, “Discourse on arts and crafts” (“Kiyeron”, about 1799-1800). This work depicts the changes in his attitude towards technique, and gives a key for understanding his historical view. According to him, the development of arts and crafts was an inevitable process, which was being pushed forward not by individuals, but by the masses (Cho 2000, p. 220). Cho Seongeul argues that as soon as Cheong Yagyong stated that technique was being improving step by step, such outlook and the perception of history can be considered as progressive (Cho 2000, p. 225). Anyway, it shows that from the time he worked on Hwaseong fortress his comprehension of technique had suffered changes. No doubt that such understanding of the role of technique, which was untypical earlier, was formed during his work in the Royal Archives in 1796-97, where he learned about the ideas of the ‘school of northern learning’ pukhak from Pak Chega (Cho 2000, p. 219). But it should be added that the basic knowledge of technique was gained during his work on the construction of Hwaseong fortress.

7. Conclusion

When speaking about Cheong Yagyong and his role in the construction of Hwaseong fortress, it is necessary to underline that the construction was the event that was encouraged. It was neither an elemental process nor the process that was unavoidable because of the reasons of national security or economic necessity. Though it is impossible to diminish the role of the above-mentioned factors, it should be admitted that the construction of the fortress, as well as the whole development of the town were undertaken due to certain political reasons and were leaded exclusively by the authority and individuality of Cheongjo. Consequently, participation of Cheong Yagyong in the construction also rooted in Cheongjo’s political will and the strategy of recruiting young talented scholars. Thus, the problem of Cheong Yagyong’s role should include not only the impact of Cheong Yagyong’s proposals on the construction of the fortress, and his approach to the problem of fortification, but also the relationship between Cheongjo and Cheong Yagyong, and the role of Hwaseong fortress in his life.

The relationship between the King and the scholar may be described in terms of Cheongjo’s demands towards Cheong Yagyong (that were based on his expectations) and
the latter’s response to those demands (which was stipulated by his opinion about proper relations between the ruler and the subject). To make a long story short, it wasn’t Cheong Yagyong who implored the King to use different military facilities; it was the King that persistently urged the young scholar to learn things that might be useful to the benefit of state. And what is more, it seems that receiving helpful proposals and advice was not the first item on the agenda (though it is not excluded). The main goal for the mobilizing Cheong Yagyong to do such work was to bring him up as a talented cadre that would play a certain role in Cheongjo’s politics. On the contrary, Cheong Yagyong considered himself rather a noble man than a vassal, and showed more interest towards studying the Classic Canon than carrying out investigations ordered by the King.

At the same time, impulse that was given to Cheong Yagyong by studying different military facilities and various “wonderful mechanisms” in connection with the construction of Hwaseong fortress arouse his interest in technology. And acquaintance with Pak Chega, whom he used to meet in 1796-97 during his work at the Royal Archives (Kyujanggak), made him closer to the ‘school of northern learning’ (pukhak). Generally speaking, it won’t be an exaggeration to say that almost 2 decades of learning and serving under Cheongjo’s rule (from their first meeting in 1783 after Cheong Yagyong’s success at the state examination to the Confucian Academy (Seonggyungwan) and until Cheongjo’s bizarre death) were the most active and fruitful in Cheong Yagyong’s life. Knowledge attained under Cheongjo’s patronage and the experience gained through the government service formed him as a scholar and gave him unique material that he successfully used during the following 2 decades of exile when he completed his most famous works.

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Glossary

*amhaeng eosa* 暗行御史

“Ch’eng-shu” 城書

*ch’i* 城, 城壁

“Ch’i-ch’i t’ushuo” 奇器圖說

“Ch’ongseol” 總說

Cheong Yagyong 丁若镛

Cheongjo (king) 正祖

“Cheonsu kyiui” 戰守機宜

Ching 清

*chobi* 措備

Choseon 朝鮮

Choseon dynasty 朝鮮 王朝

Chou 周

*chugyo* 舟橋, 배다리

*eulmyo wonhaeng* 乙卯園幸

‘filial piety’ 孝; 孝道

Han 漢

Hangang Bridge 한강 대교
Heungyinmun (Tongdaemun) 興仁門 (東大門)
Hwa (Mt.) 花山
Hwaseong 華城
Hyegyong (lady) 惠慶宮 洪氏
Hyojeng (prince) 孝章 (孝章 世子)
hyoan 懸眼
“Hyoan toseol” 懸眼圖説
Hyolliyungwon 顔隆園
kapchanyon kusang 甲子年 構想
keojungi 孝重器
keun 斤
kige 器械
“Kijung toseol” 起重圖説
“Ki-eron” 技藝論
kongsimton 空心墩
“Kuchin i’ushu chich’eng” 古今圖書集成
Kuo Tzu-chang 郭子章
kwageo 科學
kwon 卷
kwonsu 卷首
Kyujanggak 奎章閣
Lu K’uen 呂坤
mangnu 望樓
Mao Yuan-i 茅元儀
Ming 明
‘new town’ 新都市
nujo 漏槽
“Nujo toseol” 漏槽圖説
ongseong 蓋城
“Ongseong toseol” 蓋城圖説
P’aldal (Mt.) 八達山
“P’oru toseol” 砲樓圖説
Paebong (Mt.) 拜峰山
Pak Chega 朴齊家
“Pao-yao” 堡約
po 步
pukhak 北學
Sado (prince) 思悼 (思悼 世子)
sannam 三南
Seonggyungwan 成均館
“Seongseol” 城説
“Shihchung-lu” 實政錄
sirhak 實學
Sunjo (king) 純祖
Suwon 水原
t'angp'yang cheongch'yi 蕃平政治
t'oseong 土城
Teng Yu-han 鄧玉函
toseol 圖說
Toseong 都城
University of Seoul 서울시립대학교
Wang Cheng 王徵
Wei 魏
“Wupei-chih” 武備志
Yin Keng 尹耕
yiyoung husaenghak 利用厚生學
yojang 女壇，性加義務
Yongjo (king) 英祖
“Yoyudang cheonseo” 與畜堂全書
Yu Seongnyong 柳成龍
yuhyonggeo 游衡車
Cultural Boundary-Crossing or Culinary Purloining? The Practice of Running Japanese sushi bars by Korean Diasporas

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1. Introduction

Japanese sushi is gaining popularity recently in many parts of the world especially in North America, Europe, and Oceania. This Japanese food is relatively new to most of the people in these regions, but more and more people consume sushi these days. As a matter of fact, in North America the amount of sushi sales is growing continuously while the sales figures of fast food such as hamburgers (especially the once most popular McDonald’s burgers) is declining.¹

Interesting is, however, many of the newly opening Japanese restaurants and sushi bars in North America, Europe, and Oceania (from Honolulu to New York and from Paris to Moscow) are operated by ethnic Koreans. For example, in 1999 in Riga, the capital city of newly independent Latvia, I found out that the two newly opened Japanese restaurants in the city (they were the only Japanese restaurants until I left the city in June 2000) were all owned and operated by ethnic Koreans. What is more interesting was that these Koreans are from Frankfurt, Germany, and several of their waitresses were ethnic Koreans brought from Kazakhstan.

Such a phenomenon is not confined only to Europe. There are more than one hundred fifty Korean-owned Japanese restaurants listed in the Los Angeles Koreatown Directory.² There is also a ‘sushi academy’ (Tokyo Sushi Academy located at the corner of Normandie Avenue and Beverly Boulevard) in Los Angeles Koreatown. The academy offers 6-week intensive course through which one can be ready to open a sushi bar. The academy produces more than hundred ethnic Korean sushi chefs every year. The same directory even advertises “sushi robot” – an automatic machine that measures rice and vinegar, cooks rice, and formulate the cooked rice into sushi shapes and sizes (p. 753).

Among some twenty Japanese restaurants in downtown Auckland, New Zealand, more than half of them are owned and operated by ethnic Koreans. (Probably the same is true in Australia and elsewhere. Add number of Korean-owned Japanese restaurants in Australia here).

Engaging in Japanese restaurant business in North America, Europe, and Oceania, these Korean diasporas not just cross multiple cultural boundaries, from Korea to host societies, and from Korean culture to Japanese one. They also represent “Japanese” culture in their host countries. Thus, this practice of Korean diasporas running Japanese restaurants in these regions provides us with many interesting insights on cultural boundary crossings, hybridity, representation and minority entrepreneurship.

¹ New York Times (2003, March 3) reports that McDonald’s is striving to regain ground in the face of declining sales.
² The Korean Directory lists most of the Korean-owned businesses in LA and southern California and it is issued every year. This information is based on the 2002-2003 edition of the Directory.
This paper is about Korean diasporas' running Japanese sushi bars in North America, Europe, and Oceania. Particularly, it looks this particular practice in terms of cultural boundary crossing, hybridity, representation, and minority entrepreneurship. In so doing, this paper sheds light on how ethnic Koreans run Japanese restaurants in these countries, how they have changed sushi, the traditional Japanese food, and how they have globalized it by opening their businesses in countries and places where neither Japanese nor locals venture into such business.

2. Popularity of Japanese Food: Health Concerns and Desires for Cultural "Coolness"

The increasing popularity of Japanese food especially sushi in North America, Europe and Oceania is related to the increasing concerns over health. Today people pay more attention to health issues and worry about diseases that are related to high fat consumption. They avoid traditional fast food such as hamburgers, pizzas, fries, and soft drinks as these are viewed as unhealthy. Thus, conventionally popular lunches of such fast food are replaced by custom-made sandwiches with freshly baked bread (Subway, for example), salads, and exotic cuisines such as Indian, Chinese and particularly Japanese sushi.

The image of Japanese food is positive in the west and especially sushi is known as "health" food. Indeed, according to a famous chef in California, the nutritional chart of California Roll – which is made of avocado, crabmeat, rice, and seaweed – is same as below:

One California Roll has about 40 calories, only 0.1 gram of fat, 2 mgs of cholesterol, 60 mgs sodium, 8 grams of carbohydrates, 0.25 mgs of fibre and 1.5 grams of protein. Wasabi is rich in Vitamin C. Nori has high levels of Vitamin A, B-complex, Niacin and Vitamin C (Source: http://www.stickyrice.com/sushi/faqs/faqs.html#Nutrition).

At the same time, the character of sushi as "exotic" non-Western food also provides consumers with certain distinctiveness. Consumers of sushi feel that they are different from others who are not familiar with this exotic food. As a San Francisco office worker confesses, eating at places like McDonald’s is socially less acceptable but eating sushi is "chic" today:

When I was a teenager, it was much more acceptable within my peer level to eat here [at McDonald’s]... But now, it comes off as uncultured, unclassy and uncool. Nobody brags about going to McDonald’s [these days]... If you want to be chic, you eat sushi. (New York Times March 3, 2003).

That is why sushi is gaining popularity particularly among young people in the west. As a matter of fact, the main cafeteria of my university has a section reserved for various kinds of sushi boxes and this area is always crowded with students choosing their favourite taste sushi. They include salmon, teriyaki chicken, spicy tuna, and vegetarian sushi. For young people who are concerned about health and money, a box of sushi makes a good alternative for conventional lunches of hamburgers and potato fries.

As mentioned above, consuming sushi is viewed as something "cool" by these young people. Such cultural values of going to sushi bar and having conversation at sushi bars is well utilized by an advertisement of a sushi bar:

Sushi is definitely a lifestyle. Over the years at Jay's sushi bar, we have had exceptional conversations, some wacky, some deep, but all memorable. The sushi bar is a great place.
to sit and chat with friends and experience a high-quality unwinding. It's a coffee place with some culture thrown in. With Jay, it's a bit like going to an art gallery where you can watch the artist paint. But the cool part is you get to eat it when he's done.3

Enjoying, or being able to enjoy exotic food has always been an important part of popular culture. Similar phenomenon was observed in India in the late 1950s and early 1960s when India gained independence from the Great Britain. Chinese restaurant owners in big cities like Calcutta saw a big rise in their sales as Indian elite tried to imitate their colonial masters who used to enjoy Chinese cuisines during the colonial period. According to my informant Mr. Wong, who used to own a big Chinese restaurant in central Calcutta throughout the 1950s, 1960s and 1970s, his restaurant business expanded more than five times after India gained independence.4 It was rather a fashion among Indian elite who replaced the British.

Similar thing can be said about the boom of Western food in Korea in the 1980s and 1990s. Fast food chains such as McDonald's and KFC came to Korea during the 1980s and they have enjoyed great popularity among young people and middle class families. Later, family restaurant chains such as Tony Roma's and Sizzler's were frequented by upper middle class families in wealthy residential areas of southern Seoul. Dining in such places is still considered as a status symbol in most of Asian countries.

3. Why Korean Diasporas for Sushi?

As mentioned above, Korean diasporas are quite visible behind the increasing sushi business in North America, Europe, and Oceania. Why are so many Korean diasporas engaged in this business all over the world? There are several reasons for this.

The difference in immigration patterns between Japanese and Koreans to North America, Europe and Oceania is a factor. Japanese immigration to Americas has a longer history than Korean immigration. While the great majority of today’s Japanese immigrants in the Americas arrived there in early twentieth century, the great majority of Korean immigrants to Americas arrived after the 1970s, at least two generation later than their Japanese counterparts. The old timer Japanese who used to run most of Japanese restaurants in California, for example, retired in the 1970s, 1980s, and 1990s. Meanwhile, their children who are better educated and more successful than their parents did not want to inherit their parents' business. Thus, since the 1970s Japanese restaurants began to be sold to non-Japanese.

When Japanese restaurant owners wanted to sell their business in California, many new Korean immigrants were searching for new business opportunities. Fed up with high competition among Korean immigrants in towns where Koreans are concentrated, many Korean immigrants bought Japanese restaurants that were on market. Korean immigrants who made some money through primary enterprises such as grocery and laundry shops, confronting with severe competition with other Koreans in the same business including Korean restaurants, gladly took over the old Japanese restaurants and move away from Koreatown in search of non-Korean market. In Los Angeles region alone more than 100 new Japanese sushi bars are opened during last 5 years by Korean immigrants outside of Koreatown. They would normally seek shops in relatively rich

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3 From the description of "StickyRice" company that sells sushi-related items together with sushi. http://www.stickyrice.com/sushi/what/what.html
4 My interview with Mr. Wong Eng Chick who was the owner of the Chinese restaurant "Waldorf" in central Calcutta.
neighbourhood such as Santa Monica, Glendale, Pasadena, and Monrovia.

This trend continued until recently as more Korean immigrants arrived in the US. Koreans have been immigrating to North America, Oceania and Europe en masse since the 1960s. Even today Koreans are leaving the country. According to surveys, some 70 per cent of Koreans want to immigrate to countries such as US, Canada, Australia and New Zealand if they have a chance. On the contrary, the number of Japanese immigrants to these countries is not much compared to the number of Korean immigrants.

Another important factor is Korean diasporas' socio-economic situation, which makes them to be more adventurous in their entrepreneurial practices. As latecomers to North America, Europe and Oceania, Korean immigrants need to find a niche market to establish themselves as quickly as possible. Due to their language problems, nonetheless, they tend to stick to Korean communities and this makes the competition among Korean immigrants very harsh. For example, in Los Angeles Koreatown there are more than two hundred Korean restaurants. This shows the harsh competition in Koreatown. Therefore, there is a great need for opening other businesses to cater non-Korean communities and for moving out of Koreatown in search of new opportunities.

Korean immigrants recognized that Japanese food business appeals wider market and the market itself is growing rapidly. By moving out of Koreatown, Korean immigrants do not have to compete each other. Therefore, they tend to open new business in neighbourhoods where there is no Japanese restaurants. The same is true in the areas of the US and rural states such as Mississippi, Missouri, Tennessee, and Alabama are popular among Korean immigrants to open Japanese (and sometimes even Chinese) restaurants. Similar trend goes in global level and Korean diasporas venture into countries that are popular among other ethnic groups. Eastern European countries such as Hungary, Poland, Latvia and Lithuania do not attract many Japanese for restaurant business and Koreans tend to view it as an opportunity. The same is also true in countries such as New Zealand where the local currency is not as valuable as Japanese yen, US dollars or Euro.

In addition, different training method is another reason why there are increasingly more Korean chefs than Japanese chefs. In traditional Japanese restaurant training is through a rigid apprenticeship and it takes a long time for an apprentice to become a chef — normally more than ten years. This is not true for those Korean sushi bar owners and chefs. In Tokyo Sushi Academy in Los Angeles Koreatown it takes only 6 weeks to finish an intensive course to become a chef. The academy boasts itself that one can learn more than 100 different kinds of Japanese food including sushi, miso shiru and other side dishes (sukidashi) within 6 weeks and with the cost of $3,000 which includes the costs of all the materials. This term is only half of the time where one has to spend for an intensive sushi course at the better-known Los Angeles Sushi Academy.

4. Cultural Boundary Crossing and Hybridity

Certainly, one of the most important factors here is the cultural and physical similarity of Koreans to Japanese. Westerners normally do not discern Koreans from Japanese and Koreans seem to be able to utilize this in engaging in Japanese restaurant business in these regions. Customers assume that the operators are Japanese as sushi is a Japanese food. According to my informal interview in Santa Monica area for five Korean-owned Japanese sushi bars, the great majority of the American customers did not know if they were served by Koreans not by Japanese. Even when they knew that the sushi bar's owner is a Korean, customers did not care much as in any case sushi is a global food already and there are so

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5 My conversation with owner-cum-teacher of the academy in January 2003 at the academy in Los Angeles Koreatown.
many different ethnic groups involved in this business including Chinese, Mexicans, Filipinos and so on. Anyway, the physical and cultural similarity between Koreans and Japanese helps Koreans diasporas running sushi business for non-Japanese customers.

For those Koreans in the business, pretending to be Japanese is not a totally alien thing at all. Koreans strongly distinguish themselves from “Americans” or “westerners”, believing that they have different culture – and often believe that their own culture and tradition are superior to those of the westerners. With such an idea, these Koreans tend to believe that they can represent “authentic Asian culture” to their western customers.

As a matter of fact, many of those ethnic Korean sushi bar owners emphasize how authentically “Japanese” their training and food are. By so doing, they also distance themselves not only from the westerners who are ignorant about authentic Asian culture but also from other Koreans who lack such depth in understanding sushi and Japanese cuisines. Especially, they even disregard old-timer American Japanese who lost their Japanese language and culture as non-Japanese and believe that they themselves are closer to authentic Japanese culture. In a sense, these Koreans tend to identity themselves as the ones with authentic “Asian” – which includes Japan and Korea – culture and spirit.

In this very regard, Fredric Jameson’s remark on “post-modern condition” is worth to be remembered. According to Jameson, in post-modern condition, everybody “represents” several groups all at once (1991, p. 322). Depending on circumstances, these Koreans become Korean or “Asian” which embraces Japaneseness.

John McLeod explains such a changeable identity using the thesis of Homi Bhabha and Gayatri Chakravorty Spivak who define identity basically a discursive product:

Because subjectivity is discursively produced, it is possible for it to be remade and remodelled in new and innovative ways – hence his attention to the processes of ‘articulation’ and ‘elaboration’ in the quotation. The border is a place of possibility and agency for new ideas. (McLeod, pp. 2000, p. 218).

For almost all Korean run Japanese restaurants, Japanese style interior decorations are norms. They all have Japanese style paper windows walls display Japanese art objects such as paintings and paper arts. They also have manekineko, the Japanese fortune-calling cat, which is common scene at any Japanese shops and restaurants.

Chefs, waiters, and waitresses appear “Japanese” in their Japanese style uniforms and hats. Following Japanese style, their uniforms are normally white, navy blue or black. Often, however, the way they wear uniforms is not as rigid as Japanese. Korean waitresses often wear the uniform coloured clothes but often they are uniforms. In genuine Japanese restaurants waiters and waitresses almost always wear uniforms, but that is not the case at Korean run places.

However, a closer observation can detect some subtle features that tell they are far from “authentic” Japanese places. The way waiters and waitresses behave and serve their customers are also different. Often waitresses and waiters of these Korean places do not wear uniforms, while most of Japanese restaurants require their workers to wear uniforms and hats.

My own observation at the “Shogun” Restaurant in Los Angeles Koreatown reveals some interesting differences between Korean-owned Japanese restaurant and Japanese-owned Japanese restaurant. “Shogun” is a typical “Japanese” restaurant that caters Korean customers. It is located at a busy business district of Koreatown. The current owner

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opened the restaurant six years ago. He used to be a chef at a Japanese restaurant in Seoul before he and his family immigrated to the US and settled in Los Angeles Koreatown. At “Shogun” the sushi menu is rather conventional and it has all the typical sushi with common fish such as tuna, mackerel, eel and so on. In addition, it also serves “Rainbow Roll” (which is common in any Japanese sushi places in California) and “Hawaiian Roll” (which is less common but still popular in California).

One of the most visible differences between “Shogun” and more common Japanese restaurants is side dishes: at “Shogun” both Japanese and Korean side dishes (sukidashi) are served. For example, their Korean side dishes include: radish kimchi (seasoned with red chilli), mung bean sprout (again, a popular Korean vegetable seasoned with sesame oil), and green chilli pickle (hot and sour, this is commonly served in many Korean and Korean-Chinese restaurants in California these days). They also serve more variety of alcoholic beverages: both Japanese sake and Korean sake.

In general the restaurant’s atmosphere is rather shabby and dark compared to most of Japanese restaurants in Japan. Waitresses of that restaurant are all wearing black-colored shirts, but at a closer glance one recognizes that they are not unified in their uniforms. They are simply wearing same shirts with same colour while in genuine Japanese restaurants, waitresses tend to wear same uniforms. In addition, “Shogun” restaurant functions not just as a restaurant – a public space – but it also functions as a home for the owner’s family, a private space. For example, the owner’s young son (some ten years old) was occupying a corner table doing his homework. He would move around the shop freely while I was dining. Later, the child turned on the TV hung on the wall and began to watch a cartoon. In a sense, at “Shogun” there was no clear division between the restaurant and home, which would not be the case in most of restaurants in Japan.

Sushi business in the context of a transnational culture of migration – these Koreans learned about sushi not in Korea but in America, Europe, and Oceania. They also found out that there are not many Japanese who work in this sector even though the demand for sushi has been growing.

Apparently, these restaurants appear as Japanese to local people with their Japanese names such as “Sushi Shogun” and Names of these places also indicate they are unmistakably Japanese.

It is in the names of these Japanese restaurants where hybridity occurs the most. In some cases Korean meaning would be used for simple Japanese pronunciation as in the case of “Wara Wara.” In Japanese this word does not have any meaning, but in Korean this means “come, come.”

“Kanpai” (3rd Avenue and Venice Street) is another example. The word ‘kanpai’ (Salute” in English) is relatively well known to many people especially among Koreans. Located inside of the LA Koreatown, this Japanese style bar is mostly to cater Koreans. What makes the bar exotic is its red-colored gaudy sign, which does not look Japanese at all (Figure 1).

When one looks at the names of the Japanese restaurants that are run by Japanese, one would recognize that the practice of naming restaurants in quite different from the way how Koreans name their Japanese restaurants. It is rare for Japanese-run Japanese restaurants having names such as Shogun, Samurai, or Tokyo and so on. Rather, Japanese owners tend to name their restaurants differently. For example, one Japanese restaurant in Beverley Hills, Los Angeles (run by a Japanese lady whose husband is a Jewish businessman) is “Kiyono.” When asked what Kiyono was, she said it was her mother’s name and she named her restaurant to commemorate her mother. Here authenticity lies in private life of the Japanese owner. No one can imagine such a name except the owner
herself, as it is her mother's name.

5. Politics of Authenticity and Identity

Japanese are known for their desire for identifying themselves with westerners when they practice western restaurants. Most of western restaurants in Japan are carefully designed and decorated to give authentic look. As it is in the case of the Judo Itami's famous film "Tampopo" restaurant owners are almost obsessed with perfection and making the best ("number one") noodle in Japan.

Such attitude is still alive in the kitchens of Japanese restaurants. Los Angeles-based California Sushi Academy proclaims its pedagogical philosophy:


As mentioned here, Japanese cooking is not just viewed as a culinary skill but it is viewed as the "spirit" of Japanese culture.

But, Japanese and Koreans are connected economically as Koreans are consumers of nori, rice, seafood, and other equipments that are supplied by Japanese merchants and imported from Japan. As a matter of fact, Japanese companies benefit from the expanding Japanese restaurants all over North America and Europe as they supply most of the ingredients, equipments, and trainings. In the case of the California Sushi Academy mentioned above, the academy itself is owned by a Japanese man (who is both CEO and Director) but its Director and Vice President is an ethnic Korean.

Koreans tend to feel similar resentment for their own food - such as kimchi - taken by other countries. In 2001 there was so-called kimchi war between Korea and Japan as the two countries were competing for CODEX recognition for Japan's kimuchi and Korea's kimchi. The CODEX adopted "kimchi" instead of "kimuchi" as the official name for the fermented vegetable. However, worries over kimchi continues today as China emerged as the major exporter of kimchi both in Korean and international market. November 25, 2002 Donga Daily newspaper reports about China's increasing kimchi export. The newspaper worries that not only the "cheap" Chinese kimchi threatens Korea's export market but also the former might "distort" the tastes of kimchi among foreigners. While food like kimchi can be produced in any country, this article implies that somehow Chinese-made kimchi cannot be genuine. This reminds us of the old "shinto buri" propaganda of the late 1980s when South Korean farming sector was in crisis in the face of agricultural market opening pushed by the US. At that time the Nonghyop (Farmers' Union) of South Korea spread the idea of "Shinto buri" which claims that human body and soil are essentially connected and, therefore, people can be truly healthy only when they live on the products produced from the very soil where they are born.

The attitude of Korean chefs toward sushi and other Japanese cuisines may not be as serious as that of Japanese chefs. Koreans tend to take a very practical attitude and sushi is treated simply as a commodity. As they serve non-Japanese, Koreans tend to be ready to cater their palates.

Changing sushi due to Koreans' detachment from Japanese tradition. As Koreans are not bound to the tradition, they tend to be more adventurous in creating and inventing new kinds of sushi according to the tastes of their customers who are normally non-Japanese but Americans and Europeans. Therefore, new kinds of sushi are added continuously to their menus. Indeed, like sandwiches, sushi can be made with almost anything including
vegetables, fruits, fish, and meat. "California Roll" was invented when locals rolled rice without nori (seaweed) and added locally abundant avocado, which is frequently used for sandwiches in California. Each city in the west coast seems to have its own sushi: Santa Monica Roll, San Diego Roll, and so on. In New Zealand I even saw Wellington Roll.

One peculiar thing is the kinds of sushi they serve – rolls with new names such "Rainbow Roll" which do not exist in Japan.

Nonetheless, Japanese restaurants themselves have been changing a lot in the US and elsewhere in the last few decades. This is simply to follow the popular knowledge of Japanese food caused by the time and non-Japanese aspects added to Japanese authenticity. Restaurants cannot be free of such trend, and these restaurants also serve the new types of sushi that are popular among American customers. The Kiyono mentioned above is located in a prosperous street at the heart of Beverley Hills, a wealthy neighbourhood of which the great majority of residents Jews. With its authentic Japanese façade, the restaurant also serves new sushi such as "Bad Boy Roll" (calamari tempura with asparagus and soy paper), "Las Vegas Fever Roll" (shrimp tempura with spicy tuna and avocado), "Sexy Dancer Roll" (fresh water eel tempura with asparagus in pink soy paper), "Show Me Money Roll" (shrimp tempura with California Roll), and "God Father Roll" (baked fresh water eel with shrimp tempura and asparagus). (Figure 3).

Koreans’ copying Japan

Koreans tend to be proud of their conveying Chinese civilization to Japan in ancient days. Today Koreans tend to remember how Japan imitated and copied Western civilization. Nonetheless, Koreans tend to be relatively quiet when it comes to their imitating and learning from Japan in their recent history. Such dubious attitude toward Japan (both as an enemy and model) has continued and it is still prevalent in Korean psyche.

As a matter of fact, considering the history between the peoples of Japan and Korea, which has been often loaded with misconceptions, this fact that Korean immigrants prosper by running Japanese restaurants sounds a bit absurd. Nonetheless, those Koreans – either restaurant owners or Korean customers – do not seem to consider such disguise particularly weird.

Indeed, this phenomenon of Koreans diasporas engaging in Japanese sushi bar business is linked not only to international migration, but also to Korea’s history of colonialism.

Koreans have imitated Japanese culture, technologies, and foods for a long time in their history. Especially, the modernization process itself has been imitated or copied from Japan. Japan’s development has been the model for many Asian countries’ development especially for South Korea. Under President Park’s reign Japan’s economic planning and management methods were actively imitated and copied.

Most of cartoons and TV animations that my generation grew up with were from Japan. In any case, Japanese popular culture was already in Korea long before the ban was lifted. All the animations – such as “Marine Boy,” “Golden Bat,” “Atom,” “Tiger Mask,”

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7 Korean emissaries to Japan disregarded Japan’s high technology and skills during Choson dynasty, while feeling that their culture is superior to that of Japan. Nonetheless, there were many things that probably impressed Korean emissaries in Japan: fortress building, shipbuilding, roads, temples, tea ceremonies, weaponry – especially the muskets that Japanese soldiers used during the Hideyoshi’s invasion to Choson. At that time, Koreans did not want to learn anything from Japan. However, that attitude was changed after the colonial period and now Japan became Korea’s teacher.
The Galactic Railway 999" -- that I grew up with were Japanese even though we did not know they were Japanese. People in Pusan region were watching Japanese TV programs long before colour TV programs were available in Korea in the end of 1980.

The old generation’s hatred of Japan’s past atrocities to Koreans did not stop young generations from preferring Japanese products from stationery to clothes. Smuggled or forged Japanese products in Korean black markets. Japanese products were not just consumed by their utility values but they were loved due to their appeal to their hearts. For example, Hello Kitty doll is a comforting object that most young Korean girls cherished as it is elsewhere in Asia. With its Asian tone, Japanese popular cultural products tend to be more appealing than American or Western ones do to Korean.

Today Koreans have passed the stage of simple copying of Japanese popular cultural objects. They create their own objects by imitating Japanese. One example is the character MashMaro rabbit, which is gaining popularity among Chinese young people. This is probably imitation of the Japanese “Hello Kitty” character. Even the name of the rabbit character MashMaro sounds somewhat Japanese even though the creator denies it, saying it is from “marshmallow.” (xxxx, 2002). Of course, Hello Kitty very much sounded like American with its English name. At that time when Hello Kitty was created, English gave modern image. Now, Koreans use Japanese sounding names and this is because Japan has such an image of development and coolness.

Imitation and copying were not only confined to technologies and popular culture. It was applied to food as well. One of the many results of the intimate contacts between colonizers and colonized in Korea is Korean style sushi, which is called “kimpap” (literally means “nori rice”). This kimpap, though it originated during the colonial period, became an essential part of Korean life especially because this food is widely used as picnic food. It is almost unthinkable not having a box of kimpap on school picnic day. Coming from Japanese “maki sushi” (or “rolled sushi”) – with narrow strips of different ingredients such as seafood, vegetables or pickles layered on a bed of vinegar rice and spread on a sheet of nori – Koreans changed the Japanese contents with Korean ones – normally with seasoned and pan-fried beef, seasoned spinach, yellowed-colored daikon, and omelette. In some parts of Korea kimchi is put inside instead of those ingredients above. Kimpap is an interesting combination of Korean and Japanese: Japanese façade and Korean content.

In any regard, Japanese restaurants are very popular in Korea. These restaurants serve typically sashimi, sushi, chirashi (sashimi and sauce covered rice, which is called as “hoedeoppap”), and fish soups. Differently from Japanese restaurants in Japan, fish soups served in these restaurants are very spicy with lot of red chilli powder.

As a matter of fact, such an application was rather common in colonial experiences of the colonized. Vietnamese, for example, invented sandwiches using French bread and Vietnamese pickles inside. Again, French façade and Vietnamese content was the case. In any case, Koreans already had a tradition of converting Japanese sushi into kimpap by replacing Japanese contents with Korean ones.

6. Conclusion

Behind the increasing popularity and globalization of Japanese sushi are many Korean diasporas who venture into such business in places and countries where neither Japanese nor locals do not engage them. They open Japanese restaurants and sushi bars and make their fortune through the changing Western tastes in food and concerns on health. By so doing, Koreans diasporas practice unique cultural boundary crossing across multiple boundaries of Korean, Japanese, and western cultures.
Incredulous and absurd it may sound to Japanese cultural nationalists, by running Japanese restaurants and selling sushi, these Korean diasporas actually represent "Japanese" culture to people who are not familiar with it. According to my interview with the customers at such restaurants in Santa Monica, Frankfurt, Riga, and Auckland, non-Japanese customers do not know they were served by Koreans not by Japanese.

Reference


List of Figures

Figure 1: Kanpai Japanese Bar in Koreatown (at the corner of 3rd and Vermont Boulevard in Los Angeles).

Figure 2. Japanese Restaurant “Kiyono” in Beverly Hills (at the corner of Beverly Drive and Gregory in Beverly Hills).
Traditions and Innovations in the Names of Koreans in the Central Asia

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In total, the number of Koreans who lived in the USSR, according to the 1989 Census was 439 thousand, the great bulk of whom lived in Uzbekistan, Russia, Kazakhstan (Kim and King 2001; Kan 1995; Kim 2000; Kim and Men 1995; Kim 1993; Kim 1998; Lee 1998; Pak 1993, 1995).

The modern demography of the Korean population is characterized by dispersion: this demography is a legacy of the policy of forced migration during the Stalin Epoch, and also by processes of migration and infiltration among the Korean Population. In scientific, public and political literature the term "Soviet Korean" became the most common form of self-appellation and was adopted in other countries too as the most frequently used nomenclature. On account of the disintegration of the Soviet Union, the former Soviet Republics became sovereign and the need arose for the new name for the Korean population in the independent Republics. In my opinion, an appropriate term already exists: “Koryo Saram”. Up to this day, the older generation of Koreans, born in the far east, have preserved a form of self-appellation that is an ancient ethnonym and nowadays you can often hear the following: “We are neither Hanguk saram (South Korean) nor Choson saram (North Korean). We are Koryo Saram.”

Koreans in Central Asia are heterogeneous in their composition; they can be divided into three groups. To the absolutely dominating in terms of quantity group belong descendants of settlers mostly from the northern part of Korea to the Russian Far East. This group is represented by 2-5 generations. To the second group belong Sakhalin Koreans. As is well known nearly 60,000 Koreans were by force and deceit resettled from the southern part of the Korean peninsular in 1939-1945 for forced labor in the mines of Karafuto (Japanese name of the Southern Sakhalin). After the end of the Second World War more than 47,000 Koreans stayed in the Southern Sakhalin. At present time the number of Sakhalin Koreans is more than 35,000 and they represent 1-3 generations (Bok 1989a, a1989b).

The third group is the least numerous but it is noteworthy because its representatives know the Korean language very well. This group is composed of former citizens of the North Korea who stayed in the Soviet Union after contract work, after graduation of higher educational institutions, post-graduate courses or those who had crossed the border and got residence permit. This group, in its turn, is also characterized by heterogeneity, here are persons who have Soviet citizenship, citizens of the DPRK permanently living in our country and persons without citizenship belong.

The study of Koryo Saram anthroponomy has a certain tradition. An interest in this problem is displayed by ethnographers (R. Dzharylgazinova) and philologist (O. Kim, M. Khegai). Certain success has been achieved in the research of traditional and new ele-

As a source for this article were different official documents. Economic and family books of Kolkhoses with a Korean quota (the period between 1940 and 1990), lists of Korean Inhabitants in the town Ushtobe, the region of Taldy-Kurgan, the birth registration books in the archives of ZAGS (office for the recording and preservation of the acts of marital and family status) of the Kalinin district of Almaty and of Kaskelen and Talgar district of the Alma-Ata.

Rosa Dzharylgazinova has revealed 4 patterns in the anthrophonomy of Koryo Saram in Central Asia and Kazakhstan. These patterns are correlated by chronology (Dzharylgasynova 1980).

1. the traditional Korean Anthrophonomy (from 19th until the 2nd decade of the 20th c.), which I will indicate as A-1.
2. The predominance of traditional Anthrophonomy and Appearance of new element in names of Koreans in the Soviet Far East (the 1920-30s) – A-2.
3. The Anthrophonomy of traditional type with an increased role of the Russian names (the 1930-60s) – A-3
4. The Anthrophonomy with a new formula for a person’s naming surname, personal name – patronymic which was confirmed in the 1960-70s – A-4.

In my opinion, these are worth being correlated to the three groups of Koreans living in Kazakhstan. If the Koreans of the 1st group, which I have indicated as K-1, have the predominant Anthrophonomy A-4, then for the group K-2 the types A-3 and A-3 are characteristic. And for the group K-3 – the type A-1.

The main component of the traditional Korean formula for appellation are a surname or hereditary name, and a given name. As a distinct tradition from the European Anthrophonomy, the surname always proceeds the given, individual name. For example, in the combination Kim Khon Been, Kim is the surname and Khon Been is the first name.

As a rule, the Korean surname is a monosyllable; two syllable surnames aren’t common. The traditional Korean Anthrophonomy doesn’t have any double surname, like the Russian, e.g. Bestuzhev-Ryumin and Saltykow-Chedrin. The number of Korean surnames is very small and it is defined by different scholars from 180 to 250. A comparatively-retrospective analysis of chronicles, encyclopedias and dictionaries allowed the scientists to draw a conclusion about the tendency towards a diminishing Korean surname fund. The most widespread Korean surname are considered to be Kim, Lee, Pak, and Choe.

The surname is the most stable component in the modern formula of naming among the Koryo Saram. Among the Korean, living in Kazakhstan, the following surname are the most widespread: An, De (Fyo), Din., Em, Khan, Hvan, Kvon, Kim, Kon, Lee, Lim, Lyu, Lyan, Min, Mun, Nam, Nee, Nim, Pak, Pan, Pen, Pyak, Pyan, Simon, Sin, Son, Tyo, Ten, Tee, Tin, Tya, Ten, Tyan, Khan, Khvan, Khe, Tsay, Tsay, Chen, Chghan, Shek, Shin, Yun, Yan etc. Some new forms of surnames appeared among the Koryo Saram which were created by the additional of the particle “gai” to a surname ending in the vowel, the origin of which has not yet been certainly established. For instance, among Koreans in Kazakhstan are often the following surnames of this type: Degay, Digai, Dyugay, Dyagay, Yegay,
Kigay, Lagay, Ligay, Lyugai, Migay, Magay, Nigay, Nogay, Wigay, Ogay, Pegay, Tigay, Tyagay, Ugay, Khegay, Chagay, Shegay, Shegay, Yugay and etc.

International communication, a tendency for the processes of assimilation in the linguistic behavior of the Koryo Saram, with standardization and unification of naming formulas in official documents, caused the following innovations in Koryo Saram surnames:

1. The appearance of double surnames, e.g. Nee-Lee, Orlova-Kim etc. But only a small number of Koreans have double surnames.

2. The acceptance by Korean women of their husbands' surnames. But this practice has not spread everywhere. Many people continue to stick to the ancient tradition after marriage of a women preserving her maiden surname. In the Kalinin district of Alma-Ata (May 1980) were registered the birth of 18 Korean babies and the parents of 10 of them had different surnames.

3. Seldom is registered the inheritance of a mother's surname, whereas in Korea, a surname is hereditary from a father's side.

The distinguishing feature of Korean Anthrophonomy is the existence of toponimical-origin names, "bon"; bon is connected with the place from which the ancestors of a person are ostensibly originated. It is well-known that every Korean surname has a number of bons. For example, the surname Kim has 623 bons; nowadays there are about 70 frequent ones—the surname Lee has 546 bons, 80 are the most wide-spread; the surname Park has 381 bons but only 30 are very frequent. Though toponimical-origin names aren't included in official documents, every full-aged Koryo Saram knows his bon up to the present day, because conjugal relations are regulated with the aid of them. Persons who have the same bon are considered close relatives, and a marriage between them is banned (Pak1998).

The most appreciable changes have taken place in the given names of Koryo Saram. It may be observed as far back as the pre-Revolutionary period that Koreans used Russian first names. In many cases this was connected with the acceptance of the orthodox religion. For insistence, the author of the “ABC book for Koreans”, published by the Orthodox Missionary Society in Kazan in 1907, were Shegay Gleb Pavlovich and Khan Nikita Petrovich.

The spread of Russian names is typical for the period of struggle for the establishment of the Soviet regime and the Civil War in the Far East (1918-1922). The Korean participants in the partisan and the anti-Japanese independent movement, in addition to Korean names, often had a Russian Anthrophonomy, e.g. O Kha Muk (also Ogay Khistophor Nokolaevich), Khan Chan Ger (also Khan Grigory Eliseevich).

Beginning from the 1930-40s the mass adoption of Russian names can be observed and these were subsequently fixed in official documents. The Koreans used, as a rule, calendar names (Alexander, Nokolay, Anna, Maria, etc) but “revolutionary” names appeared in the soviet period (e.g. Lemar – Lenin&Marx&Mals – Marx&Lenin&Stalin, Revolution etc.); incidentally, “revolutionary” names were then apparently used by all peoples of the country.

From the 1950s the mass enthusiasm, for proper European names began, many of which weren’t widespread among the Russian population: Karl, Oktoviav, Rolf, Rudolf,
Klara, Edith, Emillia. This phenomena has not yet been explained. Probably it is connected with the ancient Korean tradition of adherence to the syllable equality in the names of brothers and sisters. In that situation more often the similarity is in the 1st syllable, e.g. Man Sam, Man Gym, Man Ir. Sticking to this tradition, the Koryo Saram also name their children with names beginning with the same letter; apparently the traditional Russian names are not sufficient. That’s why Western European names appeal to Koreans. In this situation the Russian language fulfils the functions of a language-mediator. Let’s give some examples with the family of a tractor-driver, Khe Von Khak, from the Karatal district of the Taldy-Kurgan region the daughters were given following names: Edda, Evelina, Editha and the sons were given the names: Anton, Andrey, Aphanasy. Striving for observance of these traditions, weak acknowledgement of the Russian language and insufficient educational standards of the ZAGs (Registry Office) and Village administration in the 1940-50s sometimes led to unusual situations. So in the family of Egai Alexei, who, who lived in the kolkhoz “Dostizhenie” (Karatal district of the Taldy-Kurgan region), the sons have the following names: Ephrem, Egor, Volodya and Vova. The last two names are different diminutive forms from the full form of the name – Vladimir. It ought to be mentioned that, up to the middle of the 1970s, diminutive names were transfixed in official documents; today this is the cause of some problems for those registered with these names.

Up to the present time, the transfer of names from the native peoples of Kazakhstan and Central Asia to Koreans has not been widespread. Rare cases are observed mainly among the children who were born in nationally mixed families. More often the fathers of such children are non-Koreans.

A new element in the modern formula of Koryo Saram appellation is the patronymic. The Russian suffix – ovich, - evich (for men) and ovna, - evna (for women) are used in the formation of patronymics. The Koryo Saram’s patronymics may go back to:

a) the Korean name of the father, e.g. when the father’s full name is Son Dya Dyun, the son’s will be Son Lavrenty Dyadyunovich; when the father’s full name is Tyo Men Khee, the daughter’s will be – Tyo Valentina Menkhievna,

b) the father’s second Russian name, in this case the father’s name, written on official documents and the children’s patronymic have different stems

c) the father’s official Russian name.

It’s a rather specific and widespread fact amongst the Koreans, that in one and the same family the older generations have no patronymic. For instance, in the family of Kim Dyun Bin (with second Russian name Nikolai) the are 6 children, and 4 of them have no patronymic, while the son Samson and the daughter – Svetlana are “Nikolaeviches”.

In R. Dzharylghaninova’s opinion, the official fixation of patronymic for Koryo sarams took mass character at the beginning of the 1960s. Until that time in spite of the extensive use of Russian names, the practice of the usage of patronymic in official documents by Koreans was rather rare. Let’s mention the traditional elements, preserved in the modern Anthroponomy of the Koryo Saram.

1. the composition of the family names has not such changed.

2. A certain part of the Koreans has a traditional Korean first name, in – clouded in official documents.
3. Some Koreans have in official documents the traditional Korean names with Russian (West European) names.
4. Some Korean families use the traditional name, though in official document only a Russian or West European name is fixed.
5. Some Koreans have patronymics which go back to the Korean name
6. The tradition to name brothers and sisters with related names still remain.

An analysis of the materials, collected by the author during an expedition by the author during an expedition to the Taldy-Kurgan region in 1990, makes it possible to produce a quantitative correlation between the traditional and new elements in the modern Anthropology of Koryo Saram. From 353 Koreans, living in the Telmann village of Karatal district, the traditional formula of naming is used for 27 persons (7,7%), the Korean surname+Russian of West European name – for 146 persons (41,3%), the korean surname+name(Russian or European)+patronymic – for 180 persons (50,9%). From 257 Koreans, living in Ushtobe the dates are following traditional Koran name have 21 persons 8,3%, a Koran surname+Russian or West European – for 97 people (37,7%), a surname name and patronymic for 139 people 54,1% . Ten people have patronymics which made from the Korean name of father, 11% of the people have patronymics.¹

Knowing the originality of the Korean formula naming, the family fund and the traditional Korean name list, tendencies in giving names allow some recommendation of the right oral and written reproduction of the Korean Anthroponomies.

1. If all the components of a man naming formula are Korean, traditionally we should stick to the rule, according to which surnames precede other names. For example, in the mass media during the speed skating world championships at the "Medeo" skating rink in Alma-Ata, one of the prize-winners a Korean sport man, figured as Kee Dae Bae, whereas his true name is Bae Kee Dae.

2. In the Russian press and publications the Korean given names are written in 2 words, and that's why the whole formula of naming looks as trinomial. Park Chee Von. In the scholar articles and book these words are, more often is not standard written forms of names. A name may be written separately (Choon Sub, Im Cher), together (Choonsub, Imcher), and with a hyphen (Choon-Sub, Im-Cher). Sometimes the 2nd component of a given names is written with a followed by a small letter – Den-bya, Son-ne. Which of the spelling should we consider the right one? All the components of the right name should be written separately and with a capital letter, e.g. Changerovich, Changerovna.

3. A greater difficulty is presented by the equivalents of Korean Anthroponyms in Russia written text. For example, the name of a playwright and producer of the Korean Theatre in Alma-Ata, in Russian can have the following equivalents:

i. surname: Тхэ, Тхай, Тхэ
ii. the first component of the name: Джан, Джанг, Дян
iii. the second component of the name: Чун, Чхун

¹ Fieldworks notes. 1990, vol. 2.
and if we take account different variations in the writing of the names (separately, in one word, with a hyphen, with a capital or a small letter) we can realize why one and the same Korean name can have several dozen variations in Russian. The rules of reproduction of Korean names into Russian require further clarification. Of some help be the surnames contained in the first volume of the “Big Korean Dictionary” (Nikolskiy and Khoo 1976). Unfortunately modern two-language dictionaries have similar lists of common given names.

4. In the newspaper “Koryo Ilbo”, published both in Hangyl and Russian, names of Koryo Saram are always written in full, as the combination of a surname with the first letters of a name and patronymic gives often no idea of the sex of a person, the more so because of a person unless it is in some case other than the nominative, e.g. Kim V. (Vladimir), Rim V. (Vera). We can see the difference only in oblique cases.

<table>
<thead>
<tr>
<th>Case</th>
<th>Russian Name 1</th>
<th>Russian Name 2</th>
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<tbody>
<tr>
<td>Genitive</td>
<td>Kim Vladimira</td>
<td>Kim Very</td>
</tr>
<tr>
<td>Dative</td>
<td>Kim Vladimiru</td>
<td>Kim Vere</td>
</tr>
<tr>
<td>Accusative</td>
<td>Kim Vladimira</td>
<td>Kim Very</td>
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<tr>
<td>Instrument</td>
<td>Kimom Vladimiru</td>
<td>Kim Veroi</td>
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<tr>
<td>Prepositional</td>
<td>Kime Vladimiru</td>
<td>Kim Vere</td>
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In conclusion, the Anthroponomy of Koryo Saram has some tradition, innovation and a new tendencies. A few is known about the naming of Koreans in Russian Far East in the period of 1863-1937s and of Sakhalin Koreans after 1945. It is necessary to develop of the uniform in the Russian writing of Korean names.

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Daughter of the Wind: Knowledge and Nation in the Writing of Han Bi-ya

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In this paper I consider the work of travel writer Han Bi-ya in relation to the theme of this year’s KSAA conference: how have Koreans “understood, formulated and acquired knowledge”? How have they “applied their knowledge from individual through national and international levels”? Writing under the nickname “daughter of the wind,” Han first caught the attention of the South Korean public in the mid-1990’s, and her best-selling books combine exuberant accounts of backpacking around the globe with engaging reflections inspired by her travel experience. Most importantly for my purposes here, her four-volume opus *Paramuittal: kôrōsô chigu sebak’wiban* (Daughter of the Wind: Three and a Half Times Around the World, 1996-1998), together with its more focused sequels *Paramuittal, urittange sôda* (The Daughter of the Wind Stands in Our Land, 2000) and *Chunggukkyonmullok* (Record of a Trip to China, 2001), articulate a discourse of knowledge about the world and Korea’s place in it. As I will argue, however, although Han breaks new epistemological ground in both her method of acquiring knowledge and her often fresh viewpoint, she nonetheless maintains continuity with traditional Korean discourse in her application of this knowledge, and her regular emphasis upon her subjectivity as a Korean woman reflects a tension between cosmopolitan outlook and nationalist sentiment.¹

I begin my analysis with two contrasting passages, the first from fiction writer Pak Wan-sô: in that author’s "Kû salbôlhettdôn narfti halmikkot" (A Pasque-flower on that Bleak Day, 1973), set during the Korean War, American soldiers encamp near a village. When they roam about seeking prostitutes, the village matriarch, determined to protect the chastity of the younger women, disguises her wrinkles as best she can and presents herself in the dark to the soldiers. They soon discover her ruse, of course, but after stripping her amidst uproarious laughter, they dress her and return her with substantial gifts of food. The *hałmôni* interprets her experience as follows:

> It was thanks to their being Yankees that I returned alive and even received presents. If they had been Japanese, they'd have shot me dead the moment they found out they were deceived. Oh, yes, they'd have killed me a hundred times over. And if they had been Russians they'd have raped me nonetheless, regardless of my age. Oh,

¹ For the purposes of today’s presentation, part of a larger project on contemporary Korean travel narrative, I focus closely on Han’s texts themselves rather than the theoretical background for my argument or the crucial issue of gender in her work, both of which figure prominently in the expansion of this paper. Neither have I included examination of Han’s *Paramuittal, urittange sôda*, for although that work offers a wealth of intriguing material on the representation of Korea and Korean-ness, I am interested here specifically in how knowledge of the nation is (re)enacted through Han’s encounters outside of Korea. A fuller version of this paper will include discussion of that latter volume as well as the travel narratives of Ryu Si-hwa (1997, 2001) and Ch’oe Mi-ae (2002a and 2002b), and television programmes such as KBS’ *Sesangun nôlpda* and the *Asia!Asia!* segment of MBC’s *Nôkkimp’yo*. I wish to thank KAREC for a research grant that has offered valuable support for work on this project.
yes, I'd have died crushed under their weight, and there'd have been no need for them to shoot me with a gun."

All the women gathered there completely agreed with her and shuddered.

Of course, neither the old woman nor any other woman in the village had ever set foot outside of this country, and none of them had ever seen or become acquainted with any foreigners, whether Yankees or Russians. This was their first contact with any foreigner at all.

Nevertheless, the old woman pronounced such a confident dictum with a hundred per cent certainty, and all the other women were unanimously of the same opinion.

That much intuition into national characters is simply basic knowledge to anyone born in this land. (Pak 1998, p. 212)

Let us now fast forward to a scene set a half-century later. Early on in Han Bi-ya's Ch'unggukkyōnnmullok the author gives a world map as a gift for a friend's daughter and then instructs her to locate Korea on it (2001, p. 23-24). After the child searches in vain, Han hints to first seek out the Pacific Ocean. When she locates it, Han then has her look for China. Finding that easily as well, the child at last discovers Korea and exclaims, "Yikes! Is Korea (uri nara) that tiny?" Han then seizes the opportunity for an important lesson: "Small, isn't it? So you have to make the world your stage. Korea's not your main stage, just your base camp. Isn't it really important to have somewhere that comforts you and lets you get your energy back?"

Several points deserve comment here: in both passages older women convey knowledge about the globe to younger females. With her usual ironic touch, Pak posits a Korea whose inhabitants, while confined within the boundaries of the peninsula, remain secure in their knowledge of the world outside and, implicitly, Korea's place within it. A shared epistemological system, which has no need for critical examination, offers her characters a pre-existing framework for understanding the universe in which they dwell. In this essentialist world view, Americans, Russians and Japanese possess differentiable identities that are a given to be discovered, or, rather, rediscovered. Han, on the other hand, deliberately sets out to destabilize untested assumptions. Important facts about Korea and its relation to the rest of the world await discovery, and as one who has travelled beyond Korea's borders, she guides one within to enlightenment. For Han, the nation is small, and South Korea's citizens can, and should, regard the entire world as the backdrop for their lives. While in Pak's world, women are subject to sexually aggressive behaviour from foreigners who penetrate the nation's borders, Han encourages an active crossing of boundaries towards the outside on the part of young Koreans, and young Korean females, in particular. Nevertheless, a basic tenet remains in place: no matter how far Koreans may roam, Korea will naturally remain the site where they experience the greatest sense of belonging.

As should be immediately clear, Han's books function not simply as escapist travel literature, but rather may be situated within a larger didactic tradition of writing in Korea, and the author's tone often suggests an elder sibling (cf. 2001, p. 312) or teacher. Han's approach to the acquisition and propagation of knowledge about Korea and its place in the world, and her books' tremendous success itself, reveal much about social change.

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2 Unless otherwise indicated, all references are to the work of Han Bi-ya. Translations of her work are my own.

3 For more on this passage and other examples of representations of South Korea's relationship with the outside world in contemporary fiction, see Epstein 2000. It is worth noting that Han and Pak are good friends and even travelled together in China on two occasions (2001, pp. 76-81; pp. 296-97).

4 The first volume of Paramuittal: kôrōsô chigu sebak'wiban rose to the top of the non-fiction bestseller list within a month after publication in 1996, and all Han's books since have done well. In the introduction to the second volume, Han describes how her newfound celebrity and the media attention she received...
and Korean national self-conception in an age of globalization. As a whole her work constitutes an argument that travel serves as a means for Koreans to know not only the world, but themselves, an argument made explicit in a blurb on the cover of the second volume of *Paramui ttal*, which reads: "Travel, the fastest shortcut to learning about life." The blurb goes on to say that the greatest benefits of Han’s journey lay in her realizations about human existence. Most importantly, "she came to know/learn/understand (al su issŏttada) broadly and deeply that human beings, while differing enormously at a cultural level, are ultimately all the same, and that the most important thing for a human being is love for humanity." Han reiterates these benefits in more detail at the end of this volume (1996b: 349-351): travel allows both the discovery of the relativity of values and the discovery of the self. In her case, travel taught her that fulfilment means following one’s preferred path, living simply and approaching the world with compassion (cf. 2001, p. 326). Han thus offers not only a romantic view of backpacker life that encourages taking to the road, but an ethical defence of its value in the face of conservative forces in Korea that have often regarded travel as conspicuous consumption; travel, she argues, is neither luxury (such’i) nor enjoyable extravagance (1998a, p. 43), but (in the best neo-Confucian tradition, although she never makes this point) a means of self-cultivation.

Travel therefore inspires much moral reflection for Han, which she imparts to her readers. Her climb on Mount Kilimanjaro (1996a, pp. 164-65; cf. 2001, p. 193), for example, becomes a lesson (kyahun) that in order to succeed one has to slow down sometimes and do things at one’s own pace, and she realizes that one should feel gratitude to one’s body rather than complaining about its minor shortcomings. 5 Far more striking is the encounter she has with an Englishman in Malawi (1996a, p. 185) who, after losing his 48-year-old wife and two friends in the same year, gives up his position as an executive to become a travel guide. As he explains: "We only live once and we can’t predict how long we’ll be here. Best not to waste this precious life worrying about what other people think (nunch’i ponda) or about keeping face (ch’emyŏn), but to live doing what you most enjoy as long as you’re not hurting others." Han, having herself resigned from a successful job to pursue her travel dreams, writes approvingly of these words and questions whether any Korean executive would ever become a mere travel guide for the sake of freedom (chayu). Her encouragement to her audience not to cave into normative social expectations become all the more forceful for her rendering the Englishman’s comments into particularly Korean concepts such as nunch’i and ch’emyŏn. While the didacticism here may be familiar, the larger message imports an individualism that breaks radically from pressures to conform within Korean society. Nor should one take the power of this message lightly. Han’s endearingly personal mode of writing allows readers to identify with her and she has become an influential role model: in one especially striking example, a department head at an electronics company writes the author (1996b, p. 13) to tell that her first book emboldened him to change careers and open a video store, as he’d always dreamed, and not worry what others might think. Han’s books, in short, have changed lives.

Not all the knowledge Han shares proves so life-changing or abstract, of course. Han’s unusually lengthy trip and her effervescent willingness to share information made

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5 Similarly, while in the Atacama Desert (1996b, p. 76) she experiences a similar flash of enlightenment related to the body: seeing in a museum the mummified remains of a woman, jocularly labelled ‘Miss Chile’, she realizes that how we looked in this life will be meaningless when we die, and she criticizes herself for having been dismissive about an unattractive Austrian tourist she had just encountered.
her a minor sensation on the traveller circuit and she came to be revered as a teacher/master (sabunim) of backpackers (1996a, p. 129). At one point a traveller staying at another guest house who hears rumors about her expressly seeks her out to pick up some tips from her ("Excuse me, are you the woman from Korea?"). An anecdote Han claims to relate not for her own prestige, but because she has enhanced national pride in the civil dimension (minganch'awŏnŭi kukwi sŏnyang). Furthermore, each volume of Paramŭi ttal ends with a section of practical hints (Hanbiya pallo t'ŏdŏkhan segyeyŏhaengchŏngbo), which are preceded by the epigraph, segye paenang yŏhaengjatŭ sabu ("Teacher to World Travellers"). The crucial point made by the epigraph (whether Han's own or foisted upon her by her editors) is that the nation, through Han, now takes proud part in an activity largely monopolized by the first world: the reproduction and diffusion of knowledge about the undeveloped Other. Knowledge becomes a form of cultural capital that also offers evidence of South Korea's economic and geopolitical maturation.

The nationalist pride over Han's achievements, evident here and in readers' comments (cf. 1996b, p. 13), is not meant to suggest, of course, that Han ever plays the role of teacher with less than humility, humanity and respect for other cultures. Trained initially as a public relations specialist, she shows herself well aware of the power of images and takes seriously her responsibility in transmitting information to her fellow countrymen. Consideration of issues of knowledge and ignorance affects her deployment of narrative material: after the introduction to the first volume of Paramŭi ttal, she disregards the temporal order of her travels and begins (1996a, p.132) with her experience in Central Asia because she feels that, since that region is less known to Koreans (uri), an account of these countries will prove more interesting. Han points out (1996, p. 44) that although many areas of the world (e.g., the Amazon jungle) are relatively inaccessible, the frequency with which their image is propagated can make them familiar. Guidebooks and other forms of prior knowledge can interfere with the sense of discovery to be sought in travel, and the author observes that although one wants to be equipped with information before arriving at a new destination, such learning can create prejudices and prevent one from seeing what one encounters with one's own eyes (1998b, p. 115). Her almost complete ignorance about Iran upon arrival, however, make her journey there true exploration, and her experience in what she calls a hinterland of knowledge (chisigui oji) delights her. Han, who regularly notes her preference for travel in remote areas (ojiyŏhaeng) and has become known to the public specifically as an ojiyŏhaengga, extends the phrase to the entire Middle East in a cyberspace interview (http://my.netian.com/~haeo/h4/biya.htm). Remarking that this was the most impressive region in human terms that she visited during her travels, she wonders why Koreans remain so unaware of the area's rich culture and civilization, but does not pursue the thought further with an examination of the geopolitical factors that play a role in the general level of ignorance about the Middle East.

Han is nonetheless not immune from the desire to have her experiences conform to prior expectations; satisfaction in travel, she observes, can paradoxically often mean the enactment of previously held images. Lhasa, for example, with its Holiday Inn, karaoke

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6 Cf. also 1996a, pp. 353-356, where Han tells of meeting in Cairo some British travellers who relate that they read the information that she recorded in a guest house notebook in Ethiopia and found it useful; even more astonishingly, in Turkey she encounters a German traveller who heard about her from a friend Han had met in Honduras.

7 Han also notes the sense of excitement and genuinely pioneering exploration that comes with lack of information in Turkmenistan, a country she initially had no intention of visiting (1996a: 81); the theme is reprised elsewhere in her work (cf., e.g., 1996b: 324).
bars, and pubs disappoints (1998b, p. 264); similarly, she relates how her romantic visions of staying in a Masai village come to naught (1996a, p. 203) when she finds that the chief is a Christian high school graduate who wears pants and button-down shirt, speaks English fluently and even owns a TV. Han’s vision of the Islamic world itself, in fact, is far from a blank slate and, as she admits, partakes of imagery formed by the adventures of Sinbad and 1001 Arabian Nights. When she has the opportunity to wander through narrow alleyways in Iran (1996a, p. 57), the medieval atmosphere that confirms her prior imaginings delights her, and while swimming on a moonlit night in an Egyptian oasis, she envisions herself as a queen from one of the region’s tales (1996a, p. 288). Her portrayal thus partly reproduces a conventional knowledge in line with Western Orientalist traditions.

At the same time, however, Han questions hegemonic views of the world and rejects interpretations of history foisted upon the world by the West. Korea’s own experience of colonial oppression imparts to her a sense of solidarity with the inhabitants of Latin America countries and she notes how Western historiography has distorted Korea’s understanding of the region. The deeper knowledge of the region she acquires leads her to argue that Spain’s colonial project involved not heroic exploration, but brutal exploitation. At one point, she asks rhetorically why Genghis Khan and the Mongols have a reputation as the cruellest race in history, and claims that such tales are the falsehoods (hŏn) of Europeans who suffered under him, and that Germans and the Spanish have at least as much to answer for (1996b, p. 18-19; cf. 1996b, p. 216-220, where the theme is reprised). Han conveys to her readers her important realization that history, and knowledge of history, is determined by the powerful. Although she never makes the point explicitly, astute members of her audience may choose to link the question of historical interpretation and distortion to the broader context of Korean conflicts with the Japanese over the textbook issue.

What becomes apparent is that for Han travel allows a global epistemology, but especially an epistemology based on identity as a Korean. She regularly writes about her own relationship to a multiplicity of “Others,” taking this identity as a starting point, in part because she comes to recognize that she is defined by others, above all, as a Korean (2001, p. 178). For example, she feels affinity with the indigenous inhabitants of South America because they look Asian, and remarks that her dislike of hearing Europeans criticise them may stem from this visual kinship. When she looks at the children of these descendants of the Incas, who also have the Mongol spot (monggobanjom), she even finds it easy to imagine their names as Ch’ŏl-su, Yong-hui, Tori, and Suni (1996b, p. 132). Similarly, she notes unusual affection (chŏng) for Eskimos as well, perhaps because of a shared racial resemblance, such as a flattish (napch’ikan) face, and the Mongol spot (1996b, p. 212). Not surprisingly, Han later tells of a particular kinship with the inhabitants of Mongolia, because of a similar look and cultural patterns, such as drinking habits (1998b, p. 83). The world thus comes to be seen and known not merely in national terms, however, but racial terms as well.

Han’s closest sense of affinity is to other

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8 Han, however, regularly eschews reflection on the process whereby one comes to hold expectations or the contradictions of a world in which cultural interchange is occurring at a dizzying pace, as explored in, e.g., Iyer 1988.

9 Han contrasts dramatically on this score both with Ch’oe (2002a and b), and especially Ryu (1997, 2001), for whom the primary locus of identity resides not in being Korean, but in being a poet and a self-described hippie. Ryu, in fact, does not, as far as I can determine, use the phrase, uri nara once in either of his books about travel in India.

10 Han’s conception of the world at least partly in terms of race becomes most evident in Africa, where she not infrequently describes people on the basis of race, a tendency otherwise largely absent. Shortly upon arrival in Nairobi (1996a, p. 135), she is mugged in broad daylight. “Two black men held me down” (tn
citizens of South Korea, then to diaspora Koreans, to other Asians (tongyangin) and on to others, who resemble Asians. As she writes in the introduction to the fourth volume of Paramůi ttal, over the course of her travels she experiences a growing and, to her, surprising realization (1998b, p. 14) that she is not just the daughter of her family and of Korea, but of Asia and the world. Han, who finds herself regularly invited to stay with people when travelling, often comes to be regarded as an adopted daughter. Familial metaphor runs especially strong in Han’s texts, as witnessed not only by her nickname “daughter of the wind,” but her frequent reference to herself as a daughter of Korea (hangugūi ttal), and she becomes increasingly aware of herself as a cosmopolite who considers the entire world her family (1996a, p. 247), a discursive approach perhaps fostered by the Korean language’s preference for kinship terms in addressing others, and extended here to the entire world.

The straightforward schema presented above is, however, problematized in Han’s work, as the author constructs this global family in a series of concentric but overlapping circles. Affinity need not rely on visual resemblance: Han feels a special kinship with Turks (1996a, p. 107), whom she also likens to distant relatives, because, although they look different, the word order of their language, their sense of чонг, and the Turkish national character itself remind her strongly of Korea. More strikingly, Han recognizes new forms of intersecting identities and argues that backpackers from different nations can often understand and communicate with each other more readily than with non-backpackers from their own countries. For the writer, backpackers, the paenangjok, become a new race of nomads for the 21st century (1998a, p. 39-43), among whom bonds of solidarity are created especially by the exchange of information.

Furthermore, Han acknowledges that relationships with those who are closest may exhibit the greatest complexity, and both Japan and China receive special attention in her oeuvre. While Han’s visits to Japan only feature peripherally, Japanese themselves appear regularly among her fellow travellers and her various reactions to them provoke considerable reflection. She speaks of many with great affection, such as Yasuo, the putative “half-brother” she meets in Iran (1996a, p. 45) and Ikuo, a fellow student from her days studying in Utah, whom she later travels to Europe with (2001, pp. 129-134). Antagonism rears its head as well, however. Han describes with obvious glee (1996b, pp. 58-60) the manner in which her superior English allows her to put down an arrogant Japanese man who expresses surprise that a Korean has the economic wherewithal to travel in Chile. After this encounter, Han observes the delicacy of the Korea-Japan relationship (1996b, pp. 69-70): she finds herself irritated by the Japanese at the barest slight, but in travelling the world, the common East Asian background in itself also enables her to develop close friendships with them much more quickly than with Westerners. Perhaps it is in such encounters above all that one senses how Han envisions herself representing the Korean people as a whole (cf. also her run-in at 1998a: meongui hugin), she writes, one assailant being “a black as big as a house” (momjibi chipch’aemanhan hugin han nom). While she is being held, the intensity of the smell from the “black’s armpit” (haginnomūi kyödurangies6) makes her feel as though she will pass out. This superfluous use of hugin (is the description genuinely necessary in Kenya?) three times on a page becomes all the more striking for its appearance in a context in which she is encountering violence. Conversely, the term appears in equally otiose fashion (1996a, p. 223) when she meets a hugin doctor in Northern Kenya who is doing good works in difficult circumstances. One presumes that Han is either unconsciously registering surprise herself or attempting to prevent misconception among fellow countrymen who might think it unlikely that a doctor in Kenya would himself be Kenyan.

11 This particular affinity with Asia may be seen as part of a growing trend in Korea towards a pan-Asian identity, perhaps fostered by the presence of foreign workers and further evinced by the popular Asia! Asia! segment of MBC’s Nükkimp’yo.
188-92 with a Japanese traveller who comes across as especially repellent). Interestingly, Han's fluent English and her very cosmopolitanism become tools through which she may either embarrass Japanese or avoid having to concede a home field linguistic advantage (Han speaks Japanese fluently, but, of course, not natively). Knowledge, and particularly knowledge that marks one as worldly, is applied again here in a way that works in the service of Korean national prestige.

For this reason perhaps, the author also remarks upon how frequently she meets Japanese backpackers and she wishes (1996a, p. 46) that more young Koreans would challenge (tojön) the world with equal freedom and bravery (chayuropgo yonggamhage). Similarly, she relates the ease with which one comes upon comments by Japanese travellers in guestbooks at backpacker lodges but the rarity of Korean, and she chides her fellow Korean travellers for not leaving more information in these books. Such passages reveal a competitive instinct, specifically vis-à-vis Korea's erstwhile colonizer. When she actually finds an entry in Korean in Syria' (1996a: 321), she reads it over and over again, "as if reading a love letter." The owner of the guest house, noting how attentively Han is going over the note, asks whether she actually knows its author, and she responds, "Of course, Koreans are one people, one blood (hanguk saramán hanminjok, han p'itjul). Everyone is my relative." Han then makes an exhortation at the national level, speaking to her readers as fellow countrymen and urging Korean youth to rid themselves of the "frog in the well" (umul an kaeguri) mentality and to get out and see the world.

Knowledge of China inspires a series of reflections that return to contemplation of Korea in a different way. Han passes through Korea's vast neighbor several times and devotes not only a large portion of Paramui ttal, but a separate volume to the country. Shortly after her return to Korea from her travels, she spends a year in Beijing to study Mandarin, both for the intrinsic importance of the language, and for its expected benefit to her future work with refugees. China, however, as a close neighbour and the source of much Korean culture, is in many ways not striking to her. Upon Han's first visit to Beijing, she finds her own reaction surprisingly blasé: virtually everything she sees reminds her of similar structures in Seoul, the difference simply being one of scale (1996a, p. 351). China is thus pre-known in a manner that many of Han's other destinations are not. Nevertheless, the author argues that its great influence upon Korea and its importance per se demands deeper understanding, for no matter how cosmopolitan one might claim to be it remains essential to know one's roots (1998a, p. 53-54). While Han here presumably means a knowledge of Korea's intellectual and cultural background (cf. the insights she reports at 2001, p. 299-301), a visit to China offers understanding of Korea in another way, for it provides a return to Korea's recent past: China lags behind South Korea in development and Beijing reminds her of the Seoul of her childhood (1998a, p. 54).

Han's conception of Beijing as at least partly a living instantiation of the Seoul of a few decades ago raises an important point: one also travels abroad to witness a lost Korean past. Han regularly observes ways in which travel in developing countries recalls days gone by in Korea, and such remarks offer nostalgia tinged with relief. In Afghanistan, the market in which clothes sent as part of aid efforts are resold suggests to her Korean War-era Namdaemun Market (1996a, p. 65), while children's requests for "money" or "pen" in Africa and India upon seeing foreigners is likened to the manner in which children in Korea would have asked for gum or chocolate on seeing an American soldier (1996a, p. 71). Han finds the astonishment that greets her travel in Africa without a husband not unlike the attitudes a foreign woman travelling alone in the Korean...
countryside might have encountered 50 years ago (1996a, p. 226). While the prior observation implies social progress, this search for the past can also suggest precious cultural assets lost to a fully developed Korea. REMARKING UPON THE WARM INVITATION TO STAY THE NIGHT THAT GREETED HER WHEN SHE WANDERS INTO A REMOTE VILLAGE IN LAOS (1998A, P. 157), SHE ADDS THAT IT "WOULD HAVE BEEN THE SAME JUST TEN YEARS AGO IN A KOREAN MOUNTAIN VILLAGE TOO--ALTHOUGH IT PROBABLY HAS CHANGED BY NOW, OF COURSE." Nowhere, however, is the concept of return to Korea's past more apparent than when she visits Manchuria (1998b, p. 319), and here Han even includes a photograph from the Korean Autonomous Minority Region that offers visual proof that "our past" remains intact in the grass-roofed farm houses of Yanbian (uriüi yetnarüi kosstranhi namaittnun yenbyenüi nongch'on ch'oga).

The opportunity to view ways of life rapidly disappearing from the Republic of Korea itself through travel becomes an aid to understanding Korean-ness more fully. Ultimately, however, and in conclusion, all of Han's travel becomes a substitution for the crucial knowledge of Korea that cannot be achieved, and we may, surprisingly, regard these wide-ranging travel narratives that take Han around the world as yet another set of texts to be considered under the rubric of pundanmunhak, the literature of division. Upon occasion the author mentions that her dream of world travel was inspired by her father, a refugee from the north, who, unable to travel home again, in essence spent his life in exile. The presence of the North, an obvious but forbidden destination, lurks throughout her travel. Upon learning that South Koreans routinely have visa applications rejected by North Korea's ally Syria, her zeal to visit the country is further enflamed (1996a, p. 315). Han's wide experience enables her to liken the Simien Mountains in Ethiopia to Machu Picchu, Wölch'ulsan, Guilin, and Monument Valley and leads her to question (1996a, p. 262) whether these impressive mountains might resemble Kumsangsan. The fourth volume of Paramüi ttal: kôrōsō chigu sebak'wiban culminates in her arrival in Manchuria. Here she has the opportunity to meet with a fierce young North Korean woman, who although driven by famine to cross the border into China and work in a tavern in Yanji, feels guilt over her betrayal of her own country and cries out "let us self-destruct in the name of the great leader" as a toast (1998b, p. 326). More wrenching still for Han are the refugee children whom she meets. The agony, despair and thought world of these close relatives remain fundamentally unknowable. Han also has opportunities to meet North Korean while in Beijing and describes these encounters in more detail (2001, pp. 187-190; pp. 197-198).

Paramüi ttal: kôrōsō chigu sebak'wiban ends after some 1400 pages with the author standing at the Tumen river, looking across to the other side, thinking of the family of her father and weeping. What has become of these relatives that she has never met? Han can only conclude with perhaps the most recurrent and deeply felt trope of Korean discourse of the last half-century, a fervent prayer for reunification. No Korean reader will miss the sad irony as the themes of knowledge and nation converge one last time: the lone destination that remains impenetrable to this adventurous and resourceful traveller, who by dint of wit and will even manages to find her way into Afghanistan during its own civil war, is the north of her divided land, home to her own ancestors.

12 Similarly, the décor of homes she visits in Honduras, with their haphazard cobbled together of family photographs make her think of what a Korean house in the countryside in the 50s would have been like (1996b, p. 332).
13 Han also has opportunities to meet North Korean while in Beijing and describes these encounters in more detail (2001, pp. 187-190; pp. 197-198).
References

Koreans have often been described as ‘Paek-ui Minjok’, meaning ‘the People of the White’. This description was, in fact, first formulated by the Japanese connoisseur and art critic Yanagi Muneyoshi (1889-1961) who was an admirer of Korean art and a saviour of traditional Korean arts, particularly folk arts and crafts. He saw waves of white clad Koreans on the streets in his visit to Korea in 1916, and claimed that the Korean liking for white colour was undeniably the ‘Chosôn’ taste and further the most conspicuous characteristic of Korean art.

Since the liberation, particularly in the 1970s, and more intensively in the 1980s, when the discussion about the Japanese colonial influence became of national importance, many Koreans have vigorously criticised Yanagi’s characterisation of the Koreanness of Korean art as an example of the negative representations of the ‘otherness’ of the colonised. Yet, state narratives on Korean history and identity, as well as Korean literature, have continuously used the cliché of ‘Paek-ui Minjok’. In other words, the colour white is still used to represent, historically and culturally, a homogenous Korean identity, despite the existence of two Koreas, and of nearly 6 million Koreans who live in 160 different countries. The massive red crowd of Korean soccer fans and supporter, seen by millions of viewers around the world during the World Cup, certainly defies such an ideological, political and cultural reification of the colour white.

In fact, Korea has had very colourful artistic traditions. For example, in the Chosôn period the complex combinations of the five primary colours of red, blue, yellow, black and white which symbolised the Taoist principles of *yin/yang* and the ‘Five Fundamentals’ (fire, earth, metal, water and wood) were used in clothing, food, architecture, ceremonies and rites of passage such as birthdays, initiations and marriages (Chung 2002, pp. 123-4). The colourful folk crafts and arts, and Buddhist arts of this period were commonly assumed to be produced by and for women and *minjoong* or commoners. In fact, these colourful crafts and arts were also produced for Chosôn upper classes and the royal court (Kim 1991, pp. 156-7).

However, this historical fact has been obscured by the various narratives on the Korean liking for white colour as they have become bound up with the glorification of nationalism. I argue that these narratives contributed to the valorisation and prestige of white or monochrome colour in both *Tongyanghwa* or traditional painting circles (slide 1) and contemporary art circles (slide 2) in postliberation South Korea.

The first slide is a contemporary *Tongyanghwa* work, executed usually in Chinese ink on paper, by the eminent South Korean painter SUH Se Ok (1929- ). The work is entitled *Dancing People*. This kind of monochrome ink painting was claimed to be a continuation of the orthodox tradition of Korean literati painting. The second slide is a well-known example of contemporary Korean monochrome painting of the 1970s. I will return to it shortly.
In post-liberation South Korea, the nation's prominent art critics canonised the uniqueness and indigeneousness of Korean artists' use of monochromic white colours and this was supported by the prevailing nationalist atmosphere of the period. Particularly, the greyish white colours used in the so-called 'Tansaekchuui' or 'Monochromism' were claimed as a uniquely 'Korean' colour. The Korean term 'Tansaekchuui' was initially used to denote the fact that the different tones and colours in the Korean paintings called 'the style of the seventies' appear as shades of one colour. An example here is a reductive yet meditative monochrome painting entitled Écriture (slide 2) by PARK Seo (1931- ) who was the leader of what was later known as 'Korean Monochromism'.

Monochromism is viewed by many Korean art critics as one of the most significant art movements in the history of contemporary Korean art, in that it is claimed to be the first genuine embodiment of the distinctive identity of contemporary Korean art—recognisable not only by Koreans but also by international audiences. For example, the renowned art critic OH Kwang Su argues:

The art movement of the 1960s [referring to Korean Art Informel] was a domestic struggle in pace with international developments. In contrast, the art movement of the 1970s [referring to Korean Monochromism] extended its agendas in an international context. After having escaped from the one-directional reception of external influences, this movement aimed at re-establishing an equal relationship with international art communities. ... The most conspicuous phenomenon in the 1970s is an appearance of a kind of 'collective individuality'. A restoration of Korean Spirit is no longer carried out in terms of the old concept of provincialism—meaning that the prefix of 'Korean' in the term Korean Art Informel is to identify which national version of modernism, but it is pursued by an expression of 'collective individuality' as a quest for originality. This is the most distinctive self-critical reflection on Korean art, since its first reception of Western arts. This phenomenon of self-reflection is exemplified by the so-called 'School of White' led by Park Seo Bo (1981).

In elaborating his claim about the uniqueness of Tansaekchuui in an international context, OH attempted to interpret this particular indigenisation of international modernist movements as a peculiarly 'Korean' phenomenon. Interestingly, in order to delineate the particularity of Korean Monochromism, he employed a notion of national identity assuming that this was congruent with the self-identifications of varied Korean artists. In post-liberation South Korea, OH's attempts were part of a broader national mission, a rediscovery of a 'pure' and 'homogeneous' national and cultural identity. In carrying out this mission, many Korean art critics and writers, as well unwittingly, but effectively, reproduced a reductive or Orientalist characterisation of Korean art: first formulated during the colonial period by the Japanese art theorist Yanagi, later by contemporary Japanese and foreign art critics.

Despite the discernable foreign influences such as Minimalism (slide 3 Untitled by the American artist Donald Judd) and the Japanese Monoha or 'The Object School' (slide 4 From Line by the Korean-Japanese artist Lee Ufan who was a leader of Monoha in 1968-73), many established South Korean art critics made claims about the native uniqueness of Korean Monochromism by liking it to Oriental and Korean traditions. They argued that Korean artists' monochrome paintings were connected with traditional Korean approaches to Nature and art. For example, according to the prominent art critic LEE Yil:

Of course, Korea did not own exclusively monochrome painting. ... our Monochromism is different from that produced in the USA and Europe. ... If the latter is based on the aesthetic of asceticism, the former is based on the cosmic task of 'returning to the most primordial state'. That most primordial state is 'Nature'. Therefore, this returning is to the original source of Nature. ... In this respect, 'white' is not a non-colour, abstaining from all colours. On the
contrary, it embraces all colours. In other words, it is conceived as the most original nature of
colour (1988, pp. 2-3).

Yil’ claim is echoed in the French essay entitled ‘Han’ written by the prominent
French curator and critic Mozziconacci for the catalogue to the exhibition Les peintres du
silence (Painters of Silence) which aimed to introduce the foremost representative
contemporary Korean artists to international audiences:

None of these eight men [all of the artists in the exhibition] utilised colour. Their work is often,
if not exclusively, monochromatic, possessing white serenity and original light or the origin of
light, which guided their ancestors towards the promised lands of Korea, or deepest black
moving towards blue marine, blue-black, burnt-earth, or sienna-earth colours, expressive of
‘han’ [translated as ‘grudge, resentment, or rancour’, but its meaning is complex and culturally
embedded. ‘Han’ is generally considered a constituent of the unique essence of the Korean
national character]. These Korean artists built upon or hold to, the support of tradition.
Rediscovering and recuperating harmony between man and universe, man and Nature
(Paraphrased translation from Mozziconacci 1998, pp. 8-9).

However, it was Japanese critics who were the first to make such a claim about the
uniqueness of the Korean use of white colour. These Japanese had special interests in
Punch’öng or white Chosŏn porcelain and visited Korea frequently in the 1970s. They, as
well as Korean critics and other foreign critics, related the Koreaness of Korean artists’
minimalist monochrome paintings to simplicity and naturalness, which have been
traditionally regarded as distinctively Korean qualities. In fact, Yanagi was the first to
claim that the national character of Korean art lay in its simplicity and naturalness. He
described Chŏson white porcelain which he thought was the best evidence for his claim as
‘being born not produced’ (Yanagi 1976, p. 125). In his 1922 book Chosen to sono geijutsu
(Korea and its art) Yanagi suggested that the Korean aesthetic sensibility, unlike that of
Chinese or that of Japanese, was fundamentally not fond of artificial excellence or
superficial details.

Yanagi’s emphasis on the simplicity and naturalness of Korean art is still widely
accepted by many South Korean art historians and critics of traditional and contemporary
Korean art. Such a claim simply forgets that every work of art is a man-made product and
the fact that not all periods of Korean art, for example the Buddhist art of the United Shilla
(668-936) and Koryŏ period (918-1392), embraced a particular conception of ‘Nature’ and
a form of naturalism as their aesthetic foundation. Very likely it was one of Yanagi’s
influences that led many post-liberation South Koreans to single out a particular kind of
ceramic art from the rich and diverse Korean cultural heritage and to use it to represent the
national and cultural identity of Koreans. Rather than acknowledging other abundant
outstanding examples of Korean art, this Japanese critic chose the rustic, primitive and
‘artless’ kind of white Chosŏn porcelain, particularly humbler and simpler ones used by
commoners or farmers, as the best example of the typical Korean art.

Besides nationalist rhetoric, the dominant male Confucian taste influenced Korean
aesthetic judgments (Lee 2001, p. 24). This is arguably the reason why, despite Korea’s
rich and diverse heritage in the Three Kingdom period, or in the unified Silla, or in the
Koryŏ period—the extravagance and luxuriousness of the arts of these periods are in
contrast to the utilitarian beauty of the Chosŏn arts—white Chosŏn porcelain was
frequently selected to represent the homogeneous national and cultural identity of Koreans.
This is exemplified by the state-sponsored overseas exhibition Earth, spirit, fire: Korean
masterpieces of the Chosŏn Dynasty (slide 5) which travelled to Australia in 2000-2001. In
this exhibition the colour white was again politically and ideologically chosen to signify an
essential character of Korean culture or a key constituent of Korean identity.
Slide 5 is an example of white Punch’öng and images similar to this were used in the exhibition poster and the cover of the catalogue Earth, spirit, fire. From the 15th century on the production of white porcelains or Punch’öng in Korea increased, while the production of inlaid bluish green celadon types (Slide 6) declined from the late 13th century on. The surface of the Punch’öng wares, unlike that of Koryö celadon, is covered either partially or wholly with a coating of brushed white slip before the glaze is applied. Punch’öng is, in my view, a retrograde continuation of the refined aristocratic Koryö ceramic tradition.

I argue that it was the prevailing nationalist atmosphere of post-liberation South Korean society that blinkered those Korean art critics who claimed Korean artists’ use of the colour white is a distinctive embodiment of the Koreanness of contemporary Korean art. These Koreans were unable to see the complex fact that such a reductive characterisation of Korean art was itself a legacy of Japanese colonialism and it could also result in a kind of reverse Orientalism, unintentionally strengthening the Orientalist view of Korean culture.

In post-liberation South Korea, there has been a national campaign of ‘cleansing the nation’s past, polluted by Japanese colonialism’, expressed in the Korean phrase ‘ilje chanhae chego’ (literally translated as ‘removing the remnants of Japanese rule’). Nationalist righteousness ruled the South Korean academic and intellectual environment of 1945 to 1990s. In this highly politicised environment, Korean scholars, historians, critics and writers unintentionally or intentionally aligned themselves with the political and ideological concerns of the state, and have produced nationalistic narratives about the ideologically and politically unified national and cultural identity of Koreans. These Korean intellectuals urged post-liberation Korean artists to erase Waesaek or Japanese colours from Korean art.

Since the Liberation Korean artists, particularly Tongyanghwa painters, were discouraged from the exploration or deployment of colour in their art because an extreme anti-Japanese sentiment regarded strong and vibrant colouring as part of the stain of Japanese imperialism (PARK 1972: 8). Not only Koreans, but also the Japanese themselves, have long regarded the use of strong and decorative colours as distinctively ‘Japanese’. Yanagi once characterised Korean, Chinese and Japanese art as follows:

China, a strong continent, selected ‘form’; Japan as a merry island picked ‘colours’; Korea, a sorrowful peninsula chose line (1994, p. 92).

Yanagi’s claim about the absence of colour and form in Korean art which led him to characterise Korean art as ‘the art of melancholic line’, was based on his observations of Koreans’ white dress, particularly funerary clothing, and white Chosŏn porcelain (1994, pp. 96-97, 99-101).

In fact, what Yanagi saw in the 1910s as the white cloths were more likely undyed cloths that were traditionally worn by commoners. In Chosŏn Korea, the use of bright colours was restricted to the upper classes and royal court. The exceptions to this rule were special professions such as shamans or kisaeng (the Korean counterpart of Japanese geisha) or special occasions like weddings. Commoners and low classes, including artisans and craftsmen, were not allowed to wear dyed cloth. That is, the Korean preference for the white colour is strongly related to the discriminatory class system of the Dynasty. Despite these historical facts, the differentiation between Korean and Japanese art made by Yanagi was also uncritically accepted in Korea until quiet recently.

The post-liberation South Korean nationalist sentiments about anything Japanese mistakenly associated the colourful elements in Tongyanghwa of the post-Chosŏn and the pre-liberation period (slide 7) with Japanese influences, particularly with nihonga or a modernised Japanese traditional painting (slide 8). This inhibited and repressed Korean
desires for colour in traditional painting. As a result, it consolidated the predominance of monochrome ink painting in traditional Korean painting circles until the early 1980s.

Slide 7 is a colour ink painting by the famous KIM Eun Ho (1892-1979) who was the famous Sonjon artist. The Sonjon or The Choson Art Exhibition existed from 1922 to 1944 and it was the colonial government-sponsored Korean national art salon. KIM Eun Ho openly collaborated with the Japanese by donating money and works of pro-Japanese propaganda. However, despite this fact, he was also awarded the order of Samil Munhwa Hunjang or the March First Cultural Merit, established by the South Korean government to commemorate the March First Independence Movement of 1919. This painting is reminiscent of nihonga in style and of bijinga or the popular Japanese paintings of beautiful women in the subject matter.

Slide 8 is an example of nihonga which is a modernised form of traditional Japanese painting. Morotai or ‘wash without outline’ technique and strong colouration are used in Japanese nihonga in order to create the sense of three-dimensionality and light. Morotai is also called the ‘obscure manner’ by Japanese traditionalists, because it eliminated or blurred the contour. In the pictorial tradition of Japan, China and Korea, the display of the ‘bone’ of the drawn lines or the strength of the brushwork was one of the most important criteria for evaluating a work. Nihonga was therefore seen as a degradation of this tradition, or inauthentic Japanese painting.

Since the 1980s, Koreans rediscovered the neglected, less prestigious traditions of multi-coloured ink Korean paintings which include richly coloured portraits (slide 9), folk or genre painting (slide 10) and Buddhist painting, Hwajohwa or the bird-and-flower painting, and the finely outlined and coloured Northern School style landscape painting. The post-colonial Korean paranoia about colour slowly gave way to an admiration for the vibrant and colourful native traditional arts, particularly folk arts and crafts from the 1980s. This change led Koreans to re-evaluate colourists like PARK Saeng Kwang (1904-1985) and CH'ON Kyong Cha (1924- ) who deployed strong and vibrant colours in their Tongyanghwa.

PARK Saeng Kwang was a product of Japanese colonialism, but was suddenly discovered as an important Tongyanghwa artist in the 1980's (Roe 2001, p. 28). He was trained in traditional nihonga in Japan and was active in Japan until the 1970s. In the 1950s-1960s when anti-Japanese sentiment was ferocious in Korea, he abandoned the coloured Tongyanghwa and worked with monochrome painting. In the last decade of his life, in the 1970s to 1980s, PARK Saeng Kwang returned to his distinctively colourful Tongyanghwa which became instantly recognisable as ‘Korean’ and attracted Western admirers (slide 11).

CH'ON Kyong Cha was not concerned with the dominant trends of her time and continued her devotion to the development of coloured traditional paintings. Her signature style of richly coloured romantic paintings (slide 12) dealt with unconventional subject matters usually related to her personal desires, fanciful ideas and dreams. CH'ON, marginalised as a colourist and, moreover, a female artist in the Tongyanghwa context, has bravely explored a variety of forms and subject matters which had been discouraged by the codified hierarchy of styles and subjects established by the male literati painters, critics and writers. Despite the predominance of monochrome colour in both traditional and contemporary Korean arts that lasted until the early 1980s, her colourful work had an exceptional influence on many graduates of the Oriental Painting Department of the Fine Art College at the Hongik University in Seoul where she taught for several years.

The colourful work of CH'ON prompts us to think that it was the power of the male dominated official Korean aesthetics that led many Koreans to accept traditional and conventional claims about the Korean liking for the colour white without question. Here, it
is useful to recall that how some contemporary Korean male artists, for example PARK Seo Bo whom I introduced earlier, distinctly used the colour white and how this use was canonised as uniquely 'Korean' by the mainstream Korean critics, as well as by Japanese and other foreign critics. The majority of these domestic and foreign and critics were unsurprisingly men.

The nationalist rhetoric of Paek-üi Minjok or the mono-colour of Korean identity is also questioned by another group of Korean women artists who became prominent nationally and internationally in the 1990s and 2000s. The representative figure here is Kim Sooja (1957- ) who uses brightly coloured Korean fabrics in her work (slide 13). Since 1992 Kim has produced what she calls her Bottari series (slide 14), and has installed versions of it all over the world. She has used vibrantly coloured and richly decorated traditional Korean bedcovers and pojagi to make the bundles in her Bottari pieces.

Bottari is a parcel or bundle wrapped up in pojagi. Pojagi is a wrapping cloth, traditionally used by Koreans for a number of purposes: to wrap up the mattress during the day; to store and carry clothes; to wrap special gifts; and to cover and carry food. Pojagi was for Koreans a universal item of daily life and often invested with extraordinary beauty (slide 15). Kim Sooja's work appears to have intrinsic links to colourful traditional Korean women's crafts, particularly pojagi making. Kim Sooja's strikingly colourful work prompts us to realise that even during the overtly male dominated Choson period, Confucian male scholars were comfortably surrounded by robust colours in their wives' hanbok or traditional Korean dress, bedcovers, embroidery decorations, the painted eaves of their houses and offices, festive and ceremonial foods, while Koreans persistently claimed that their race were the people of the white.

Kim Sooja has masterfully deployed the immediate and exotic visual appeal of Korean textiles which inevitably have many deep cultural meanings and significance for Korean viewers, and at the same time seem to suggest certain cultural resonances to non-Koreans (slide 16). Her work and practice prompt critical questions about the issue of gender and cultural identity within various global contexts. Kim has bundled up the Koreanness of her textiles in her colourful work, and then she has shipped them away to many different countries (slide 17).

For her domestic audiences, Kim has shown examples of her multiple constructions of female and Korean identity which, in fact, resist the homogeneity of Korean identity as formulated by the dominant socio-politics of identity. Yet this is not shown explicitly and directly but implicitly.

The Koreanness and femininity of Kim Sooja's work are expressed in highly complicated ways so that this Korean woman artist, and her work, both invite and resist any simple erotic-exotic expectations. Her colourful Korean fabrics—visual markers of Korea's native culture—are intended to evoke images which viewers could immediately associate with the stereotyped images of Korean women, or Koreans or Korea. Yet, some aspects of her work and its 'packaging' are often more cosmopolitan and, interestingly, effectively opposed to these stereotypes (slide 18). This contrast is subtly played out in the overall representational strategies of her work which use most current forms of art such as video and internet art, and are accompanied by the artist's own knowing and enigmatic statements which inform viewers of her understanding of modern Western art history and contemporary art criticism. When the viewers take a close look at her work, they can 'visually' read the multiple facets of Korean culture, its distant past and rapidly changing present momentum, which the artist has intricately interwoven together with her own experience and identity. Such complexity prevents her work from becoming a form of reverse Orientalism, mentioned earlier. In other words, Kim's appropriation of her own
native culture and traditions does not end up unintentionally catering to a Western or international audience’s demand for the exotic.

The Korean artists and their work discussed above illustrate that despite the post-colonial South Korean state’s effort to formulate a unified national and cultural identity and to prescribe it to its citizens, Korean culture is far from homogenous. This is also evident in the diversity of the Korean art scene ranging from traditional Korean painting and crafts, reminiscent of ‘pre-modern’ European styles of oil paintings, abstract arts, installations, to experimental videos and internet art. Today, various Korean artists do imagine and do colour the picture of their national identity in many different ways.

Note
To avoid confusion, I have capitalised the Korean family name with the following exceptions. If the name of a person has been widely known outside of Korea in a different form, for example Kim Sooja, I have used the name by which he/she is internationally known.

References


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Conflicting Image of Korea in Foreign Textbooks

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1. Meaning of Textbooks

Textbooks act as an important passageway as well as a tool that transmit idealized views of the past and future prospects of a society to generations to come. It is also through textbooks that teenagers first come into contact with the world systematically. Therefore, the core issues in educational reform in any given society are organization of curricula and construction of the contents of textbooks.

For a long time textbooks or information contained within said books were understood to be neutral. In other words, the general awareness is that information written in textbooks reflects the interests of the members of that society very fairly. This is on par with the general perception of schools. Indeed, for a long time the conviction that schools do not reflect the understanding of a specific group but rather represent the system or scene where the common good of society is realized was accepted without any doubt. However, such long-held illusions about school systems and textbook knowledge were abandoned through much experience, and many theories made it clear that schools and textbooks reflect special interests of a specific group within a given society. Becoming aware of the bias inherent in textbook knowledge automatically led to a tendency toward viewing textbooks as important sites of struggle (Apple 1995). Textbook knowledge reflects the worldview of that society's leading group, and thus it is possible to understand the worldview of that society's leading group by analyzing its textbook knowledge. In one word, textbook analysis is becoming a very useful method for understanding the power relations and the distribution of power within a given society.

At the advent of the 20th century, textbooks also became a device imbued with significance that overcomes national boundaries in relationships among nations. Especially history textbooks, the medium for education of history that is the most important means for state authorities to regulate and administer the collective memory of the people, have been the seed of dispute among nations in some instances. History textbooks that highlight the weaknesses of other nations and especially the neighboring nations and emphasize the superiority of one's own nation have always been a problem. The most representative example of this is the role history textbooks played in the growing hostility between Germany and France after the 19th century (Lee, Kim, and Park 2002). And the role played by textbooks in international relations is a live one that can be felt when repeated diplomatic conflicts and ethnic discord between Korea and Japan and between China and Japan due to history textbooks as of the late 1970s are taken into consideration.
2. History of International Cooperation through Textbooks

Textbooks sometimes generate discord between nations as discussed, but despite the fact that it may not be the best way, textbooks also have been utilized for a long time in a very useful way to overcome discord or ethnic hostility between nations as well. Let us briefly examine the history of international cooperation obtained through textbooks. In the 1920s the League of Nations received a grant from the Carnegie Foundation in the U.S. and attempted to direct communications among the nations of the Balkan peninsula that fought three wars from 1912 to 1918 and to reform their textbooks. Also during the 1920s, German and French teachers' organizations spearheaded an effort to reform the textbooks of both nations by proposing substitute textbooks that could replace their official textbooks. However, such reform efforts could not succeed without the support of political power (Choppin 2002).

After World War II, assertion to reform textbooks in various nations and especially in Germany in an effort to bring about peace with neighboring nations was introduced and met with great success. This led to the textbook project between Germany and France that began in the early 1950s, a joint committee decision between Germany and Poland in 1972, and textbook reform effort between Germany and Israel in the early 1980s. Mutual cooperation between Germany and France and between Germany and Poland are especially considered leading success cases. Georg Eckert Institute for International Textbook Research was established in 1975 and has become a worldwide model for textbook research after playing a leading role in Germany's collaborative efforts on textbooks and other countries of the world.

Germany was able to lead to success the efforts on textbook collaboration with neighboring nations and the people of the victimized nations of the war, because Germany was willing to accept responsibility for the war crimes carried out during WWII and sincerely pursue important policies in order to politically reconcile with those nations that were the casualties of German policies (Choppin 2002).

Collaboration through textbooks reached a critical phase in the late 1980s. That is to say, it is faced with a new task of transcending the traditional role of promoting understanding between nations as in the past but finding a method for textbooks to contribute to the recovery from the sufferings of the legacy of dogmatic reign and domestic war or tribal strife in a nation. Pertinent are South American countries such as Chile and Argentina where military dictatorship collapsed and Eastern Europe after 1989. The principle goal these countries must realize are describing past experiences of totalitarian dominance in textbooks and developing textbooks that contribute to overcoming the legacy of such past as well. There also exists the difficult task of realizing how to heal the pain inflicted by intertribal war within a nation through textbooks as can be seen in a few countries in Africa, old Yugoslavia, the nations in the Caucasus region, Northern Ireland, and some parts of the Middle East (Choppin 2002).

Germany's experience suggests that several preconditions must be fulfilled in order to successfully utilize textbooks as a tool of universal peace policy after interracial strife and internal warfare. First, the most basic precondition is that strife and/or violence must stop. Utilization of textbooks as a way to begin the reconciliation among the parties involved in the strife can be put into effect thereafter. There does not seem to be any exception to this rule. Second, the political elites of the countries connected to the nations or groups involved must pledge themselves to textbook reform. It is impossible to achieve peace through textbooks as long as textbooks are the object of political debate among differing elite groups. Third, education, especially of history, must recognize that its goal is to allow differing interpretations and to foster the ability to criticize one's own past and
not force prescribed worldviews on others. Otherwise, it will be fundamentally impossible for education of history to be regarded mostly as a means for nation building. Fourth, only when discourse on history can transcend official narrative is it possible to pursue peace through textbooks. It is difficult for textbooks to function as a means for reconciliation and collaboration among heterogeneous groups in a society where education of history is perceived as instilling officially appointed "national history." Fifth, it must be acknowledged that there are disputes which require more time if issues are to be resolved through textbooks (Choppin 2002). These five fundamental rules can be useful when applied to analyzing issues on examples of textbook disputes or collaboration currently under way.

Japan is also one of the nations that has shown a longstanding interest in international understanding through textbooks. Textbook research in Japan, with International Society for Educational Information founded in 1958 at its center, shows a very different inclination than that of the one in Germany. Whereas Germany’s tendency is to reconcile and collaborate with the nations that experienced aggression through “acknowledgment of bygones,” textbook research in Japan began with the goal to improve its image and uplift its status in the international community. Therefore, most of Japan’s efforts are concentrated in correcting errors in information or knowledge contained within foreign textbooks related to Japan instead of collaborating between nations. The results of the efforts expanded by the Japanese in the past 40-some years are generally acknowledged to be considerable. The image of Japan portrayed in foreign textbooks has gradually improved and has contributed much towards introducing a relatively positive image of Japan to the people throughout the world. Japan, however, was not very interested in collaboration among nations through textbooks and especially not in making peace with East Asian countries that were under colonial domination or targets of invasion by Japan in the past. Actually, no attempt whatsoever was made toward this end. Japan’s only goal was to correct errors relating to Japan in foreign textbooks. In the case of Korea, research on foreign textbooks began as a way to cope with Japan’s distortion of history. Instances of Japan distorting the history of Korea-Japan relations or of attempts to beautify colonial domination occurred intermittently after the 1970s, and foreign textbook studies started in Korea in order to confront this situation. There is no major difference between Japan and Korea in this sense, however, because of the fact that emphasis in Korea was also put on rectifying errors related to Korea in foreign textbooks. This effort was not carried out by establishing a separate entity but rather by creating a research team at the Korea Education Development Institute, a government-subsidized institution, in 1981; the research team was small in size in terms of funds and manpower. The rightist textbook incident of Japan in 2001 forced Korean government to invest a large portion of government budget to undertake research on foreign textbooks. The incident in discussion is the official approval given by the Ministry of Culture and Science of Japan to use in its middle schools “The New History Textbook” published by Japan’s rightist group called the “Group to Establish a New History Textbook” despite objections made by Korea, China and other neighboring nations. In February of 2003, the task of researching foreign textbooks was transferred to the Academy of Korean Studies, a national institution supported by the Korean government, and the Center for Information on Korean Culture was established as a quasi-independent system.

The dispute on textbooks among Japan, Korea, and other East Asian nations has deteriorated even more during the 21st century. An agenda for discussion during summits between Korea and Japan and between China and Japan always contained issues on atonement for past wrongdoings and distortion of history textbooks, and no one can easily predict until when this will be repeated or when it will be resolved. Issues on history of the
past and history textbooks were matters of great concern for the people of both countries during the Korean-Japanese Summit held in June of 2003.

3. Image of Korea in School Textbooks Worldwide

The Academy of Korean Studies recently obtained and analyzed 43 varieties of middle and high school textbooks on history and sociology from 14 countries throughout the world. The result of this analysis is discussed below. Japan, China, Taiwan, Indonesia, Vietnam, Singapore, the U.S., Canada, Argentina, Paraguay, the U.K., Germany, France, and Australia were the countries involved, and textbooks chiefly related to national history, world history, geography, and social studies were reviewed.

3.1. Ambiguous Image

The biggest problem in narratives on Korea in foreign textbooks is the relative lack of description about Korea. Koreans proudly state that the GNP or the size of trade of its nation is 12th or 13th in the world. Moreover, Koreans think highly of the influence its national brand, "Republic of Korea," has because Korea has successfully hosted international events such as the Olympics and the World Cup. In direct contrast to such high opinions and expectations of Korea by its own people, however, Korea portrayed in foreign school textbooks tend to be on the humble side.

Information related to Korea could not be found in geography textbooks used by middle schools in the U.K., world history and world geography textbooks used by high schools in France, or history and geography textbooks used in China. Most school textbooks mentioning Korea gives much less weight to Korea as compared to similar East Asian countries such as China or Japan.

An example of this can be found in Asia Alive, a sociology textbook from Australia, where Korea is dealt with in a small section totaling 8 pages. The amount of information dealing with Japan, China, India, Indonesia, and the Philippines cannot compare with that of Korea, because separate chapters are assigned to those nations, and furthermore, the amount of information on Korea is less than even Thailand, Singapore, Sri Lanka, and Burma from the Asian region. The quantity dealing with Korea is similar to that of Bangladesh or Pakistan. This textbook emphasizes the fact that Korea is one of its three largest trading partners. The relative importance put on Korea in another textbook from Australia called Understanding Asia is similar as well. India, Indonesia, the Philippines, China, Japan, Malaysia, and Singapore among the Asian countries are given separate chapters, but Korea occupies only one section as does Burma, Thailand, Hong Kong, and Taiwan. In terms of quantity, information on China takes up 40 pages, Japan 25, Indonesia 30, the Philippines 17, and Malaysia and Singapore 30, respectively, whereas Korea only takes up 8 pages. That is even less than the number of pages assigned to Thailand or Burma.

Unlike the expectations of the Korean people, the image of Korea as reflected in school textbooks throughout the world is very small and ambiguous.
3.2. Distorted Image

The second type of problem in discourses on Korea in foreign school textbooks is the distortion of historical facts. In other words, there are frequent instances where information on Korea is different from historical facts or reality. A high school textbook in Taiwan called *World Culture-Geograph* claims Koryo is the very first dynasty founded by Koreans in 918 A.D. This reflects the Chinese view that Korean dynasties such as Unified Shilla or the Three Kingdoms which existed prior to Koryo were part of China. *Understanding Asia* from Australia as previously mentioned teaches that “the peninsula was probably populated later than other parts of Asia.” The reason given for this is “because the mountains formed a natural barrier, the terrain was rugged, and the climate inhospitable.”

*World Geography Today* from the U.S., a nation that is considered to have the most human and material exchange with Korea and always perceived as a friendly nation by the Koreans, teaches that the climate of Korea is subtropical. Another school textbook from the U.S. called *People, Places and Change* claims that “most Koreans marry someone they meet through their parents.” It states that “some couples who do not have a son adopt a boy with the same family name. This is not too difficult because there are few family names in Korea,” thereby depicting Korea as a pre-modern clan society. “Many Koreans still ask a shaman for personal advice” is another statement also included in the textbook.

Most foreign textbooks portray Korea as a nation still suffering from a rapid population growth rate, which is in direct contrast to reality. Several years ago Korea began to show a serious drop in birth rate that parallels Europe, and the Korean government is recently pursuing a policy that promotes having more babies. Japanese textbooks are the only ones pointing out the fact that Korea is suffering from population decrease. Historical facts with very questionable reliability frequently appear in textbooks as well. One American textbook introduces the national per capita income of Korea as US$13,000. *Understanding Asia* from Australia states that “Kyongju had one of the largest urban populations in the world,” but the source of such claim is unclear.

There are instances where opinions from Korea are ignored and only opinions from Japan are reflected on disputed issues between Korea and Japan. Most representative of this can be seen in the designation of the East Sea. East Sea is called Sea of Japan in the textbooks that mention the East Sea in the form of text or map; this applies to textbooks from all 14 countries.

As expected, school textbooks from Japan contain the essence of distorting Korean history. “New History Textbook,” written by the “Group to Establish a New History Textbook” and published by *Hushosha Publishing Company* for usage in Japanese middle schools, contains these problems (KEDI 2002):

- It is based on the so-called theory which advocates that Gaya area was a Japanese colony;
- It diminishes Korean history in order to manifest Japanese superiority;
- It makes it ambiguous to pinpoint with whom the responsibility for past incidents between the two countries lie;
- It minimized and/or concealed damages Japan inflicted on Korea and other countries;
- It does not show remorse for colonial domination;
- It omitted the fact that comfort women were forcefully mobilized by the Japanese army;
• It diminished the fact that Japan engaged in peaceful exchanges with neighboring nations;
• It shows strong nationalistic view; and
• It insufficiently reflects the results of academic research.

This textbook received the official approval of the Ministry of Culture and Science of Japan, and its usage rate is 0.039% of the total number (1,320,107) of history textbooks used in Japanese middle schools. Five public schools and six private schools out of 11,191 middle schools have elected to use this textbook. The goal to be achieved was supposedly 10% at the start of things. However, concerned voices are becoming louder in Korea and China as well as Japan, because New History Textbook that has received such a cold shoulder in the Japanese academic world became a best seller in the open market and sold over 580,000 copies in two months.

3.3. Confusion about the Past and the Present

The third issue deals with the fact that many foreign textbooks introduce Korea of old and not of the present, the typical time lapse being 10 years and as much as 30 years ago. Australia’s textbooks that introduce Korea as one of its three largest trading nations state that Kim, Yong-Sam who was elected as the president of Korea in December of 1992 is still the president and has an approval rate of over 80% (Asia Alive).

Vietnamese students who are known for their passion for anything Korean are taught that North Korea “has early on supplied with electricity all over the nation, and it has ample capability to supply automobiles, locomotives, trains, generators, farming equipment due to the development of its national industries, and not only subways and high-rise buildings with 30 to 40 floors were built in the capital city of Pyongyang but also its culture and education has reached considerable growth, whereas South Korea is a backward industrial nation that currently manufactures products such as recorders, cassettes and calculators. Indonesia, which has the fourth largest population in the world, is taught that the main products manufactured by South Korea are textile, grain, and fodder. Argentina, one of the South American countries and where over 10,000 Korean compatriots live and where Korean electronic goods are preferred, still introduces Lucky-Goldstar as the 5th largest conglomerate in Korea although that name was changed to LG a long time ago; Argentina has no information on LG, SK or KT.

3.4. Nation of Politics and Economics

Information on Korea contained in foreign textbooks concentrates on politics and economics. The majority of modern and contemporary history or narratives on present-day Korean society are full of colonial domination by Japan, the Korean War, the confrontational situation between South and North Korea, and rapid economic development. It is difficult to find information on everyday life of ordinary Koreans or Korean culture. Asia Alive, the Australian school textbook, introduces “an assembly to find mates for bachelors in the farming industry” during an introduction of agricultural expansion in Korea, which is very rare. Textbooks introducing Korea’s passion for education, social order founded on Confucianism, legacy of unique cultural heritage, etc. are not very noticeable. Despite the fact that Tripitaka Koreana, Suwon Castle, the Korean language, the chronicles of the Chosön dynasty, Bultuk Temple, Sōkuruam cave, music performed during the memorial rituals at royal ancestors’ shrine and others are registered with UNESCO as world cultural
heritages and are essential elements symbolizing Korea as much as the division of North and South Korea or its economic development, it is not easy to find such cultural legacies mentioned in foreign textbooks. Textbooks currently used in foreign countries cannot perform the function of introducing Korea as not only a nation with strained politics and economics but also as a gentle nation with an ancient culture.

3.5. Confusion about South and North Korea

There was a general tendency for many of the foreign textbooks to write about South and North Korea in a confusing or vague manner as recent as a few years ago. In the case of Vietnam, a long-standing tendency to be friendly with North Korea resulted in the Vietnamese students receiving detailed introduction of North Korean economics and social growth prior to the 70's, which can possibly create confusion with present-day South Korea. However, the same problem was not found during the analysis of textbooks from other countries. This reflects the fact that at least the writers or publishers of textbooks from most of the other nations clearly perceive the differences between South and North Korea. The collapse of socialism, economic crises of North Korea, economic growth in South Korea, and recent nuclear issues in North Korea, etc., can be interpreted as gradually defining the differences in the image of North and South Korea in the international community.

4. Issues to Be Resolved

A few recommendations are made below that can increase the level of understanding between Korea and the rest of the world through textbook research.

First, Korea must move away from tenaciously clinging on to the issue of history textbooks in Japan. Koreans should always take precautions against Japanese society’s tendency towards rightism and the possibility of resurrected militarism in Japan. However, excessive aggression at the government level to confront the ideological inclinations partially contained in select few textbooks is not advisable.

Second, much concern should be focused on providing correct knowledge of Korea past and present in a timely manner to textbook publishers and writers all over the world. It is necessary to support this effort so that the textbooks can be written correctly from the beginning instead of amending erroneous information. Development of various introductory materials on Korea in various foreign languages is especially necessary.

Third, it is necessary to develop and provide diverse educational materials that can supplement textbooks. The effort to introduce Korean history, culture, and the state of current society via online and offline multimedia educational materials is required.

Fourth, it is important for those specializing in Korean studies overseas to concentrate further on textbook issues in their own countries. Diverse cooperative systems should be established in order for the research results of those specializing in Korean studies to be reflected in the textbook narratives in applicable countries.

Fifth, it is vitally important to analyze the issues on foreign narratives as portrayed in Korean textbooks. International understanding through textbooks cannot be unilateral. The embodiment of the spirit inherent in the principle of reciprocity is also needed.

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State Power and Chaebol Reform in Post-Crisis South Korea

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1. Introduction

This paper investigates the role of the South Korean state in the post-crisis era, particularly in relation to its stewardship of the neo-liberal reforms requested as a condition of the IMF loan package. It argues that the process of neo-liberal reform has contributed to a reformulation of power relativities in the national political economy, but contrary to the expectations of some, the state apparatus appears to be one of the main beneficiaries of this reformulation.

Immediately prior to the crisis, the influence of the chaebols had increased due to the strength of the economy and the ease with which the chaebols could access capital. In contrast, the state’s influence waned due to its loss of leverage over the chaebols that the liberalisation program had produced. The post-crisis period, however, has allowed the state to regain influence because it has proven to be the only actor capable of acting as a mediator between the domestic and international economies. In fulfilling this role, the state has had to follow a different logic to that of earlier periods of industrialisation. Rather than sounding the death knell for state power, the post-crisis period has witnessed the continuing transformation of what Eun Mee Kim (1997) terms a developmentalist, ‘plan-rational’ state apparatus to a ‘market-rational’ one. While economic development continues to be its main priority, the state’s understanding of its role - and the roles of other actors - has changed considerably. Despite strong opposition from the chaebols, the state has reinvented itself as the facilitator of financial and industrial restructuring. By focusing on areas of contestation between economic and political elites, this paper provides an explanation of the impact of neo-liberal reform in South Korea by analysing the state’s crucial mediating role between internal and external forces.

The first section of this paper argues that the state has used the recent financial crisis as an opportunity to re-legitimise its role in the national political economy. Previously the state had justified its role in the process of economic development on the basis of its capacity to launch the drive to industrialisation. But with the completion of that stage of development in the 1980s, the state faced a crisis of legitimacy. It was not until the late 1990s that the state had another opportunity to take on such a significant role in the developmental process. After nurturing the chaebols as the engine of economic growth, the state was faced with the challenge of reining them in for the sake of the long-term interests of the national economy.

Next, the paper contends that in a maturing and increasingly sophisticated economy, re-asserting and re-legitimating itself has required the state to seek support from both domestic and external actors. On one side, external actors, namely the International Monetary Fund (IMF) and the American government, had long sought the reform of the chaebol-dominated, neo-mercantilist economy, which was fundamentally at odds with the neo-liberal paradigm espoused by the ‘Washington consensus.’ The paper also notes that the process of neo-liberal reform has begun prior to the crisis in response to pressure from both external parties and the chaebols. In the face of pressure from both external parties...
such as the IMF and the US Treasury, as well as the chaebols at home, the state found itself in a crisis of legitimacy, and forsook many of the policy tools that had characterized the developmental state paradigm, such as industrial policy and control over access to capital. These reforms reduced the influence of the state, and concomitantly increased that of the chaebols. A review of the reforms required as conditions for the bailout loan, which included fiscal and monetary reform, labour market reform, financial sector reform, public sector reform, reforms to corporate governance and industrial restructuring, is presented.

Third, it is argued that the state’s success in re-legitimating itself was dependent upon its ability to attract the support of the public, which was vehemently opposed to the chaebols’ continued dominance of the economy. The incoming Kim Dae Jung government was able to draw on public distaste for the continued dominance of the chaebols, whose questionable business practices were considered out of step with a modernizing, educated society. Thus the state gained public support for reining in, rather than nurturing, the chaebols - in contrast to the initial stages of economic development.

This combination of international and domestic support, coupled with the personal convictions of key members of the new government that the chaebols were the source to the economic crisis (and its resolution), provided valuable ammunition to the state as it sought to create a more market-oriented, yet regulated, economy. By mediating between internal and external forces, the state has cast itself as the only actor capable of fulfilling the needs of national economy (i.e., re-establishing access to capital) by liaising with external forces (the US and IMF). This was achieved through the implementation of a neoliberal agenda, which allowed South Korea to return to international capital markets. Thus it has reclaimed a degree of legitimacy not seen since its heyday in the 1970s.

2. The State in the Pre-Crisis Period

To some, the late 1980s and early 1990s were the halcyon days of the East Asian developmental state. Not only did South Korea, Taiwan and Japan - the countries most closely associated with the developmental state model - record high growth rates and enter markets formerly dominated by American and European firms, but the statist developmental paradigm was the subject of an unprecedented degree of intellectual attention. Despite this widespread appreciation for the efficacy of the developmental state model, it faced opposition from influential quarters, most notably the US government. With the cessation of the cold war in the early 1990s, and following the attainment of relative prosperity on the part of East Asian allies such as South Korea and Japan, the US intensified efforts to open the product and financial markets of these countries (Cumings 1998). This precursor to this process was in the late 1980s, when threats were made to use Section 301 of the US Trade Act (‘Super 301’) to eliminate unfair trade practices (Bergsten 2002; Weiss and Hobson 2000, p. 68). This process culminated in the ‘Clinton doctrine,’ which demanded reciprocity from allies in the form of market opening to US goods and services.

Also opposed to state-led development were the international financial institutions (IFIs), especially the IMF. The IFIs were the main instruments available for resolving economic crises in developing countries (such as those that erupted in Latin America in the 1980s and again in 1994-95). Equally as important, the ‘prescriptions’ the IFIs made for recovery drew chiefly upon a set of policy reforms known as the Washington consensus. These reforms sought to eliminate the statist development paradigm in developing countries, and to impress upon them the benefits of shifting to a market-based economy. As such, the reforms included fiscal discipline; a redirection of public spending to areas

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considered to have high economic returns (such as health, education and infrastructure); liberalisation of interest rates, exchange rates, trade and investment; privatisation; and the abolition of entry and exit barriers (Williamson 1999, p. 252).

A third source of opposition to the continuation of the statist paradigm was the chaebols - arguably the greatest beneficiaries of state leadership during South Korea’s industrialisation. While the US government and the IFIs took exception to the developmental role of the state on ideological grounds, the chaebols sought to limit the influence of the state in order to increase their own autonomy vis-à-vis the state. In particular, a key objective of the chaebols was to reduce their dependence on the state for access to finance. As such, the chaebols lobbied for the liberalisation of financial markets while opposing the lifting of entry barriers in their own spheres of interest. It was not only the financial sector where the collective pressure to liberalise was apparent: by the mid-1990s, many of the traditional elements of the developmental state had been significantly reduced in scale or eliminated. For instance, ‘industrial policy’, which was once considered the trademark of the developmental state, was all but abolished in the late 1980s and early 1990s (Chang 1998). Shorn of its traditional policy instruments, the state by the 1990s had lost a significant portion of its influence, a development that was accompanied by a concomitant rise in the influence of the chaebols.

This paper argues that not only had the partial liberalisation of the economy reduced the influence of the state and increased that of the chaebols; but also the state, and its role in the national economy, had been de-legitimated. That is, the state was no longer seen to be playing a central role in the national economy. A host of actors - external forces such as the IMF and the US, as well as the chaebols and even the largely American-educated economic bureaucracy - sought to remove the planning function from the state’s remit (Woo 1991). The state was to be relegated to a supervisory role instead, from where it would facilitate the development of the economy as a whole, rather than particular sectors of it.

As Fred Block (1986, p. 182) notes, the structures of economy, including the state apparatus itself, are ‘time-limited in their effectiveness’. Over time, institutional arrangements undergo ‘a process of growth and decay,’ and ‘some of the positive synergies that occurred during a phase of expansion can turn negative under changing historical circumstances’. In short, the structures that serve an economy at one point in time need to be reformed to retain their relevance in the future. Without self-strengthening reforms, social structures risk atrophying. As the case of South Korea in the post-crisis period demonstrates, it is possible for the state apparatus to attain a position of relevance by adopting the agenda of the dominant contemporary ideology - neo-liberalism. That is, the state was able to regain a degree of legitimacy in the late 1990s by playing a role that coincided with the ‘logic’ of a rapidly advancing economy. That would mean playing an active role in the resolution of the financial crisis that struck South Korea in late 1997, which in turn involved cooperating with external parties to facilitate access to international capital markets. So the state acted as a mediator between international and domestic capital. At the same time, it adopted a populist, anti-chaebol agenda to win popular support for its re-emergence as a prominent, legitimate actor in the national political economy. The next section of the paper outlines the reform agenda and its effects on state power.

3. The IMF Reforms

In return for a loan of sufficient scale to cover South Korea’s short-term debts, the IMF requested that the country carry out a wide-ranging package of reforms. First, the
government had to tighten fiscal and monetary policies in order to reduce inflation and reduce the budget deficit. Taxes were also raised, and funds were to be diverted from defence to welfare, in preparation for the anticipated increase in unemployment (Park 2002). Second, the government agreed to reduce the size of the public service and to reorganise the functions of the state as part of the reform process. Launched with the goal of creating a ‘smaller but more efficient’ government, the re-organization transferred the functions of some ministries to local governments or the private sector, reduced the public sector workforce, and granted more control over economic policymaking to the executive and prime minister (Kim 1999).

A third plank of the reform agenda was labour market reform, since the IMF considered labour market ‘flexibility’ (i.e., layoffs) to be vital if industrial restructuring was to proceed. It was argued that some jobs would inevitably be lost during the process of restructuring the chaebols (Kim 1998, p. 135). The Tripartite Commission on Industrial Relations was formed in January 1998 to involve trade unions in discussions about improving labour market flexibility. Despite initially opposing mass dismissals, the unions eventually agreed to layoffs in ‘unavoidable’ circumstances. In return, unions were granted permission to engage in political activities, and to extend their coverage to the public service and the teaching profession for the first time (Park and Park 2000, p. 86). The government also established a $US4.4 billion fund to compensate for job losses resulting from the restructuring process. Another outcome of the tripartite talks was the legalisation of ‘dispatch centres’, which were responsible for employing workers on short-term contracts for less than regular wages (Kwon and O’Donnell 1999, p. 279).

Fourthly, financial sector reform was pursued. The main thrust of the reforms in this area was to increase the level of competition among financial institutions. Introducing foreign competition to the financial sector would, the IMF claimed, raise the overall performance standards of the sector and to encourage the closure of troubled institutions. At the same time, the financial condition of many financial institutions was impaired by non-performing loans, so the overall performance of institutions was poor. After initiating a process of rationalisation, the government re-capitalised the surviving institutions. The net effect of these changes, it was claimed, would be a more competitive, better-capitalised and market-oriented financial sector (Choong 2001, p. 461; Haggard 2000, p.149; Kim 1998, p.132; Park 2002, p. 65). The reforms also sought to ensure that independent and competent supervisory agencies were established. Specifically, the IMF advised the government to grant the Bank of Korea full independence, which it had not hitherto enjoyed (Kim 1998, p. 131). A new institution responsible for overseeing the entire financial sector, the Financial Securities Commission (FSC), would complement the newly independent central bank (Park 2002, p. 65). Capital account liberalisation was also pursued, though this process had begun well before the outbreak of the crisis.

Finally, the reforms targeted the managerial style of the chaebols (governance) and their production processes (restructuring). Improvements to corporate governance would involve the ‘five plus three principles’: greater transparency, better accounting and reporting practices, greater accountability by owner-managers, abolition of mutual guarantees among chaebol affiliates, and a streamlining of the operations of chaebol enterprises (Mo and Moon 2003, p. 128). The government later announced additional measures to improve corporate governance. Financial market supervisory agencies were to more rigorously oversee the chaebols’ control of non-bank financial institutions (NBFIs), a source of much of the chaebols’ credit, as well as inter-subsidiary investments. In addition, illicit collaboration was to be dissuaded by preventing ‘irregular inheritances’ and gift giving among chaebol owners (Mo and Moon 2003, p.131-32). To emphasise the need for industrial restructuring, the IMF argued that one of the main causes of the crisis was low
profitability, which in turn was the result of over-capacity and excessive investment in industries such as shipbuilding, automobiles, electronics and semiconductors. The proposed remedy to this problem was the elimination of surplus production capacity, in the form of the outright shutdown of plant and equipment, asset swaps between chaebols in similar industries ('big deals'), as well as 'workout programs,' which involved an injection of public funds to recapitalise the chaebols in return for an end to the practice of mutual debt guarantees between chaebol affiliates (Cumings 1998, p. 63-64; Choi 2002, p. 268; Lim 2003; Shin 2000, p. 191-94).

4. The Re-Emergence of the State in the Post-Crisis Era

While it is possible to argue that the *raison d'être* of the South Korean state has changed markedly in the wake of the financial crisis and the subsequent neo-liberal reforms, this paper contends that the crisis and reforms expedited a change in the role of the state that was already underway. As mentioned above, neo-liberals both inside and outside of the state increasingly scrutinised the efficacy of the statist development paradigm from the 1980s. Gradually, the ideological and institutional bases of strategic intervention in the political economy were eroded, resulting in a form of liberalisation that sought to weaken the role of the state, rather than strengthen it (Clifford 1998; Weiss and Hobson 2000, p.62). As part of the shift to a more market-oriented economy, the state's role was minimised, and it was urged to act as a regulator rather than facilitator of development, and to devote itself to resolving structural problems such as monopolies, economic disparities between regions, cost structures and barriers to higher efficiency (Kim 2003; Kong 2000, p. 15).

Eun Mee Kim (1997) has described this type of transformation as the shift from a 'comprehensive' to a 'limited' developmental state (LDS). According to Kim, a comprehensive developmental state (CDS) is 'plan-rational' rather than 'market-rational': the state focuses on development rather than regulation. The CDS, she claims, caters to the long-terms interests of the economy by supporting the private sector during its infancy. For example, it ensures that firms have access to adequate levels of capital and technology, while also providing indirect assistance by mediating between domestic firms and multinational corporations, and by promoting international trade. As the sophistication of the economy increases however, it is more difficult for the state to perform these tasks, as firms seek autonomy from the state. Instead, the state is called upon to play a more supervisory and regulatory role, which is the hallmark of an LDS. Commensurate with the higher degree of economic development that is present under an LDS, some sectors of the economy may remain plan-rational, while others become increasingly market-rational (Kim 1997; Kim 1999).

Given the ongoing transformation of the state since the 1980s, its actions in the post-crisis period hardly represent a radical break from the past. Claims that the Asian financial crisis would "change thought about economic development and economic policy in fundamental ways," and that the tools of developmental states have been totally discredited (Garnaut 1998, p. 10) should thus be viewed with some caution. To reiterate: it was neither the crisis nor the reform agenda that changed thoughts about policymaking and the role of the state. The crisis, and especially the IMF's intervention, merely expedited changes that were already underway (Kristof 1998). In addition, the crisis gave the state the chance to reassert a degree of legitimacy by regulating the activities of the chaebols more effectively.

The state's re-assertion of its legitimacy is best illustrated with respect to its role in the restructuring of the financial sector. After abdicating its role of investment coordinator
in the 1980s and early 1990s, the state’s capacity to discipline the chaebols diminished markedly, as witnessed by their excessive borrowing (Kim 2000, Kong 2000:19, Weiss and Hobson 2000:66). The financial crisis, however, returned to the state a degree of leverage over the chaebols, insofar as it became not only a direct shareholder of several banks following their nationalisation but also the ultimate guarantor of the survival of the entire financial system due to its control of the recapitalisation process (Haggard, Lim and Kim 2003:318). In turn, creditor banks put pressure on the chaebols to comply with the conditions of the workout and big deal programs. Chaebol owners and shareholders, meanwhile, have been expected to bear the costs of corporate failures: the socialization of risk, a founding principle of the developmental state, has all but disappeared (Haggard, Lim and Kim 2003, p. 311; Sanger 1997).

Of overriding importance though has been the role of the state in re-establishing access to international capital markets for the national economy. The debt-laden chaebols had relied on continual replenishments of short-term capital to operate in the lead-up to the financial crisis, and indeed it was precisely this reliance on foreign lending that precipitated the crisis in the second half of 1997. Only the state was able to re-establish the link to international capital: it achieved this by agreeing to implement the IMF’s neoliberal reforms.

Liaising with international creditors and IFIs was only one half of the state’s return to legitimacy in the national political economy: the other half of its role involved reining in the power of the chaebols, which it had nurtured in an earlier period of development. Perhaps the clearest indication that the developmental alliance between the state and the chaebols has changed was the handling of the Daewoo Group’s bankruptcy in the second half of 1999. Hitherto, the state had been reluctant to allow chaebol groups of Daewoo’s scale to collapse due to the potential social and economic fallout of such an incident. In contrast the Kim Dae Jung government, which believed that the chaebols and their proclivity for excessive borrowing and expansion were the cause of the financial crisis, refused to rescue Daewoo when it failed to comply with the conditions of its workout program in either substance or spirit. The group’s owners resorted to ‘creative’ accounting practices such as revaluing assets, accessing funds through NBFIs and issuing more equity (Park 2002, p. 76). The state’s willingness to tolerate the collapse of Daewoo and the resultant financial turmoil convinced other chaebol owners that the principle of restructuring would be enforced. By the end of 2000, 17 out of the top 30 chaebols had entered receivership or had undergone restructuring processes such as workouts (Crotty and Lee 2002, p. 674; Mo and Moon 2003, p. 131-36).

In spite of the resolve that the state displayed in the case of the Daewoo collapse, the process of restructuring has been far from smooth. Nor has the state proven capable of bringing the chaebols as a class to heel. Indeed, Daewoo represented a particularly egregious case of corporate profligacy, even by the standards of the chaebols (Lee 2003), and it seems probable that the state fully understood the salutary effect that Daewoo’s bankruptcy would have on similarly recalcitrant chaebol owners. That is, while the state would be both unlikely and unwilling to bear the consequences of a string of collapses on the same scale as Daewoo, it might have allowed a small number of other chaebols to go bankrupt. Other chaebols owners, not wanting to imperil the survival of their groups, heeded the lessons of Daewoo and made more substantive efforts to improve their finances and restructure their business operations. As such, the state has at least partially ameliorated the problem of what has been called ‘chaebol non-reform’: the propensity of the state to avoid structural reforms in the face of social opposition. As Kong (2000, p. 84) explains:

An economic setback traced to Chaebol malpractice provokes widespread calls for
structural reform; then the realisation sinks in that effective structural reform would have
to deepen economic pain in the short-term; favourable cyclical factors plus some limited
adjustments by the Chaebol themselves promote recovery; once the recovery is under way,
the momentum for structural reform evaporates.

The financial crisis appears to have broken this cycle to some extent, as substantial
reforms have been implemented. Indeed, the success of the reforms - and the state's bid to
regain legitimacy in the political economy - stems from the state's ability to capitalise on
the public's sense of outrage at the excesses of the chaebols and their culpability in the
outbreak of the crisis. That is, the legitimacy that was restored to the state stemmed from
two sources: the external support of the US government and the IFIs, and also domestic
societal groups other than the chaebols. Without popular support, disciplining the chaebols
and implementing the conditions of the IMF loan would have been far more arduous for
the state. Public opinion opposed the all-pervading social, political and economic influence
of the chaebols since Liberation in 1945, and the chaebols were widely considered to be
responsible for bringing the economic crisis to the country due to their reckless lending and
expansion. An an unreconstructed and outdated remnant of the authoritarian era in the eyes
of the increasingly modernised and educated populace, the chaebols found themselves the
Thus the state gained public support for reining in, rather than nurturing, the chaebols - in
contrast to the initial stages of economic development.

It was against this background of overt hostility to the chaebols that the state harnessed the
support of both domestic and external actors to regain an influential position for itself in the
national political economy. Now less dependent on the chaebols for its political survival, the state adopted a more populist platform that incorporated the interests of a wider group of societal actors into the formulation of development strategies (Haggard, Lim and Kim 2003, p. 311). The government's platform included efforts to gain the support of both the official and independent trade union federations through the formation of a tripartite commission. The commission's main task was to minimise the social impact of the restructuring process. The unions were initially opposed to the principle of layoffs but the state convinced the federations to cooperate in the restructuring in return for measures to establish a rudimentary social safety net and also full recognition of the rights of the unions to participate in the political process and to organise in a wider range of sectors (Park and Park 2000, p. 86; Strom 1998a).

The cooperation of the union federations, while not strictly necessary, was certainly desirable for the resolution of the crisis. The incoming government was determined to restructure the chaebols regardless of the stance of the unions. Election promises to hold a six-month moratorium on layoffs were greeted with scepticism (Crotty and Lee 2002, pp. 668-69; Pollack 1997). Indeed, in one of his first public statements after winning the presidential election in December 1997, Kim Dae Jung stated that job losses would be inevitable, and that it might be necessary for up to 30% of the workforce to be laid off in order to save the remainder and revive the national economy. Analysts initially predicted that at least half a million jobs would need to be shed in 1998 alone to meet the goals of the restructuring project (Strom 1998b). The unions' support was desirable insofar as it would improve the prospects for social stability in the wake of the crisis. Kim's stance attracted the support of the middle classes, who were less likely to be directly affected by layoffs and who had traditionally been mistrustful of trade unions. It was felt that militancy was inappropriate during a national economic crisis. Moreover, the public was wary of any party that appeared to share the chaebols' stated goal of opposing restructuring. The state capitalised on the anti-chaebol sentiment to paint striking workers as anti-reform, and by implication, as working in the interests of the chaebols and against those of the country as
5. Conclusions

This paper has focused on the way in which the state has reacted to the IMF reforms, and it has argued that the reforms represented an opportunity to strengthen the state's standing vis-à-vis other actors, especially the chaebols. The state proved itself to be the only actor capable of facilitating the process of industrial and financial restructuring that was requested as a condition for the emergency loans in 1997 and 1998. As such, the state had to assume a new guise, and to operate in accordance to a markedly different template to that of the early stages of economic development. Despite the transformation from a 'plan-rational' state (which was primarily dictated to by the logic of launching the drive to industrialisation) to a 'market-rational' one, the goal of the state has not changed: its overriding objective is still to further the national interest through economic development. On this basis, the state regained a degree of legitimacy in the national political economy.

In the post-crisis period, the state has been forced to rein in the influence of the chaebols, rather than to nurture them. Yet the latent influence of the chaebols should not be underestimated, especially given their ongoing importance to national economic prosperity. Moreover, the longevity of the state's renewed influence has yet to be proven. If the chaebols were to simply 'hunker down' for several years until the hostility towards them inside and outside of government dissipates, they could well regain their previous level of influence. Likewise, concerns that the reforms implemented in the wake of the crisis may merely replace the chaebols' unregulated (and sometimes illegal) dominance of the economy with a more regulated (and legalised) form of dominance (Kim 1998, p.135). What likelihood is there, after all, of competitors emerging who are capable of challenging the preponderance of the chaebols? Could such challengers replicate, or indeed emulate, the contribution of the chaebols to national economic development?

More pointedly, with the easing of the sense of desperation that accompanied the crisis, as well as the anti-chaebol sentiment, a revival in the influence of the chaebols seems inevitable. Indeed, the chaebols have received help from an unlikely source in the quest to frustrate the process of restructuring: the trade union federations, erstwhile class enemies of the chaebol owners, began to actively oppose the restructuring process after pressure from the rank-and-file membership, and entered into an unlikely alliance with the chaebols to slow or halt the break up of the industrial groups. These efforts have not been wholly unsuccessful: the social costs of restructuring (most notably, rising unemployment), as well as bankruptcies, have put pressure on the state to ease some of the conditions associated with the restructuring process and to take into account the interests of its social partners in the formulation of development strategies (Haggard, Lim and Kim 2003, p. 312, Park 2003, p. 202). In sum, the view of the South Korean state that emerges in the post-crisis period accords with what Zaki Laidi (2002) has labelled a 'fractal state': one which is no longer able to dominate society but which is the ultimate protector of the national interest. The state has responded with resilience and flexibility to the challenges of the past five years but its ability to do so in the future is far from assured.
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Teacher Unions in World Context

Prime social institutions such as the education system while being the inheritors of national cultures and legacies from the past are also the vehicles of regional and global social directions and change. Correspondingly, throughout the world the formation and activities of teacher unions are recognised as indicators of social change.

With some fifty-million teachers around the globe, teachers constitute the world’s largest public sector group (Cooper 1992a; Smyke 1985) and over the past half century they also have become the key unionised force in the public sector. Such social actions have produced, according to Cooper (1992a, pp. 299), ‘a critical development in education across much of the world’ (cf. Lawn 1985; Kerchner and Mitchell 1988). Cooper (1992a, pp. 300) described the trend in these words:

nation after nation has recognised the rights of teachers to join the labour movement, seeking collective rights to bargain, grieve and even strike. In the process, teachers have become powerful politically, influencing government policies at the national, regional and local levels.

For most nations, the process of formation commonly has been by teacher professional associations moving towards union status and the transition has been negotiated with governments without undue conflict. Cooper (1992b) commented that the majority of countries have recognised teachers’ rights. However tolerant responses to unionisation are not universal and there have been different reactions in many other countries, where ‘public opinion and policy were so hostile to teacher unionism that teachers were jailed, beaten and dismissed’ (Cooper 1992a, pp. 302) and long struggles for legitimacy ensued. Such struggles have been supported by international organisations that promote the rights of teachers, such as the World Confederation of Organisations of the Teaching Profession (WCOPT), and Education International, the international federation of free teacher unions. These groups have developed positions for global teacher rights and educational conditions in liaison with such groups as the International Labour Organisation, drawing on the principles of UNESCO and United Nations charters, resulting in a widespread recognition that teachers rights to form unions are fundamental human and civil liberty rights. Thus, across the spectrum of processes of union formation, Cooper (1992b, p. 6) commented that the experiences of teacher unions can be regarded as ‘barometers of major cultural and social change’.

The Struggle for Teacher Unionism in South Korea
The process of formation of a teachers’ union in South Korea was one of those cases where such a move was strongly resisted and oppressed by the government, in the context of a long struggle to reform fundamental aspects of the education system in South Korea. These efforts produced one of the most powerful and significant social movements in Korean history focussed around the emergence of the Korean Teachers and Educational Workers Union (KTU), Jeogyojo.

There were deep historical roots to this movement. Teachers in Korea had emerged as social actors under Japanese rule, engaging prominently, for example, in the March 1 Independence Movement in 1919. There was an early attempt to form a teachers union in 1960, which was severely put down after Park Chung Hee assumed political control. The contemporary union emerged after a period of local mobilisation in the 1980’s when the formation of a national movement was announced through the so-called YMCA Declaration of 1986, which expressed a range of teachers’ grievances and set out a determination to press for reforms. Initially an amalgamation of smaller associations, on May 28 1989, the movement declared itself a union- Jeogyojo, the Korean Teachers and Educational Workers Union. The announcement of unionisation was public and dramatic, made at an illegal rally at Yonsei University.

The inauguration drew heavy repression from the government, which resulted in the imprisonment of several leaders, including the president, for a year, dismissal of some 1700 teachers, hunger strikes, protests by teachers and students in schools, student suicides, mass rallies and intense public debate and conflict over the issues. The dispute lasted a decade and produced many disruptions to the school system, but it also focussed attention on grievances of teachers, parents and students with the education system and, subsequently, drew bodies such as the International Labour Organisation and Human Rights Watch into the dispute.

In July, 1999, the Korean Teachers Union (KTU) was formally recognised as a trade union. This act broke the long-held policy of prohibiting civil servants to form trade unions and came in the wake of industrial reforms brought on by the Korean economic crisis in 1997. The decision to legalise teacher unions was one of the gains of the Korean Confederation of Trade Unions, under whose umbrella Jeogyojo is located, in the negotiations with President Kim Dae Jung over widespread industrial restructuring, particularly the rationalisation of labour in industry following Korea’s economic crisis, under the bail-out conditions of the IMF.

In this conference paper I am not detailing the historical emergence of the teacher union movement. Such a history can be found in my book on the topic (Synott, 2002). Rather I wish to focus on how certain grievances of the union movement were focussed towards the educational manifestations of the dominant directions of Korean social change in the period. In particular, my concern is with industrial relations in education in the NIC-style social engineering that took place in Korea from the 1960’s onwards and, later in the paper, on the more recent impacts of globalisation policy in Korean education.

The remainder of this paper will examine briefly some, but not all, of the core grievances of the movement and indicate how these grievances are located in historical and sociological features of Korean society.

**Education and Development**

A number grievances of the unionised teachers related to educational aspects of economic policy and activities in South Korea through the industrial modernisation period,
its so called NIC miracle. These policies were experienced by teachers as unremitting demands to produce school graduates who would participate in the national economic programme, not only through the achievement of skills and contents but also through the acquisition of amenable values and dispositions that were socialised into students through the highly competitive and authoritarian structures of schooling.

In their opposition to the pressures of the NIC system, teachers claimed that they were motivated by the suffering inflicted on students in the process of turning them into human capital. When analysing the extreme pressures that existed in the school system, the Jeogyojo teachers identified national economic issues as the driving forces behind school practices, which they reported to the United Nations Social and Economic Committee in these words: 'Governments have considered education an institution producing a labour force equipped with simple functions to accelerate industrialisation, neglecting the intrinsic functions and quality of education' (Jeogyojo 1994, Section 6).

The South Korean school education system became incorporated into the economic development strategy over thirty years, and was founded on schooling practices established during the 40 yr. period of Japanese colonial rule, and a further four years of control by the US military government in Korea 1945-48. Within the context of these foundations, the reformist teachers identified the following specific aspects as their principal grievances with the school system:

- The ideology of education for economic development and modernisation;
- The dominance of the school examination system;
- The use of teachers as agents of the economic development programme;
- The organisation and administration of school education;
- The financing of school education;
- The content and transmission of knowledge through textbooks and the curriculum.
- The legal controls on teachers

It is impossible to discuss all of these features in detail here, but I will present some central examples that show how schooling was incorporated into the national economic development program.

**Ideology**

The driving values and policies of modern education in Korea were established during the government of Park Chung Hee (1961-79) and maintained through successive governments as Korea pursued its export-oriented industrialisation program. Early in his rule Park grasped the principles of using education to drive his modernisation agenda. For instance, in a speech on the aims of South Korean education at the conference of university presidents, college deans and educational superintendents on January 24, 1967, Park articulated his vision in these words:

We are at the threshold of a new stage where we must solve problems affecting our education, and readjust and strengthen the content and structure of our education, so that it can truly support national development. The generating force behind our modernisation drive is, ultimately, national education.

Since our modernisation drive can be more effectively carried out when we succeed in modernising man through education, adoption of right educational ideology and rational management of educational plans are the cornerstone for our national development (Park Chung-Hee 1970a, pp. 88).
The most complete expression of the mission of education during the industrial development period was the National Charter of Education, proclaimed on December 5, 1968. At the proclamation ceremony, on December 5, 1968, President Park declared that he meant its values to penetrate deeply into the society, as in comments such as, 'I hope not only that the ideal national image drawn in this Charter will be an index in all kinds of school education, but also that it takes root deeply in the general life of our countrymen' (Park 1970b, pp. 117).

Throughout the modernisation period, the National Charter most formally defined the values of education for economic development. Financing, administration, pedagogy, curriculum and daily practices in schools were all marshalled to the Charters' goals and enforced militantly. After twenty-five years, the National Charter was officially withdrawn in November 1993. Announcing the decision, Education Minister Oh Byung-Moon said 'The spirit of the National Education Charter has lost its meaning in this changing social order, so there is a need for a re-orientation of the nation's education' (quoted in The Korea Times 1993, November 12, 3).

As a social indicator on the pervasiveness of the ideology for economic development in South Korea, in a 1994 survey of 'National Consciousness on Educational Development', 82.6% of respondents expressed awareness of the role of education in economic development, while 82.7% of respondents expressed 'total dissatisfaction' with the education system (Korean Educational Development Institute 1994, p. 87). Those surveyed also indicated an awareness that the reform goals of Jeogyojo were directed towards redressing the oppressive impacts in schooling of the education for development programme.

**Schools as Training Ground for Industry**

Teachers were an essential force in the economic development programme and the working conditions of teachers in every respect were controlled by the overall values, official ideologies, policies, workplace practices and legislation that controlled other workers. Within the broad social context, the school system operated as 'an integral part of a national project to strengthen and develop the country for national survival' (Sorensen 1994, p. 14) and can be regarded as performing two functions in its role of supporting industry control of workers. Firstly, schools produced in students the behaviours and attitudes that would make them suitable workers and the examination system - a 'testocracy' (Sorensen 1994, p. 17) - was the evident structural mechanism for this. Sorensen (1994, p. 10) quoted an early Minister of Education as saying that through schools 'human propensities and the structure of consciousness must be reconstructed as the driving force of social reform.' Teachers' roles in this were obviously vital, as they were required to model and teach, formally and informally, the required behaviours of the workplace. The only allowable sources of legitimate knowledge were government-written text-books which provided work-place information for students, and I quote the following excerpt from a middle-school text-book for the subject called Industry:

> The only way to eradicate industrial accidents is for workers and business owners to become one in heart and mind. Together, they must become thorough in maintaining safety management. The absolute majority of industrial accidents result from the loss of concentration by the workers. They take place when workers lose interest in their work and lack safety-consciousness (Jeogyojo 1990a, p. 10).
Such statements were meant to regulate student behaviours in school as well as prepare them for work. Teachers were also expected to organise work-experience programmes in industry for students from industrial high schools. In these 'field-experiences' it was reported that students were required to 'become one of the labourers who are assigned to a post on the assembly line' and they were required to write a pledge stating such commitments as 'I will be ready to be punished if I desert my post without notice', 'my parents and I will take the responsibility of every accident happening during field training' and 'I will never join the labour movement during field training' (Chunkyojo 1994, Section 2).

Other ways in which teachers were located in the general contexts of Korean labour were in workplace practices such as the following: authoritarian control by principals and Ministry bureaucrats, including teachers being openly abused and physically struck by principals and senior teachers; overcrowded classrooms; long teaching hours and compulsory extra-classes such as supervising study sessions in exam preparation that could last until ten o’clock at night; demands for activities such as raising funds for the schools; and unpaid administrative work (Korean Educational Development Institute 1994).

The working conditions in schools also reflected the harsh environment of many industrial sites, being under-resourced, overcrowded, cold, run-down and poorly maintained. These conditions served to shape and control many aspects of teacher-student relations such as the harsh and punitive controls placed by teachers on students, authoritarian language and behaviour towards students and the general climate of classrooms as sites for intensely hard labour, rigid timetables and deadlines, constant scrutiny, harsh examinations, submission by students and domination by teachers, and the enduring of the harsh physical and psychological conditions without complaint.

These issues can be recognised as features of Korean schooling that located schools and teachers’ work in the general context of industrial relations, worker controls and workplace conditions that operated in Korea through the period of its ‘dazzling economic performance’ (Human Rights Watch 1995, p. 5) over three decades from 1960 onwards. Teachers served, with other employees, in bearing ‘the tremendous cost of this achievement’ (Weingartner 1988, p. 79). The costs were witnessed in teachers ‘declining social status and menial monetary rewards’ as pointed out by columnist Rhee Chong-Ik (1990, p. 5) so that ‘the once respected title of “teacher” no longer means much to anyone.’ According to the teachers’ reform movement in an open letter to the Minister of Education, the problems emanated from the Ministry of Education serving its political and economic agenda so that it ‘damaged our image as a teacher by arranging and chaining us in front of the students and parents’ (reproduced in Jeogyojo Shinmun 1987, October 1).

**Industrial Legal Contexts of School Teachers**

The existing framework of industrial relations was a barrier that restricted teachers’ opportunities to respond to the negative practices in schools. Thus, Jeogyojo insisted that the attainment of legal status for the organisation was an essential step in the process of educational reforms in Korea. The movement also regarded its on-going illegality as a significant example of social oppression of the work force in the drive for national economic development, views which were expressed in statements such as the following:
Though Korean workers have made the greatest contribution to Korea's economic growth and development, they suffer some of the worst working conditions in the world, receiving low wages while having very long working hours. The government's harsh suppression of the labour movement has earned South Korea the title 'Nation of Labour Suppression.' Now Korean teachers have become conscious of their own identity as labourers. The establishment of Jeogyojo is a lesson in itself. It's a historic event which can challenge the old biased views about workers and the labour movement which facilitate the oppression of working people. South Korea is one of the few nations in the world where teachers are denied the Right of Freedom of Association (Jeogyojo 1992, pp. 10-11).

They identified the existing legislative controls on teachers as a major structural feature defining the nature of teachers' work and constraining the movement's efforts to secure a basis for reform in educational culture in Korea. From this perspective they pursued the three basic conditions of trade unions:

- the right of teachers to form their own organisation to represent their interests to employers (the right of free association);
- the right of the teacher's organisation to negotiate with employers on behalf of its members (the right of collective bargaining);
- the right of the teachers' organisation to call for and co-ordinate activities by member teachers in support of their negotiating position (the right of collective action).

The laws that regulate the activities of teachers in South Korea were the Labour Union Law, the Labour Disputes Adjustment Law, the National Public Servants Act and the Private School Act (Choi 1989). Supporting this group of laws was Article 33 of the Republic of Korea Constitution which guarantees the right of employees, except public servants, including teachers - to organise collective bodies. In addition, there was a range of other legislation that was used to contain teachers and other employee groups, particularly the National Security Law which has been a major instrument of repression and coercion in modern history.

In addition to restrictions articulated under the laws discussed above there was legislation that applied to all public servants in South Korea, including teachers. The National Public Servants Act, Article 66, stated: 'Prohibition of Collective Action: Civil Servants may not take collective action for labour movement purposes or other purposes outside of public duty', while another law applied to teachers in non-government schools, the Private Schools Act, Article 55 (both quoted in Human Rights Watch 1995, 10, footnote). These legislations were the basis of the South Korean government's legal argument that teachers could not form a union. The dismissals of the seventeen hundred teachers who joined Jeogyojo in 1989 were carried out under the legal clauses cited here, which prohibited collective action by public servants.

In early 1990, Jeogyojo members initiated some hundreds of court cases, lodged at different levels of judiciary, including the District Courts, the Supreme Court and the Constitution Court. The basic argument of the teachers cases were the same in each judiciary, being that the restrictive provisions of the National Public Service Act and the Private School Act were unconstitutional because the Constitution (Article 33) guarantees freedom of assembly, the right of equality of workers and the rights of workers' organisations. The teachers also contended that a provision in the Constitution for the independence of education extended to the independent activities of teachers. In each of the cases, the courts rejected the teachers' applications.

Shortly after these rulings, the Constitutional Court hearings on eighty-three lawsuits brought by Jeogyojo members commenced. While the teachers representatives asserted that the Public Service Acts Articles 55 and 58 denied the rights of teachers guaranteed under the Constitution, the lawyers for the government claimed that the
Jeogyojo members were ‘security risks’ threatening the stability of South Korea. In a letter to the court, the Minister of Education claimed that ‘the legalisation of Jeogyojo would only provide a foot-hold for left-leaning teachers to indoctrinate students with anti-government and communist ideologies in classes’ (quotations from report in The Korea Times 1990 April 17, 3). Not surprisingly, the decision handed down by the court rejected the teachers’ application.

With no further opportunities to pursue the legal issues within Korea, Jeogyojo turned increasingly to international legal avenues to establish their case. In a series of statements from 1993 onwards, the International labour Organisation insisted to the Korean government that, under international principles, teachers and other public servants in Korea should be able to exercise the right to organise trade unions. The international NGO Human Rights Watch called the restrictions on teachers under the civil service laws, ‘another serious infringement of human rights’ and argued:

The South Korean government contends that teachers’ unions have no legal basis because teachers are public officials and cannot, in any case, be treated as ordinary workers. However, this position contradicts ILO standards. ILO Convention 151 specifically protects the right of public workers to organize. It mandates that public employees’ organisations ‘shall enjoy complete independence from public authorities’ (Human Rights Watch 1995, 10).

The International Federation of Free Trade Unions expressed its support based on the right of everyone to join free trade unions as embodied in the Universal Declaration of Human Rights, the International Covenant of Economic, Social and Cultural Rights and the International Covenant of Civil and Political Rights. Teacher union groups from around the world also supported Jeogyojo’s claims to legitimacy.

The issue of Korea’s application for entry into the OECD in 1995 proved to be a significant step in the Jeogyojo quest for legitimacy. The continued exclusion of the teachers’ union was regarded unfavourably by the OECD delegation that had been sent to review Korean education. While the OECD strictly maintains a policy of not interfering in the internal affairs of member states the committee specifically informed the Korean Minister of Education that there were clear expectations that Korea should legalise the teachers’ union.

The push for a teacher union, therefore, challenged not just policies in education, but restrictive legislation and practices affecting a whole range of workers in Korea. The resolution during the 1990’s of the legal issues surrounding Jeogyojo became a very strong indicator of the Korean government’s willingness to abide by its expanding international obligations under the ILO, OECD and other treaties.

The government under Kim Dae-Jung indicated its willingness to proceed with the complex and far-reaching reforms necessary to set up the industrial relations structures that brought legitimacy to Jeogyojo, yet these were also cast in the broader context of industrial restructuring throughout the nation in the wake of the Korean economic crisis in 1997 and more recent policies towards globalisation.

However, with subsequent legalisation in July 1999, there were limitations imposed on the KTU, confined to a narrow range of industrial issues, like working conditions and teachers’ welfare. Other matters to do with educational policy, such as class sizes, curricula and professional aspects of teachers were legally defined as the domain of the Korean Federation of Teachers Associations (KFTA) (Gyo-chong). These two main groups representing teachers in Korea are strongly opposed to each other. The KFTA was established in 1949 essentially as a school principals group to carry out government policy, while Jeogyojo is a members movement. Since legalisation it has continually pushed to extend its mandate and assert its union status.
Korean Education in the New Millennium.

Since the 1997 Asian economic crisis, which hit Korea severely, there has been a general repositioning of Korean society in the context of its push for an identity as a global nation, not to mention the important changes in national security. The rapid spread of computerisation, broadband connections, Internet, and virtual reality gaming in South Korea are becoming as well known internationally as the miracle economy. Korean companies like LG and Samsung are among the leading transnational corporations pushing globalisation, with its elements of consumer culture, virtual realities, and electronic connectedness. Within Korea the dominant housing model of concentrated high-rise apartments is actually providing a comparative advantage in the race for global village living. To be in such a block, for example during the World Cup when almost every household was tuned in to watch the national team, and responded together loudly to the fluctuations of the games was to experience electronic collectivism. Korea is a world leader in the social penetration of Information Communications Technology.

The change in lifestyles has been reflected in the changing economy, and vice versa. This process has been linked to the education system, as a recent report noted: ‘Entering the age of information in the mid-90’s Korea witnessed the growth of the complete service industry, for instance the information super-highway has been linked to the educational sector, the first such total linkage in the world’ (Ministry of Education and Human Resource Development, 2002, Pt I, 3).

Whereas the focus of education during the drive for export-oriented industrialisation was on the production of human capital the more recent dynamism is towards the needs of the workforce in a globalising world:

> the demand for a professional work force that possesses a high level of knowledge and the ability for research and development will rise fast in response to the expansion of the knowledge intensive industry and the information industry (MOEHRD 2001, p. 2).

How does the education Ministry currently identify its contemporary contexts and goals? Recent documents present a fairly consistent perspective on these matters. The policy context of current educational changes in Korea has been driven by the 1995 Education Reform policies in teacher training and the Presidential Commission on Education and Human Resource Policy, established in September 2000. The goal of the Commission was to pursue ‘strategies and policies for education and human resource development geared towards producing the human talent suitable for the knowledge information society of the twenty-first century’ (Ministry of Education and Human Development Annual Report 2001-2002, Pt II, p.1).

Schooling was identified as a central platform for these goals, such that:

> In order to raise creative human beings suitable for the knowledge-based society of the twenty-first century and enhance national competitiveness the school curriculum should be totally revamped based upon educational content that can help develop the new abilities demanded by the information society of the future (Ministry, Pt IV, 3).

Not only the curriculum but the whole system is to be oriented towards a networked, transparent, decentralised and streamlined system, in which ‘teachers are expected to lead the knowledge-based society and the creative vision in the twenty-first century.’ (p5.).
course teachers have long been charged to be models of the dominant ideology—of Confucianism prior to the twentieth century, of colonial rule in the Japanese period, of national industrial development after 1960.

In line with Korea's enthusiasm for computer activities generally, the Ministry set goals for the 'networking and globalisation of education that offer learning in cyber-space and in the global village' (p3.) The plan is for 30% of the curriculum to be conducted employing multi-media materials, with one personal computer for each two students and every teacher to have a computer. In this way, in the words of the director of the information communication technology office at the Ministry 'our society will be converted to an information society'.

As of 2000 the Ministry of Education indicated that 80% of schools have computer labs while 60% were connected to the Internet (Herald Tribune, Oct. 16, 2000, 21). However this approach met resistance from parents and teachers. Parents were concerned at what they considered the distraction of computer based education, because computers are not involved in the university entrance examinations. For teachers who for years have struggled with a chronic lack of resources in schools, and an overwork of administration, the introduction of computers means more work, constant retraining, and another resource dilemma because of the short life span of computers.

This high-tech schooling is to be supported by a national, efficient and streamlined educational administration system. Such a system has been designed and partly implemented. Its is part of the national platform of what is termed the Total Performance Support System (ToPPS) designed to achieve a vision of Korea playing a leading role in the world as a knowledge-based country (MOEHRD, 2002, p. 93).

NEIS

The planned 'Electronic Educational Administration' or new Educational Information system (NEIS) is a key foundation for the development of ToPPS. The NEIS which is basically a comprehensive national data system was introduced as part of an e-government project to connect schools across the nation to an office of education through the Internet and deal with educational affairs electronically. The Ministry of Education and HRD considered 'electronic government a necessity' (**). First introduced as a pilot in 2001 NEIS was planned for generally implementation in 2003, but the system has become controversial and the centre of an unresolved dispute between KTU and the government. Before analysing the dispute, lets briefly consider the stated intentions of NEIS, according to the government view:

- NEIS will provide online access to documents and forms; this will allow parents to download and send relevant documents without having to go to schools to do so; also graduates can access their academic records online.
- For teachers there will be less paperwork, and access to the forms they require, such as transfer or scholarship forms;
- Parents can access school information on their children, such as performance reports and records;
- Children's health, academic and other records will be transferred automatically should children change schools (a task historically left to the parents to do).

It is this notion of widely available records on students, and also teachers that has been challenged by the teachers union. The availability of information that can be
considered confidential, whether it is an individual’s students health record, or information on a teacher’s political activities (e.g. being a union delegate) was challenged as a human rights violation by Jeogyojo who took the case to the National Human Rights Commission and the government declared it would abide by the decision of the Commission. In early May, 2003, the National Human Rights Commission declared that there were human rights concerns over the NEIS and advised the education ministry to return to schools three items of student information - academic performance grades, health records and admissions records - from the NEIS to the old Client Server (CS) system, which was largely school-based. The NHRC declared that all personnel records should be excluded from the NEIS and that strict security measures should be established over the data, who has access to it and to what uses it can be put. Despite its earlier indication to abide by the decision, the Ministry declared its intention to implement the system irrespective of opposition.

Subsequently, the KTU members (92,000 members nationally) declared a strike, then postponed it while intense discussions took place between government and union. Initially there was some compromise but the Ministry agreed to withdraw only one of the three contentious items of information, that of health records. The union reacted to this by declaring a work strike and public rally. Numbers of KTU leaders began a hunger strike. The government indicated a school walk-out was illegal and it would try and prevent such industrial actions, provoking a storm of protest from Jeogyojo over the broader issues of teachers’ rights for collective assembly.

The opposition of the union was supported by a majority of teachers, indicated by a survey by Hangil Research who reported that 72.7% of teachers had concerns over the human rights aspects of the NEIS. Officials of the Human Rights commission publicly stated that the government should accept the Commissions findings. In the face of such opposition, the Ministry of Education back-flipped and announced that it was dropping the three contested areas of information and reviewing the whole process of implementation.

This decision incurred the wrath of the numerically large and politically conservative Gyo-Chong (Korean Federation of Educational Associations), which has membership of school principals. Gyo-chong demanded the resignation of the Minister of Education and declared ‘We cannot accept the ministry’s decision and the government should take responsibility for the consequent chaos in the future’ (Chosun Ilbo, May 26. 2003). District superintendents and other education administrators supported the Gyo-Chung position. Then, on June 1, the government again bowed to pressure, reversed its decision and announced it was proceeding with NEIS for all schools students, saying it was not feasible to abandon the partly implemented system.

Jeogyojo reacted vigorously to this about-face, ordering its members to refuse to use the NEIS system, and filing complaints against the Minister and also school principals and superintendents who adopt the online system. The union insisted that the government should attach teachers’ employment to local educational districts rather than designate them as national positions (which means they can be transferred anywhere). Jeogyojo also declared that NEIS in centralising information and streamlining processes was part of the government strategy to open the Korean educational market to international educational providers. Thus globalised education was positioned to diminish national Korean education and cultural values, as well as threaten teacher employment.

Out of the dispute was formed a network of IT teachers for human rights who on June 3 requested the government to:
• Immediately stop the implementation of NEIS;
• Immediately reconcile with Jeogyojo;
• Establish a full-scale review of the national information technology policy;
• Establish educational information systems that accord with human rights and involve community consultation;

Finally, the Korean Confederation of Trade Unions, of which Jeogyojo is a strong member, announced on June 12 a four-hour national walkout on June 25 over a number of industrial issues including the intention to implement the NEIS (Korea Herald, June 12, 2003,3).

Transforming Old Disputes into New Contexts

The dispute over NEIS represents some sort of transformation in industrial relations in Korean education, shifting the realm of dispute and grievances from the NIC-style issues identified in the earlier part of this paper to issues of the new economy and global nation. This in itself is important and interesting, and I suspect that, as with the NIC model, Korea will become an international case of how digital social engineering becomes constructed and applied. What emerges out of an analysis of the dispute however is a continuation of the struggle between a government that continues to reproduce its authoritarian legacy and groups such as Jeogyojo that have been in the vanguard of movements for a strengthened democratic civil society in South Korea. In spite of a strengthened democratic political system the patrimonial institutional structures remain embedded with the values and practices of Korea pre-Asian economic crisis. Previous history in Korea has shown clearly that such features do not change because of some political reconfiguration (as in the transition from colonialism).

Perhaps the issues of this information war industrial dispute may seem remote and somewhat abstract. The other current controversy involving Jeogyojo -a more confronting instance of the union’s struggle for a school system that respects human rights, including the rights of women and the dignity of casual employees.

It was widely reported in the press in early April how an elementary school headmaster in South Chungchong had committed suicide following a dispute in his school. The principal had requested a contracted female teacher serve him coffee, to which she objected and complained to unionised teachers in the school. The local Jeogyojo branch demanded the principal publicly apologise for his sexist attitudes and announce procedures for ensuring it would not happen again. Apparently the pressure of this and other matters, including possibly matters raised at a recent provincial meeting of school headmasters, caused the principal to commit suicide. The case has once again provoked intense public discussion over the role played by the teachers union, as to whether, according to its critics, it is a destructive force in the school system or, from its supporters’ position, it is an agent of change towards a more just and equitable education system.

Conclusion.

In this paper I have set out to investigate some of the important issues in industrial relations for school teachers in the South Korean education system that were at the centre of the emergence of teacher unionism in the 1990’s and which subsequently mark the
transition from a school system geared towards an industrial society to that of a globally-oriented society mobilised around information communications technology, neoliberal free trade economics and export-oriented service industries. Somehow it seems that the often conflictual relations between the Korean Teachers and Educational Workers Union, Jeogyojo and the Ministry of Education and Human Resource Development reflect many of the underlying tensions and contradictions in South Korea, such that industrial relations in education are indeed barometers of social change.

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Second Language English Listening Comprehension Using Different Presentations of Pictures and Video Cues

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1. Introduction

Listening comprehension is a highly complex cognitive process demanding a plenty of effort such as constructing new meaning through cues found from contextual information and from the existing background knowledge in learning ESL (English as a Second Language)/EFL (English as a Foreign Language) unlike in acquiring mother tongue. To listen successfully to spoken message, the listener has to pay attention to what speakers say and try to work out what they mean. Thus, listening might be thought to be a dynamic process rather than receptive process.

Learning theorists have long believed that an image facilitates the comprehension, storage and recall of information (Paivio 1971). A lot of studies have suggested that visual support can enhance listening comprehension and have shown that visual context plays a key role as a source of background knowledge in comprehension and learning in an instructional setting (e.g., Bransford and Johnson, 1972; Dulay and Burt 1975; Garza 1990; Hudson 1982; Markham, 1989; Mueller 1980; Omaggio 1979, 1986; Rubin 1990; Savignon 1990; Swaffar and Vlatten 1997).

It is believed that a well-organised picture can represent what a speaker intends to express better than 'a 1000 words'. All kinds of visual material, such as pictures, slides, drawings, video, etc., have served many roles in language learning activities (Meskill 1996) and have provided learners with additional information to facilitate the comprehension of spoken and written information. Video media have also been used in second/foreign language classrooms for more than 50 years when television broadcasts were introduced (Gruba 1997). The use of video as a pedagogical tool, which brought advantages related to context and discourse, paralinguistic features, cultural characteristics, has been accelerated in English language teaching since the 1970s and 1980s when video was introduced as a teaching resource (Coniam 2001). Altman (1990) suggests that the listening process may be enhanced through video because listeners can catch clues from what speakers say or may be going to say when they watch the speaker’s face before the utterance is heard. Herron et al. (1995) state that video enables learners to contextualise language, to understand the foreign culture effectively, to hear native speakers interacting in conversational situations and to practice important linguistic structures. They indicated that the visual dimension of video also enables listeners to reduce ambiguities present in native speaker voices and motivates students learning a foreign language. Salaberry (2001) rates highly the value of the application of video, stating that teachers can produce their own videotaped teaching materials through the development of the Camcorder.

Which particular visual material is more effective for improving comprehension, pictures or video cues? In fact, there is little research on this issue. In a study to investigate the relationship between the amount of visual context and listening comprehension, Chung (1994) showed that the more the visual images, the better and that presenting moving images was the most effective for listening comprehension compared to audio only, audio
and a single picture and audio and multiple images. Herron et al. (1995a), who carried out
to examine the effect of visual advance organisers on comprehension and retention of a
written passage, compared a video condition with a picture plus narration condition and
found that video (dynamic visual) as an advance organiser was more helpful to
comprehension and retention than picture (static visual) plus teacher narration advance
organiser.

It has been thought that a spoken message presented with non-verbal cues and visual
information could assist learners' listening comprehension (Chung 1994; Dunkel 1986;
Herron, 1994; Herron, Morris, Secules, and Curtis 1995; Meskill 1996; Omaggio 1979;
Rivers 1981; Rubin 1990; Secules, Herron, and Tomasello 1992; Snyder and Colon
1988; Ur 1984; Wolff 1987) and that the effect of visual images would be different
according to the timing of presenting the visual images while listening (Mueller 1980).
Research based on schema theory, which draws on the background knowledge of the
learner, shows experimental evidence that the images such as line drawings help learners
better comprehend written and aural information and Mueller (1980) found that visual
cues shown before and immediately after the presentation of the listening text enhanced
learners' listening comprehension although the less proficient learner needed more
auxiliary visuals or organizers.

It has been shown that comprehension can be significantly improved by organising
the visual cues as extra stimulus prompts in the instructional procedure (Bransford and
Johnson 1972; Omaggio 1979; Mueller 1980; Wu and Solman 1993; Hanley et al. 1995;
Herron et al. 1995a; Solman and Wu 1995; Elliott and Zhang 1998; Zhang and Elliott
1998). Possible organisers are to present the visual cues as priming and feedback instead of
presenting them simultaneously while listening to spoken text.

Priming has been regarded as one kind of effective presentation technique
contributing to comprehension. An information organiser presented before listening to or
reading the written text not only helps to create a context for comprehending a passage, but
also prevents errors from occurring in comprehension (Bransford and Johnson 1972;
Chung 2002; Omaggio 1979; Mueller 1980; Hanley et al. 1995; Herron et al. 1995a;
Herron et al. 1998; Herron et al. 1999). Priming presentation technique enables
listeners to select appropriate information corresponding to the spoken text in a 'while-
listening stage' after they create various information from the visual or script organisers
presented before listening to the spoken text in the pre-listening stage. On the other hand,
feedback has also been regarded as a kind of information promoting learning (Carroll
1976). In general, types of feedback are classified into the following: immediate feedback,
end-of-session feedback, correct or incorrect feedback and informational feedback (Wu
1993). Johnson and Johnson (1993) described feedback as information, made available to
individuals, that compares actual performance with some standard of performance. In a
study of feedback, Gaynor (1981) reported that for interactive video instruction, one of the
most necessary parts is feedback and that immediate feedback, end-of-session feedback or
no feedback have no significant effect on short or long-term retention at the first three
taxonomic levels (i.e., knowledge, comprehension, and application) when the degree of
original learning is paralleled. He also suggests that “a delay of thirty seconds in the
feedback may have a detrimental effect on retention of material at the different levels of
the taxonomy for students at different levels of mastery” (1981, p. 28).

In spite of these advantageous features of feedback, it has not been regarded as an
effective presentation technique for improving comprehension compared with priming
presentation as a technique where pictures or video cues are provided before listening to or
reading the text (Bransford and Johnson, 1972; Hanley et al. 1995; Herron et al. 1995a;
Omaggio 1979; Mueller 1980). However, in vocabulary learning, presenting picture cues
as feedback has been regarded as an effective presentation technique compared with simultaneous presentation technique (Wu and Solman 1993; Solman and Wu 1995; Elliott and Zhang 1998; Zhang and Elliott 1998).

Visual materials as an instructional tool have been presented simultaneously with text for improving comprehension. Since Bransford and Johnson (1972), some researchers (Dean and Enemoh 1983; Hanley et al. 1995; Herron et al. 1995a; Mueller 1980; Omaggio 1979) applied priming presentation techniques (called an advance organiser) to the presentation of visual materials for improving learners’ comprehension. Now many are being used as an advance organiser in second language teaching classrooms, such as topics and titles (Bransford and Johnson, 1972; Schallert, 1976), summarised sentences (Hanley et al., 1995; Herron, 1994; Herron et al. 1995a; Herron et al. 1998) question previewing and vocabulary preteaching (Chung 2002; Chung & Huang 1998) cultural background knowledge (Johnson 1982; Markham and Latham 1987), etc.

The application of the feedback technique, however, to the presentation of visual materials for improving comprehension did not arouse researchers’ interest because the error rate on comprehension and recall was high when visuals were presented by the feedback presentation technique. In vocabulary learning, however, learning performance was better when the first language word was presented as feedback after a short delay than when it was presented by priming or simultaneous technique with the second language word (Elliott and Adepoju 1997; Solman and Adepoju 1995; Solman and Chung 1996; Tao 2000). This may be because attention is divided between the two inputs in simultaneous presentations, while the spacing of the two inputs may enable learners to share the attention with each input in turn (Elliott and Adepoju 1997).

It has been shown that the effects of visual cues may be influenced while listening to a spoken text when visual cues including sufficient contextual clues related to the content of the listening text are selected (Rubin 1990), when the contents of the spoken text are difficult (Wolff 1987), when learners’ language proficiency is lower (Mueller 1980), when the questions about the listening text are related to main idea, details, inferences and so forth (Secules et al. 1992), and when the listeners are exposed to visual cues for a long period (Herron 1995).

The present study is based on effects of different presentation techniques (simultaneous, feedback and priming techniques) of pictures (still-images) and video cues (moving-images) corresponding to the contents of news programs in accordance with students’ language proficiency to improve second language listening comprehension. The reason why news programs were selected for the experiments is because Wolff’s (1987) experiment showed that the presentation of visual cues was more effective, and because Shohamy and Inbah (1991) showed that news text was the most difficult when compared to lecture or dialogue texts, in a study to compare the degree of difficulty about three text types with twelfth-grade Israel students. To be useful as second/foreign language teaching material, English news programs need more use of non-linguistic information and prior knowledge or schemata for listening comprehension because the content may be difficult to understand as compared to lectures or dialogues (Shohamy and Inbar 1991; Wolff 1987).

In short, the experiment was carried out to investigate the effects of still-images (pictures) and moving-images (video cues), and to examine the effects of three different types of presentation techniques, simultaneous, priming, and feedback, according to students’ first language proficiency levels for improving second/foreign language English listening comprehension.

In the results of my previous experiment, no significant difference was found between still-image cues and moving-image cues presented while the students were listening to Behind the News (BiN) programs, produced by Australian Broadcasting Corporation in
1988. Because different presentation techniques were used for different visual cues, that is, still-image cues were presented using a feedback technique and moving-image cues were presented using a simultaneous technique, no evaluation could be made between the still-image and the moving-image cue conditions. Also, there was no condition for those who could watch still-image cues presented by a priming technique in my previous experiments. Therefore, the present experiment was replicated to make up for the points at issue and to examine the visual effects of still-images and moving-images, and to examine the effects of presentation techniques, simultaneous, priming, and feedback, on second/foreign language English listening comprehension. This experiment was also organized according to the listeners’ first language proficiency levels, high, medium and low, while listening to six educational news programs as with my previous experiments. On the basis of the results of my previous experiments, the following hypotheses were suggested in this experiment.

1) Listening comprehension will be more effective when moving-image cues are presented than when still-image cues are presented.
2) Listening comprehension will be improved more when the visual cues (including both picture and video cues) are presented using a combination of priming and feedback presentation techniques than using a simultaneous technique.
3) The use of a priming presentation technique will be also expected to be more effective than that of a feedback presentation technique for improving listening comprehension.
4) Video cues will be relatively more beneficial for less proficient first language students rather.

To analyse the data in this experiment, a combination of priming and feedback presentation techniques was compared with the simultaneous presentation technique. The priming presentation technique was then compared with the feedback presentation technique using planned orthogonal contrasts. In terms of students’ first language proficiency, the average of the high and medium proficiency first language levels was compared with the low proficiency first language level. The high proficiency first language level was then compared with the medium proficiency first language level using planned orthogonal contrasts, too.

2. Method

2.1. Sample

A total of 144 high school students, 72 boys and 72 girls, were selected from a public high school in Seoul, Korea. Students that had experienced in studying overseas for more than at least 3 months were not selected for this experiment. The average age of the participants was 18.19 years at the time the experiment started. No gender-based performance difference was also found in the present experiment.

2.2. Stimulus Materials

The six different Behind the News (BtN) programs produced by the Australian Broadcasting Corporation in 1998, were selected for this experiment. For this experiment,
the six different news programs were divided into two groups for the pre-test and the post-test as follows: (1) the headlines of the first three different TV news programs used for the pre-test in this experiment - Awesome Science with Water week follow up, Mitch Damage, and Hurricanes with follow up, and (2) the headlines of the other three news programs used for the post-test - Games Review [Commonwealth Games], Siberian Tigers with follow up, and Maths Study with follow up.

The stimulus materials were edited to be suitable for each condition for this experiment. For the picture cue group of this experiment, the picture cards were used with the headlines on the first card among all picture cards corresponding to each news program (See Appendix). The picture cards used for the picture cue group were laminated A4 printer paper on which one or five pictures printed in the middle. Three same sets of picture cards and audiotapes were used for three conditions, Audio Headline-Picture Priming (AHPP), Audio Headline-Picture Simultaneous (AHPS), and Audio Headline-Picture Feedback (AHPF), in the picture cue group. For the moving-image cue group of this experiment, the video clips were used with the headlines of news programs at the beginning stage of viewing the programs. Three different types of videotapes were used for three conditions, Audio Headline-Moving-image Priming (AHMP), Audio Headline-Moving-image Simultaneous (AHMS), and Audio Headline-Moving-image Feedback (AHMF), in the moving-image cue group. For AHMP condition, each news program was recorded on videotape without sound and then recorded on videotape with simultaneous sound. For AHMS condition, each news program was recorded on videotape with simultaneous sound. For AHMF condition, each news program was recorded on videotape with simultaneous sound and then recorded on videotape without sound. In all materials, the headlines of news programs were presented to the students. Students in each condition were presented with the above stimulus materials corresponding to each condition during pre-test, training and post-test phases. All the materials were composed of passages at the rate of about 200 words per minute (wpm).

Worksheets. Paper-based worksheets were prepared for the pre-test and the post-test. Each test consisted of 15 fill-in-blank items, 7 multiple-choice items and 8 true/false items. The total item number of each test was 30 respectively. Examples are shown in Appendix 1 and 2. Each worksheet for the pre-test or the post-test was made on one sheet of paper.

3. Design

A 2 (Instruction Cue: Headline-Picture vs. Headline-Moving-image) x 3 (Presentation Technique: Priming vs. Simultaneous vs. Feedback techniques) x 3 (Students' Language Proficiency: High vs. Medium vs. Low) x 2 (Test-Time: Pre-test vs. Post-test) experimental design with repeated measures on the last factor was used. All experimental effects were tested for statistical significance at the .05 level. In this way, each subject experienced only one training condition during the experiment. The audio message and the picture cards or moving images with simultaneous sound corresponding to each news program were the basic stimuli for the experiment. The six instruction conditions used were:

Condition A: Audio Headline-Picture Priming Condition (AHPP). The stimulus materials for this condition were the picture cards with the headline on the first card among all picture cards corresponding to each BtN program and an audiotape. Before the experiment, an experimenter placed the picture cards corresponding to the news programs on the board in a sequence. Thus, the students could look at all the picture cards with the
headlines on the board without any sound for the same time that each news program was televised. While the students were listening to each news program, the experimenter picked up a picture card corresponding to the news from the board and showed it to the students one by one sequentially for 5 seconds and then put the picture cards away. This process was repeated twice for each news program.

**Condition B: Audio Headline-Picture Simultaneous Condition (AHPS).** An audiotape and the picture cards with the headline on the first card were used as the stimulus materials for this condition. While the students were listening to each news program twice through audiotape, the experimenter showed the picture cards corresponding to the news for 5 seconds and then put the cards away. The students could look at four or five picture cards for each news program sequentially while they were listening to the news. This process was repeated twice for each news program.

**Condition C: Audio Headline-Picture Feedback Condition (AHPF).** The picture cards with the headline written on the first card and an audiotape were the stimulus materials used for this condition. Students in this group listened to each news program through an audiotape with looking at the corresponding picture cards which the experimenter showed to them one by one sequentially for 5 seconds and then placed the picture cards on the board. They could look at the picture cards, which were sequentially adjusted in the order of the contents of each news program and placed on the board, without sound for the same time that each news program was televised a second time after listening. This process was repeated twice for each news program.

**Condition D: Audio Headline-Moving-image Priming Condition (AHMP).** The stimulus materials for this condition were videotape recordings of BtN programs with the headline. In the videotape for this condition, firstly, each news program with the headlines was recorded on the videotape without sound and then the news program with the headline was recorded with simultaneous sound. Thus, the students for this condition viewed only the moving-images with the headline without sound for the same time that each news program was televised and then they watched the news program with simultaneous sound through the videotape. This process was repeated twice for each news program.

**Condition E: Audio Headline-Moving-image Simultaneous Condition (AHMS).** Videotape recordings of the news programs with the headline were used as the stimulus materials for this condition. In the videotape for this condition, each news program with the headline was recorded twice on the videotape with simultaneous sound. The students for this condition watched news programs with simultaneous sound through videotape. This process was repeated twice for each news program.

**Condition F: Audio Headline-Moving-image Feedback Condition (AHMF).** Videotape recordings of news programs with the headline were used as the stimulus materials for this condition. In the videotape for this condition, each news program with the headline was recorded on the videotape with simultaneous sound and then the news program with headlines was recorded without sound. Thus, the students for this condition watched each news program including headlines with simultaneous sound and then they viewed only the moving-images with headline corresponding to the news again without sound through videotape for the same time that each news program was televised. This process was repeated twice for each news program.
Condition A, B and C were under the picture cue condition, while Condition D, E and F were under the video cue condition in terms of instruction cue condition. Condition A was similar to Condition D, Condition B was similar to Condition E, and Condition C was similar to Condition F in terms of presentation technique. For Condition A and D, only the visual images suitable to each instruction cue condition were presented without sound for the same time that each news program was televised before the students listened to or watched the news programs with simultaneous sound, for Condition B and E, the visual images suitable to each instruction cue condition were presented with simultaneous sound, and for Condition C and F, only the visual images suitable to each instruction cue condition were presented without sound for the same time that each news program was televised after the students listened to or watched the news programs with simultaneous sound. The six learning conditions of this experiment are tabulated in Table 1 (See Appendix 3).

4. Procedure

The experiment consisted of three phases: pre-test phase, training phase, and post-test phase. The task of each phase was carried out on a group basis. The experiment lasted for two weeks. Before the pre-test, all the students were divided into three levels of first language proficiency, high, medium and low, based on the results of the Korean language proficiency test, which was made in the Guidance Test, a kind of an aptitude test in Korea in 1999. All the participants had completed consent forms. Students of all levels were then allocated to one of the six conditions, AHPP, AHPS, AHPF, AHMP, AHMS and AHMF, at random.

(1) Pre-test Phase. During pre-test phase, through audiotapes and picture cards for AHPP, AHPS and AHPF conditions and through videotapes for AHMP, AHMS and AHMF conditions, all the students took the pre-test which consisted of the total 30 items including 15 recall, 7 multiple-choice and 8 true/false items. The pre-test was given in order to ensure whether or not the differences among groups selected randomly were and to ascertain that the students had never watched and/or listened to Btv programs before the experiment began. The pre-test was administered immediately prior to the training phase. Students were informed that the purpose of the study was to investigate the effects of two different instruction cues, picture cues and video cues, and to examine the effects of three presentation techniques, priming, simultaneous and feedback techniques, for improving listening comprehension competence. Pre-test papers were then given to the students and comprehension tasks were completed on paper for each condition. During the pre-test, all the students were allowed to take notes on the contents of the news programs as with my previous experiments. Approximately 35 minutes for the students using simultaneous technique (AHPS and AHMF) and approximately 50 minutes for the students using the other two techniques (Priming technique: AHPP and AHMP & Feedback technique: AHPF and AHMF) were allocated during the pre-test.

(2) Training Phase. This phase consisted of four repeated practicing steps and carried out during class contact time. In this phase, the same Btv programs used for the pre-test were repeated for students' listening comprehension training four times. That is, each student repeatedly watched and/or listened to the Btv programs used for the pre-test of each different condition four times for approximately 30 minutes every English class contact time. The same procedures and the same training tasks were repeated for each of
the six conditions. Students attended 4 training steps of each condition. The experimenter revealed the correct answers of the pre-test in the first training period. Approximately 30 minutes of every 50-minute English class were assigned to the students for improving listening comprehension during the four training steps between the pre-test and the post-test for this experiment.

(3) Post-test Phase. The post-test was administered with audiotapes and videotapes suitable for each condition after the four repeated training steps. The pattern of the post-test was the same as that of the pre-test. This was to ensure the effects of two different visual cues, pictures and video cues with the headlines and to ascertain the effects of three different presentation techniques, priming, simultaneous and feedback techniques for improving English listening comprehension at each level of students’ native (Korean) language competency. The students of each condition listened to BtN programs with looking at the pictures or the moving-images twice by each condition before or after they viewed only the still-images with headlines or only the moving-images with headlines without sound. Post-test papers were then given to the students and comprehension tasks were completed on paper for each condition. During the post-test, all the students were allowed to take notes on the contents of the news programs as with my previous experiments. As with the pre-test, approximately 35 minutes for the students using simultaneous technique (AHPS and AHMS) and approximately 50 minutes for the students using the other two techniques (Priming technique: AHPP and AHMP & Feedback technique: AHPF and AHMF) were allocated during the post-test.

5. Results

A student’s performance was measured in terms of correct responses during the pre-test and the post-test for each of the six instruction conditions by the three levels of language proficiency. The correct responses were calculated as proportions of which were obtained by dividing a student’s correct responses for each of the pre-test and the post-test by the total number (30) of items presented. The proportions of correct responses were averaged for the 8 students in each of the 18 instructions by language proficiency conditions. These mean proportions and standard deviations are shown in Table 2 (See Appendix 4).

The data were analysed using planned comparisons, analysis of variance with a repeated measure on the Test-Time factor. The planned comparisons on the Presentation Technique factor were the comparison of the average of the combination of priming and feedback presentation techniques with the simultaneous presentation technique. The comparison of the priming presentation technique with the feedback presentation technique was then completed. The Students’ first Language Proficiency factor was measured by comparing the average of the high and medium language level with low language level. The medium was then compared with the high language level. The complete details of the analysis of variance are tabulated in Appendix 5.

The analysis revealed no significant four-way interactions were found between the Test-Time, the Instruction Cue, the Presentation Technique and the Students’ Language Proficiency. The results of the analyses in this experiment showed a Time-Test x Instruction Cue x Presentation Technique-I interaction comparison contrasting the average of priming and feedback presentations with simultaneous presentations \(F(1, 126) = 24.208, p<.001\) was significant. This significant interaction is illustrated in Figure 1. No significant three-way interactions were found between the Test-Time, the Instruction Cue
and the Presentation Technique-2, between the Test-Time, the Instruction Cue and the Students' Language Proficiency, and between the Test-Time, the Presentation Technique and the Students' Language Proficiency.

Figure 1. Mean Proportion Correct for Test-Time x Instruction Cue x Presentation Technique-1 (Standard Error as Bar)

Experiment (TT x IC x PT-1[S vs. P+F])

TT: Test-Time, IC: Instruction Cue, PT: Presentation Technique
PT-1: Simultaneous Technique vs. Combination of Priming & Feedback Techniques
S: Simultaneous Technique, P: Priming Technique, F: Feedback Technique

Figure 1 indicates that the post-test improvement in performance was greater for the priming and feedback combined condition than simultaneous condition when the picture cues with headlines were presented, while there was no advantage for the priming and feedback combined condition over simultaneous condition when the moving-image cues with headlines were presented. The simple effects analyses supported this by detecting a significant Test-Time by Presentation Technique-1 with picture cues \([F(1, 63) = 72.348, p<.001]\), but not with moving-image cues \([F(1, 63) = 2.667, p>.05]\). Figure 1 shows that only difference appears to be relatively poor performance for Simultaneous-Headline-Picture condition and no difference was among the rest.

In addition to a significant three-way interaction, the analysis revealed a significant interaction between the Test-Time and Instruction Cue comparison contrasting picture cue with moving-image cue \([F(1, 126) = 15.625, p<.001]\), indicating that the post-test improvement in performance was greater when the students listened to news programs supplemented with moving-image cues than with picture cues; a significant interaction between the Test-Time and Presentation Technique comparison contrasting simultaneous technique with the average of the combination of priming and feedback techniques \([F(1, 126) = 51.985, p<.001]\), showing that the post-test improvement in performance was greater when the students listened to news programs supplemented with visual images (including both pictures and moving-images) using the combination of priming and feedback presentation techniques than using simultaneous presentation techniques.

The analysis of the data showed that a significant interaction was found between the Test-Time and Presentation Technique comparison contrasting priming technique with
feedback technique \( F(1, 126) = 36.037, p<.001 \), which shows that the differences between the priming presentation technique and the feedback presentation technique were greater for the post-test comparison than for the pre-test comparison. This significant interaction is illustrated in Figure 2.

**Figure 2. Mean Proportion Correct for Priming versus Feedback Presentations (Standard Error as bar)**

![Graph showing mean proportion correct for priming and feedback presentations](image)

The other significant results were of passing interest only. A significant difference between pre-test and post-test \( F(1, 126) = 2409.561, p<.001 \) showing that learning had occurred with instruction as expected; a significant difference between the low and the average of the medium and high language proficiency groups \( F(1, 126) = 10.255, p<.01 \), reflected the original language ability classification even though there was no significant difference between the medium and the high language proficiency groups \( F(1, 126) = 1.913, p>.05 \), showing a common saying that more proficient first language level students also comprehend English as a second language better than less proficient first language level students; and a significant difference between overall performance for the combination of priming and feedback presentations compared to simultaneous presentations \( F(1, 126) = 5.998, p<.05 \), showing that the improvement in performance of those who listened to news programs with looking at the visual images (still-images and moving-images) presented using a combination of priming & feedback presentations was greater enough to result in a significant difference when pre-test and post-test scores were averaged. That is, the disadvantage of only simultaneous presentations was shown in Headline-Picture condition.

No significant interactions were found between the Test-Time and the Students’ Language Proficiency comparison contrasting the low proficiency first language level with the average of the medium and high proficiency first language levels and between the Test-Time and the Students’ Language Proficiency comparison contrasting the medium proficiency first language level with the high proficiency first language level. However, the simple effects analyses were performed on the data after the data of picture groups were
separated from the data of video groups to investigate whether or not moving-image cues were more beneficial for less first language proficiency students rather than picture cues.

Firstly, the analyses in the picture groups revealed a significant interaction between the Test-Time and Students’ Language Proficiency-1 comparison contrasting the low first language proficiency level with the average of the medium and high first language proficiency levels \[F(1, 63) = 6.895, \ p<.05\]. This significant two-way interaction is illustrated in Figure 3. However, the results did not show a significant interaction between the Test-Time and Students’ Language Proficiency-2 comparison contrasting the high first language proficiency level with the medium first language proficiency levels \[F(1, 63) = 1.332, \ p>.05\].

Figure 3 indicated that in the picture cue groups, the post-test improvement in performance was greater for the average of the medium and high proficiency first language levels than for the low proficiency first language level.

Figure 3. Mean Proportion Correct for the Low versus the Medium & High Averaged [Picture Cue Condition]. (Standard Error as bar)

Secondly, the analyses in the video (moving-image) groups revealed that no significant interaction was found between the Test-Time and Students’ Language Proficiency-1 comparison contrasting the low first language proficiency level with the average of the medium and high first language proficiency levels \[F(1, 63) = .006, \ p>.05\], and also showed that no significant interaction was found between the Test-Time and Students’ Language Proficiency-2 comparison contrasting the high first language proficiency level with the medium first language proficiency levels \[F(1, 63) = .687, \ p>.05\].

The simple effects analyses in both the picture groups and the video groups showed that in the picture groups, there was a significant difference between the low proficiency first language level and the average of the high and medium proficiency first language levels, but such a difference was not found in the video groups. This may signify that moving-image cues were more beneficial for less proficiency first language level students.
rather than picture cues. That is, for the students at lower proficiency first language level, the more visual cues were presented, the more their listening comprehension was improved.

6. Discussion

The results show that listening comprehension is improved more when video cues (moving-images) with headlines are presented than when picture cues (still-images) with headlines are presented. This may signify that the greater the amount of visual cues, the more listening comprehension is improved. The results, which are consistent with Chung’s research results (1994), indicate that the enrichment of the visual cues enables learners to improve their learning performance (McKeown et al. 1985) and that ‘the use of moving images (video) in listening comprehension facilitates information processing’ (Thompson and Rubin 1996, p. 333) and provides interesting and motivating input for facilitating second language listening comprehension (Baltova 1994; Fukushima 2002; Hennessey 1995; Secules et al. 1992; Swaffar and Vlatten 1997; Thompson and Rubin 1996).

Although it is generally believed that the use of visual cues may facilitate a mediated transfer between the visuals and the spoken text, current evidence indicates that priming presentation technique facilitates listening comprehension more than feedback or simultaneous presentation techniques when the headlines of news programs were presented at the beginning stage of listening. The results in this experiment show that the visual cues presented using the combination of priming and feedback techniques with headlines facilitate listening comprehension of news programs more over those presented using a simultaneous technique. The difference of the period of exposure to the visual cues may have an influence on listening comprehension (Herron et al. 1995). Watching the visual cues before or after listening to news programs may result in the improvement of listening comprehension ability because it may help listeners to make information into meaningful chunking units and to store and remember the more chunked information in their working memory easily (Deahler and Bukatko 1985). In the comparison of priming with feedback presentation techniques, the results show that the visual cues presented using priming techniques with headlines facilitate listening comprehension of news programs more than those presented using feedback techniques. Visual cues presented using priming techniques with headlines enable learners to improve their listening comprehension ability of the news programs more over those presented using feedback techniques with headlines by making them develop their background knowledge to generate ideas about the spoken text and to help them to activate relevant schemata for the listening text (Hasan 2000). In essence, maximum performance cannot be maintained in the absence of priming technique.

The interesting finding is that there were significant differences between the combination of priming and feedback presentations and simultaneous presentations and between priming and feedback presentations when picture cues were presented with headlines, while there was a significant difference only between priming and feedback presentations when video cues were presented with headlines. This shows that the effect of the combination of priming and feedback presentations is greater when picture cues are presented with headlines than when video cues are presented with headlines. It may signify that watching whole picture cues which are related to the contents of news programs and are sequentially arranged on the board facilitates listening comprehension of the news programs because it gives listeners a chance to predict a scenario through the presented visual cues arranged in order, as well as to confirm whether or not the scenario that they predicted is correct at ‘while-listening stage’, while whole video cues which are related to the contents of the news programs cannot be shown to the students at a time. However, the
advantage of video cues is to be able to offer so many amounts of visual cues corresponding to the contents of the news program. Nowadays, most learners are accustomed to mass media that provide the visual information and the spoken information simultaneously. These points may offset the difference between video cues presented using simultaneous presentations and using feedback presentations. Nevertheless, the results show that the best presentation technique for improving listening comprehension is the priming presentation technique irrespective of the amount of visual cues when the headlines were presented at the beginning stage of listening.

Another interesting result is that there was a significant difference between the average of the high and medium proficiency first language level students and the low proficiency first language level students when picture cues were presented with headlines, while there was no significant difference among any language level students when video cues were presented. This result, which is consistent with the previous research results (Hudson 1982; Mueller 1980; Omaggio 1979) and with my findings in my previous experiments, means that less proficiency first language level students need more visual cues for listening comprehension than more proficiency first language level students.

The result in the experiment shows that in general, higher first language proficiency level students outperformed lower first language proficiency students in all groups and in all second language listening tests. There was only significant difference between the average of the high and medium first language proficiency level and the low first language proficiency level when still images were presented with headlines as stimulus prompts for improving second language listening comprehension, whereas no significant differences among three first language proficiency levels were found when video cues were presented with headlines. This may signify that students' first language proficiency is dependent on the types or amounts of visual cues presented for improving second/foreign language English listening comprehension.

References


Appendix

**Pre-Test in the Experiment**

★ After listening to the tape carefully, write a suitable word in each of the blank spaces.

(1-15)

In the next half century or so we are going to have wars over water. The (1)__________ is expanding, and there are two main factors that limit how many people we can have. Firstly, you know how much fertilized (2)__________ you have, and secondly, how much (3)__________ is available. Overall, on the whole (4)__________, there are roughly one and a half thousand million cubic kilometers of water. A cubic kilometer is like a box that is a kilometer by a kilometer.

Now out of this one and a half thousand million cubic kilometers of water, about half a million, or 500 thousand cubic kilometers of water falls as (5)__________. However, only about a hundred thousand falls on the (6)__________. About ten thousand cubic kilometers of water is available for (7)__________ and (8)__________, the rest of it runs off, floods, evaporates, that sort of thing. There's not that much water around.

In (9)__________ they've run this enormously expensive (10)__________ and (11)__________ to suck water out of a huge aquifer or water bearing rock underneath the Sahara. It took millions of years to fill up, and they can empty it in two hundred (12)__________. In Iraq, which is already a bit tight for water, one of the
main rivers that run through Iraq starts up in (13) , and they're building a dam across it. All across the world we're getting closer to the amount of water that we have available for (14) . As the population goes up, we're stretching that margin, squashing it down, and not ending up with enough of a safety barrier.

I reckon within half a century we're going to have wars over (15) .

Listen to the tape carefully and choose the best answer for each question by circling the number. (You may choose only one option) [16-22]

16. How many countries have been affected by Hurricane Mitch?
   (1) five countries (2) six countries (3) seven countries (4) eight countries

17. Which is incorrect among the following explanations about Hurricane Mitch?
   (1) It is one of the worst hurricanes this century.
   (2) It produced winds of 250 kilometers an hour.
   (3) It ripped through the countries of Central America killing over 11,000 people.
   (4) It caused more than a million people to be missing.

18. In which country was there a Civil War in the 1980s?
   (1) Nicaragua (2) Honduras (3) Mexico (4) Panama

19. Which country has been hit the hardest by Hurricane Mitch?
   (1) Guatemala (2) Honduras (3) Nicaragua (4) Costa Rica

20. How long is it expected it will take to rebuild Honduras?
   (1) almost thirty years (2) almost forty years (3) almost fifty years (4) almost sixty years

21. Hurricane Mitch caused which damage in Nicaragua?
   (1) It caused two billion dollars damage.
   (2) It killed more than 7,000 people.
   (3) It made entire villages disappeared.
   (4) It has unearthed over 75,000 landmines and they are now scattered.

22. What are some of the major current problems facing Central Americans affected by the hurricane? (Select two)
   (1) food shortage (2) threats of another hurricane
   (3) threats of deadly diseases (4) fear of the scattered landmines

If the following statements are in accord with the contents of the text, write True, and if not, write False (23-30).

23. Hurricanes thrive on warm air and warm water, occurring in the tropics during the summer months. ( )

24. If you live in Australia, you can experience typhoons during the summer. ( )
25. The worst hurricane in Australia hit Darwin at Christmas in 1974, devastating the city and killing 49 persons. 

26. Hurricanes can last for as little as 2 hours or as long as 2 weeks. 

27. Hurricanes do **not** change directions quickly, so it is not difficult to predict them. 

28. Hurricanes make the equator get hotter and hotter and the poles get colder and colder. 

29. There could **not** be a number of hurricanes in one region at the same time. 

30. Meteorologists rate a hurricane or tropical cyclone on a scale of one to five. 

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**Post-Test in the Experiment**

★ After listening to the tape carefully, write a suitable word in each of the blank spaces. (1-15)

Malaysia is made up of two separate parts; (1) _______ and (2) _______. It's a very tropical country, hot and humid, with lush rainforests. Many rare plants and (3) _______ are found in Malaysia, like the threatened orangutans. Malaysia's nineteen and a half million (4) _______ live mainly in cities and towns. The country has several (5) _______, but most people are Muslims. The (6) _______ of Malaysia is Kuala Lumpur. It's a big, bustling, modern city. It's here that all the action of the Commonwealth Games will take place. The Commonwealth Games happens every four years. This year it's the sixteenth. It was first held sixty eight years ago as a sporting contest between countries that belonged to the British Empire, (7) _______ that were ruled by Britain.

Today there are fifty three countries in the Commonwealth. They're all independent (8) _______. They're no longer controlled by Britain, but like (9) _______, many still have the Queen as their head of state. (10) _______ from all these countries have converged on Kuala Lumpur to compete.

There are nine new (11) _______ in these games and tenpin bowling is one of them. Cara Honeychurch is Australia's top bowler and one of four tenpin bowlers on the Aussie team. It's also the first time team sports have been included in the line up, including cricket, men's and women's hockey, rugby sevens and netball. In a big boost for women's sport, the women's pole vault is in, with Emma George competing for Australia. She's one of many Aussies who are expected to win (12) _______.

The games are being treated as an important warm up to the (13) _______ Olympic Games and Australia has gone all out, sending three hundred and twenty five (14) _______ and (15) _______, our biggest team ever.
★ Listen to the tape carefully and choose the best answer for each question by circling the number. (You may choose only one option) [16-22]

16. What is the largest cat in the world?
   (1) Siberian tigers  (2) Sumatran tigers  (3) American tigers  (4) European tigers

17. Where do Siberian tigers live now?
   (1) North-East Asia  (2) China  (3) North Korea  (4) Far eastern Russia

18. How many Siberian tigers are left in the world?
   (1) more than 600  (2) as few as 300  (3) more than 300  (4) as few as 500

19. What is Victor Yudin?
   (1) A student  (2) A scientist  (3) A circus performer  (4) A businessman

20. Where does Victor Yudin live with his tigers?
   (1) In the bush  (2) In the zoo  (3) In the Moscow Circus  (4) In his own backyard

21. Why are the Siberian tigers endangered?
   (1) Because of hunting  (2) Because most of them are used for scientists' experiment  (3) Because of the destruction of their forest habitat  (4) Because the Circus needs them

22. How much do tigers eat in one day?
   (1) Up to 14 kilograms of meat  (2) Up to 40 kilograms of meat  (3) Up to 4 kilograms of meat  (4) Up to 2 kilograms of meat

★ If the following statements are in accord with the contents of the text, write True, and if not, write False (23-30).

23. The survey conducted in South Australia showed us that students' attitudes to maths were negative. (    )

24. Most students thought that maths had something to do with what they did outside school. (    )

25. It seems that many students use maths mainly to figure out how much of their maths lesson is left. (    )

26. Maths has nothing to do with music. (    )

27. Although maths is useful in a lot of other areas, it is often not taught in a way that gets students interested. (    )

28. In fact, there are not many jobs where maths is needed. (    )

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29. Hairdressers and gardeners use maths when they do their work. ( )

30. One of the things that maths teachers will be able to change is a fifty-minute class. ( )

Table 1. Instruction Conditions for Experiment.

| Condition A (AHPP) | Viewing Pictures (presented without sound) -------------------------------
|--------------------|---------------------------------------------------------------<With Headline>
| THEN --------------- Listening to news programs
| <Looking at the pictures> <Through audiotape>
| (~~~ Picture) <With headline>-----------------------------------
| (~~~~~~~~~~~ Picture)-----------------------------------------
| (~~~~~~~~~~~~~~~~~~~ Picture)----------------------------------
| (~~~~~~~~~~~~~~~~~~~~~~ Picture)---------------------
| (~~~~~~~~~~~~~~~~~~~~~~~~ Picture)----------------
| (~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~ Picture)----- |

| Condition B (AHPS) | ------------------ Listening to news programs ----------------------
|-------------------|---------------------------------------------------------------
| <Looking at the pictures> <Through audiotape>
| --- (Picture) -- (Picture) -- (Picture) -- (Picture) -- (Picture) --- |
| <With headline> |

| Condition C (AHPF) | ------------------ Listening to news programs ----------------------
|-------------------|---------------------------------------------------------------
| <Looking at the pictures> <Through audiotape>
| --- (Picture <With headline>~~~~~~~~~~~~~~~~~~~~~~~~~~~)
| ~~~~~~~~~~~~~~~~~ (Picture ~~~~~~~~~~~~~~~~~~~~)
| ~~~~~~~~~~~~~~~~~~ (Picture ~~~~~~~~~~~~~~~~~~~~)
| ~~~~~~~~~~~~~~~~~~ (Picture ~~~~~~~~~~~~~~~~~~~~)
| ~~~~~~~~~~~~~~~~~~ (Picture ~~~~~~~~~~~~~~~~~~~~)
| THEN ---------------- Viewing Pictures (presented without sound)
| <With Headline> |

| Condition D (AHMP) | Viewing Moving-images (presented without sound) ----------------
|--------------------|---------------------------------------------------------------<With headline>
| THEN ---- Listening to news programs <Through videotape>
| <Looking at Moving-images simultaneously with a headline> |

| Condition E (AHMS) | ------ Listening to news programs <Through videotape> ----
|--------------------|---------------------------------------------------------------
| <Looking at Moving-images simultaneously with a headline> |

| Condition F (AHMF) | Listening to news programs <Through videotape>
|--------------------|---------------------------------------------------------------
| <Looking at Moving-images simultaneously with a headline> |
| THEN----Viewing Moving-images (presented without sound)
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I.C.: Instruction Cue,  
P.T.: Presentation Technique,  
Students' L.P.: Students' first Language Proficiency
**ANOVA Results for the Experiment**

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TT: Time of Testing, IC: Instruction Cue, PT: Presentation Technique,
PT-1: Simultaneous vs. Priming & Feedback Combined Techniques
PT-2: Priming vs. Feedback Techniques, SLP: Students' first Language Proficiency
SLP-1: Low vs. Medium & High Combined levels, SLP-2: Medium vs. High levels
How are the Elderly People in South Korea Experiencing the Digital Divide?

Youn-Min Park
Australian National University
younmin.park@anu.edu.au

1. Introduction

I wonder how many of you here were able to send an e-card to your grandmothers on Mother’s Day last month. Are they able to receive your e-cards, or is it useless because they don’t know how to use the Internet? Have you thought of what the current efficient culture of using the Internet to do banking and shopping means to the elderly people around you? Are they enjoying all the benefits of using the Internet, or is it just a new device that is making the generation gap between you and them even greater? As you follow my presentation maybe you could ponder how your grandparents interact with the Internet.

With the big wave of the Information Revolution, now is the age of information/knowledge based society where information and knowledge is the most powerful resource. This transition has been fuelled by the Internet in more people’s everyday life. Familiarity with the Internet is the indispensable grammar of modem life (Wills 1999). Not having the ability to use the Internet is regarded as being illiterate and being less empowered. Regarding the title of “Korea: Language, Knowledge and Society”, this paper focuses on a particular group in the Korean society. What does the Internet mean to the elderly people? How does the Internet enable the elderly people to use their knowledge? How are elderly people adapting to the new cultural transition of information and knowledge at a multidimensional level? At first glance the Internet seems well suited to the needs of the elderly, as a fairly sedentary population with considerable leisure time, especially for social networking, hobbies, and services such health services and home delivery of goods (White 1999; Kilpatrick 2001; Leavangood 2001).

The paper consists of 2 main sections. The first section will overview the context of the study composed of three key aspects; the technological context of the new Information and Communication Technology (ICT), the social context including re-conceptualisation of the “digital divide”, and the particular context of Seoul, South Korea. In the second section, my study of elderly people in Korea will be introduced with it’s object, a brief review of relevant literature and my initial research of pilot interviews.


2.1. Technological Context: The New ICT

The use of the new Information Communication Technology (ICT) has now pervasively been integrated into people’s daily lives, even measures the quality of life and distribution of power in society. The Internet has opened up and stimulated new ways of thinking through providing low cost and mass information resources Sproull and Kiesler

374
(1991). However, it is not the information itself that is new. It is the way of handling the information that is new and is changing the world. The new ICT is the most efficient tool to produce and use information, and information management and know-how is the seen as key to wealth creation and the well-being of society (Warschauer 1999).

The new ICT in the new global economy has become a key factor, separating the wealthiest nations from the poorest (Rodriguez 2000). The World Bank, the United Nations, and the G-8 have expressed alarm that poorer countries lacking technological investment will drift farther behind their wired rivals in the global marketplace, whereas advanced industrialised countries will surge even farther ahead with the dramatic productivity gains (Norris 2001).

However, from a historical perspective of the Information Revolution is not completely new, but rather a long process from the appearance of writing, the printing press, the telegraph, telephones, computers, television and so on. Each contributed to the acceleration of information in its time (Headrick 2000). Steven Lubar uses the term ‘information culture’, explaining how leading machines of the period and the social structures they were part of, have defined the culture of the period. How people feel about the world, about one another and about themselves, have been changed by these machines and way people choose to use them (Headrick 2000). Michel Menou argues that “[T]he issues for the unconnected are relatively simple-they include dignity, justice, self-reliance, food, education, health and income.” He adds that dignity will never be provided by technology but by the way in which it is used (Hodge 2001).

2.2. Social Context: A Social Divide

Originally the “digital divide” referred to the perceived gap between those who had access to the new information technologies and those who did not, and more recently has come to incorporate Internet access (Compaine 2001). In the OECD Report “Understanding the Digital Divide”, the term is the gap between individuals, households, business and geographical areas at different socio-economic levels with regard both to their opportunities to access information and communication technologies (ICTs) and to their use of the Internet for a wide variety of activities (2001).

Even the advanced countries are struggling with a widening inequality between different groups of the society, leading to a polarization. The principal groups that are falling behind are people in low-income households, single women, over 65s, people with a lower educational level, and the unemployed (OECD, 2000). In addition, the inequality can be identified among linguistic and ethnic minorities in advanced countries and those who live in isolated communities or are socially excluded. Steyaert indicates that the part of population who are separated by the lack of new ICT is not a new disadvantaged group but is, to an extent, an already socially stratified group (2000).

It is important to examine the increasing presence and importance of the Internet in the everyday lives of those with access. As a tool. The Internet can separate others from ongoing social, economic and commercial activities, and so creates or perpetuates an existing social divide (Wellman and Haythornthwaite 2002). For instance, the problem of unequal use of the new ICT will lead to impediments in job, educational, and civic opportunities. When a technology becomes a resource for attaining or maintaining higher status in society, unequal access to such technology becomes more than a question of ownership. Not having the same opportunity to access the Internet and it’s information will be the same as being marginalized from participating in the main stream activities in the society.
Townsend argued that people should not be excluded from acceptable styles of living and social activities practised or approved by the majority of the national population (1987). It is also demonstrated by Atkinson that:

The concept of social exclusion is a dynamic one, referring both to processes and consequent situations... More clearly than the concept of poverty, understood far too often as referring exclusively to income, it also states out the multidimensional nature of the mechanisms whereby individuals and groups are excluded from taking part in social exchanges, from the component practices and rights of social integration and identity ... it even goes beyond participation in working life: it is felt and shown in the fields of housing, education, health and access to services (2000).

In this line of thought, many scholars have considered the digital divide as not just a matter of access to information but as the repercussions of access on existing or new patterns of social exclusion (Castells 1998; Haddon 2000; Phipps 2000; Steyaert 2000, June; Jarboe 2001; Selwyn 2002; Warschauer 2002). In this sense the concept of digital divide suggests that ICT does not exist as an external variable to be injected from the outside, but rather it is integrated in a complex way into social systems and processes (Jarboe 2001). Thus in a broader social perspective, the digital divide is a multidimensional feature of society.

A growing body of research is now examining more integrative views of computer mediated communication, looking at how online time fits with and complements other aspects of the individual’s everyday social life (Sproull and Kiesler 1991; Rogers 1995; Wellman 1999; Lievrouw 2000; Steyaert 2000.; Norris 2001; Warschauer 2002).

Viewing the Internet as woven into the existing social environment, the issue of unequal access to the Internet becomes even more important when certain groups and areas are systematically excluded (Norris 2001). Does the Internet create new inequalities, or reinforce existing divisions evident for decades in the spread of old communication technologies? Norris suggests “the heart of the digital divide lies in broader patterns of social stratification that shape not just access to the electronic world, but also full participation in other common forms of information and communication technologies” (2001). The information disadvantaged are not a new class of people who have no engagement with the Internet itself, but are those who were previously disadvantaged in the society. On the other hand, the early adopters, who have higher socioeconomic status are capable of adapting to the new technology (Norris 2001).

The Internet does not function on its own, but is embedded in the everyday life of people. The Internet is one of the enabling technologies that people use information and communicate. The Internet is a substitute for face-to-face, phone calls, broadcasting services, postal contact, and so on (Wellman and Haythornthwaite 2002). Thus, it is crucial to consider whether the Internet is a cause or a consequence of the new information disadvantaged in the present world.

In a network society, it is evident that connectivity seems to go to the connected and greater social benefits from the Internet accrues to those already well situated socially (Nie 2001). Thus, early adoption of the Internet will ultimately reinforce other economic and social advantages, so that the more capable get more advantage and the less capable fall further behind.

In terms of the social context of my research, Internet use is not as simple as a yes or no access question. It is a matter of who is going to use the Internet, for what purposes, under what circumstances, and how this use affects other social and economic activities (Chen 2002). “What is at stake is not access to ICT in the narrow sense of having a computer on the premises, but rather in a wider sense of being able to use ICT for
personally or socially meaningful ends” (Warschauer 2002). In this sense, which particular citizens are able to take advantage of these opportunities is determined by their personal resources (like time, money and skills) and their motivation (like interest, confidence, and efficacy) (Norris 2001).

2.3. The South Korean Context

South Korea is well known globally to have succeeded in taking full opportunity of the new ICT’s economic efficiency. In addition, Korea has already entered the Aged Society. In 2002 its population of over 65s was 3 million, forming 6.5% of the whole population of 46 million (Korea National Statistical Office, 2002).

It now is one of the highest Internet access countries with its 25 million users compromising 58 percent of the population in 2002 (NCA, 2002). The growth rate of users is remarkably rapid with an 11.9% increase between year 2000 and 2001 (NCA, 2002). On the other hand, in line with the rapid growth rate of Internet users, evidence for the digital divide stands out (MIC, 2002). For example, 84% of 20 year olds use the Internet compared with 8.7% of those in their 60s (NCA, 2002). Nevertheless, increase in Internet use among the over 60 still is lagging with only an average growth rate of 3.1% per annually (NCA, 2002).

In order to address the problem of such unequal usage in the society and to launch a complete information society, the Korean government has legislated for an information society for all the citizens. This aims to provide equal opportunity for the information disadvantaged to access the Internet (NCA, 2001).

3. My Study- Object of Study, Brief Review of Relevant Literature Review, Initial Study

3.1. Object of Study

The present cultural transition with the Internet may provide benefits for some while it may only be another social barrier for others. However, the story is not complete, therefore cannot be described in a snap-shot of the phenomenon. It is in this sense that I intend to empirically investigate the relationship between the elderly people and the Internet in the case of Korea. How are the elderly people in Korea experiencing the Internet? What does the Internet mean to them? And how does their experience follow these patterns?

3.2. Brief Review of Relevant Literature

Existing policies to encourage the elderly people to use the Internet include the Silver­Net project provided by the Korean Internet Centre and IT training programs conducted in Senior Welfare Centres since year 2000. However, the studies and policies to reduce the digital divide experienced by the elderly people in Korea remains very limited.

Similarly world wide, the generational gap in adaptation to new technologies is perhaps the most significant for the future diffusion of the Internet. According to Statistics Canada (2000), only one-tenth of Canadian households headed by adults over 65 had a regular Internet user compared to one-half of younger households.

US and Australian researchers have focused on the potential of the elderly Internet users to receive social support online, the improvement of computer training, and causes of
the generational gap. Research shows that factors such as income, out of work force, lack
of awareness and willingness, psychology matters as anxiety towards technology, slow
learning procedure all correlate with elderly people being less connected with the Internet
(Cody 1999; Fox 2001; Jung 2001; Kilpatrick 2001; Leavangood 2001; Scott 2002; Bosler
October 2002).

One recent study of particular interest was a study of “Current State of Digital Divide
and the Information Poor’s Needs Attitudes about the Internet Use” carried out by the
National Computerisation Agency in November 2000. The study raised some new policy
implications by considering the individual’s capability, awareness and willingness to use
the Internet.

The initial sample was based on the variable of type of occupation that is regarded to
have less opportunity to have access to the Internet (service and sales, farmers and blue
collar workers) and out-of-labour-market groups such as housewives and retired/elderly. In
addition, the disabled were separately analysed. The ones who did not use the Internet
among the five sectors of population were defined as the Information Poor.

The sample (1,386) was then classified according to their attitude towards the Internet.
There were four groups. The Information Alienated Group were those who do not have the
desire to use Internet and cannot understand it. The Information Desire Group I contained
those who do not understand the Internet but are willing to use the Internet. The
Information Desire Group II included those who do understand the Internet and are willing
to use the Internet. Finally, the Information Indifferent Group: those who can understand
the Internet but have no desire to use Internet.

The result of the survey data shows that among 175 respondents aged over 60, 68.6
percent were in the Information Alienated Group.

<table>
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<th>10s</th>
<th>20s</th>
<th>30s</th>
<th>40s</th>
<th>50s</th>
<th>60s</th>
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<td>85</td>
<td>120</td>
<td>287</td>
<td>(14.3%)</td>
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<td>27</td>
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<td>61</td>
<td>37</td>
<td>19</td>
<td>196</td>
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<td>163</td>
<td>110</td>
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<td>9</td>
<td>(100%)</td>
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<td>25</td>
<td>36</td>
<td>27</td>
<td>101</td>
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</tr>
<tr>
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<td>1</td>
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<td>247</td>
<td>238</td>
<td>225</td>
<td>175</td>
<td>(100%)</td>
</tr>
</tbody>
</table>

Source: Korea National Computerisation Agency (2000)

Among reasons for not intending to use the Internet, 52.4% of the elderly replied ‘not
knowing how to use’ the Internet and 37.1% replied ‘do not feel the need to use’, whereas
only 0.8% replied ‘not having computer at home’. Among the elderly who had no intention
to own computer in the future, 84.9% reasoned “do not need”, 8.2% “do need but do not
know how to use” and only 6.8% answered “do need but cannot afford”. Such data
suggests that the reason why the elderly people are lagging on Internet use is more than
access to the device itself.

Moreover, the study crucially attempts to examine the social environment. Concerning
the experience of Internet training, only 4.5% of the elderly people had experienced training programs. In terms of being willing to attend Internet training in the future, 24.6% of those over 60 replied “yes” to 75.4% answering “no”. The survey also
examine the relationship between respondents and family members who use the Internet, where 54.5% of the elderly people had a family member who used the Internet.

Based on the fact that the age group of 60-70 significantly differ from the other age groups, further preliminary findings have been made through testing statistical relationship between variables. First, the relationship between elderly having access to the computer and using the computer, and having a family member who uses the computer was tested (See Appendix Table 1). The chi-square test of independence between the elderly's having a PC at home and having a family member who uses the Internet was very high of 77.88 with one degree of freedom, which is significant at the 0.1% level. On the other hand, the chi-square test of independence between the elderly's use of the computer and having a family member who uses the Internet was only 7.1 with three degree of freedom, which is significant at the level of 4.7%. This indicates that elderly having access to the computer is highly associated with having a family member who uses the Internet, whereas elderly people's use of the computer does not depend on having a family member who uses the Internet.

Second, elderly's different attitude towards the Internet was tested related to having a family member who uses the Internet <Appendix Table 2>. The chi-square test of independence between the elderly's attitude towards the Internet and having a family member who uses the Internet was 14.01 with three degree of freedom, which is significant at the 0.3% level. This indicates that elderly's attitude towards the Internet is associated with having a family member who uses the Internet.

The elderly's intent to use the Internet in the future and the willingness to attend IT training was also associated with having a member who uses the Internet <Appendix Table 3>. The chi-square test of independence between the elderly's intent to use the Internet and having a family member who uses the Internet was 8.37 with one degree of freedom, which is significant at the 0.4% level. The chi-square test of independence between the elderly's willingness to attend IT training and having a family member who uses the Internet was 27.08 with one degree of freedom, which is significant at the 0.1% level. This indicates that elderly's awareness of and willingness to the Internet use is associated with having a family member who uses the Internet.

The survey data, however, gives only a snap-shot of the present status focusing on the Internet use itself. Importantly it does not consider the reasons to previous life experience, work experience or source of inclination. Job experience, previous positive experience, peer support and encouragement, and the desire to extend their knowledge have been major driving forces in the Internet take-up of older adults in Australia (Bosler, 2001). In addition, the sample sizes remain too small to provide a strong empirical analysis. For example, the proportion of answers from the elderly comprising the same type of attitude shows the limit of the data analysis. As a result, the data set with it's limited scope, generates puzzles and gaps that offers a platform to structure a more in-depth qualitative methodology.

4. My Initial Research

My research employs in-depth interviews for qualitative insight, and for associated empirical analysis of the data generated. I'm not primarily interested in explaining what causes the digital divide or how to solve it because there is not yet a definite answer for it.

In order to understand people's behaviour, we must attempt to understand the meanings and interpretations that people give to their behaviour. Unlike measures such as usage rate of the Internet, or the rate of obtaining Internet training, meanings that
people give to things and interpretations cannot be measured and dealt with statistically. Statistical methods, while providing a snap-shot of the analysis, generally ignore the interpretative process.

**Pilot Interviews**

So far, in attempting to carry out my research study, I have implemented a pilot interview of open-ended questionnaires with a small group of 12 elderly people within the city Seoul, November 2002. This was a means of gaining a more realistic understanding of the current situation of the elderly and the Internet. I first visited a Seniors Welfare Centre in Yeongdungpo-gu and interviewed 8 seniors. They were selected equally structured according to their use of the Internet, age, and sex. I asked questions including; “How did you first know about the Internet?”, “What do you know about the Internet?”, “Have you ever wanted to learn to use the Internet?”, “How did you first start to attend the Internet class?” and “Have you any friends who use the Internet?”.

The pattern and the level of usage described by both the users and the non-users were surprisingly diverse. Some were using it for emails or accessing news information, some had no interest in using the Internet. Some regarded themselves as non-users but were indirectly using the Internet to a great extent through other family members. In general, many who were living with their children had a computer at home. They were relatively aware of the Internet despite not using it. Even more, they were keen to take the opportunity to learn.

The other residual 4 interviews were conducted at a 'noijung' in Bundang-gu. The samples were selected randomly. Compared to the Welfare Centre, the usage rate was significantly low, as was the rate of having a friend who used the Internet. However, the awareness of the Internet was gained from their children and they were willing to take the opportunity to learn the Internet if provided. This was similar to the elderly in the Senior Welfare Centre.

Through this pre-field work another subtle questions about Internet use by the elderly people was identified. Who are those attending the Seniors Welfare Centre? What were the previous environments that gave them the advantage to experience the Centre programs. Existing inequalities, even after gaining access to the Internet, can directly affect the capacity and the desire of these people to utilize their connections for purposes of social mobility (Jung 2001). Indeed, such questions lie on the basis of my investigation.

The next step is to go out to the field and listen to the stories told by elderly people in Korea. I will design a small survey for use with 150 over 65 years old living in Seoul. Among the survey respondents, 30 users and 30 non-users will be interviewed with in-depth open-ended questions.

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1 Senior Welfare Centre is one of the welfare institutions of leisure for elderly over 60, which is managed by private institutions and funded by the government. Director and instructors provide consulting services for elderly and organise leisure and educational programs for the Seniors. The 21 centres are in Seoul.

2 ‘Noinjung’ in Korea is similar to Community Centres for Seniors in Australia. It is a room provided by the local government for elderly over 60, for them to come freely and share leisure activities and friendship with other elderly in the area. It is managed by the elderly themselves as voluntary service and a total of 2,505 are in Seoul.
5. Conclusion

Today, I have talked about the Digital Divide. In sum, the digital divide has been understood as an on-going social marginalisation due to the use of the Internet is integrated in a multidimensional way in our social life. Such transition is in its process, where it is too early for us to judge whether it is certain to add to everyone’s quality of life or not.

I have focused on three aspects. Firstly, the technological context where the Internet is another transition of information culture in line with other technological breakthroughs. Secondly, the social context where the Digital Divide being re-conceptualised. Thirdly, the South Korean context where the Digital Divide has its specific meanings. Further, I have introduced my interest of study, reviewing briefly of the existing literature and the initial research or pilot interviews that I have conducted.

My study aims, not to determine whether the Internet is good or not, but to understand the process that is being experienced by the elderly people in South Korea. Thus I adopt an integrative view, examining the use of the Internet in a broad social context. I seek to investigate how the elderly people are experiencing the digital divide. I also seek to investigate what motivates them to use the Internet related to their personal resources and their personal inclination. It is not a matter of having a computer or not, but being able to use the Internet for personally or socially meaningful ends. Maybe in two years time, I’ll be able to attend this same conference again, and present you what I have found through the stories of the elderly people in Korea.

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Alliance.
Ministry of Information and Communication. (2002). *Statistics of Internet Use is Korea*.
## Appendix

### Table 1

<table>
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<td>Total</td>
<td>often</td>
<td>sometimes</td>
<td>once / twice</td>
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<td>1</td>
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<tr>
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### Table 3

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<td>Total</td>
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Gender-Differentiated Employment Changes in Post-1997 Korean Banks

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1. Introduction

This paper examines the gender-differentiated employment practices in post-1997 South Korea, specifically focusing on the banking sector. In the process of the economic restructuring during the crisis-affected period, the efficiency-driven labour arrangement, known as the neo-liberal labour approach, became dominant in the Korean labour market. The neo-liberal labour policies highlight enhancement in numerical flexibility through layoffs, wage reduction, and expansion of non-regular forms of employment. The critical drawbacks of the labour arrangement lie in decline in employment stability and security, resulting in an increase in unemployment and underemployment. The banking sector, blamed as the major cause of the 1997 economic crisis, also adapted to the neo-liberal standards. While both men and women suffered from substantial job destruction in the post-1997 banks, especially in 1998, women had to bear more severe employment changes compared to men. The paper argues that the employment restructuring of the Korean banks, depending on numerical changes in workforce, had more negative impacts on women. The perceptions of women as the secondary breadwinner of their family and as the secondary workforce derived from the patriarchal tendencies of the Korean labour market became more dominant so that unfair employment practices for women were largely taken for granted during the restructuring period.

Trade liberalisation of goods and services and of capitals, privatisation of state-owned enterprises, cuts in government spending and reductions in real wages are distinctive characteristics of the neo-liberal market operation (Baden 1993; Jackiewicz 1999; Ratnam 1996). Moreover, flexible operation in both production and consumer markets is considered to be one of the most appropriate survival strategies for corporations as business trend through subcontracting, out-sourcing or local franchising prevails in both international and domestic industrial regions (ILO 1998b). Therefore, keeping enhancement of labour market efficiency as a major principle in mind, employers are allowed to increase flexibility in industrial relations and labour utilisation in terms of numerical and functional. Increases in downsizing and outsourcing to changes in work organisation, skill requirements, and transformations in the compositions of workforce from regular to non-regular forms of employment, including short-term contracted and part-time workers, are significant consequences of the neo-liberal oriented labour market reform (Beneria 2001, 2002; Betcherman et al 2001; Lee 2002, pp. 233-33).

However, important shortcomings of these efficiency-driven labour arrangements appear as weakening of job stability, specifically in terms of decline in employment benefits and workers' rights (Beneria 2001; Campbell and Burgess 2001; Standing et al 1996, pp. 7-8). Meanwhile, there tend to be unequal distribution of burden of these employment changes between men and women during the period of economic restructuring (Bakker 1994; Chant 1996; Elson 1991; ILO 2002). The increasing trends in fragmentation of employment structure and flexibilisation of workforce appear to have
more impacts on marginal forms of labour, specifically performed by women. In many cases women are first to be fired and last to be hired due to discrimination existing in employment, resulting in disproportionately high unemployment for women for a longer term. Adversely, women are preferred in some workplaces, largely because of their low-valued wages and greater flexibility and availability for causal jobs (Baden 1993; Beneria 2001; Chang 2001; Humphries 1988).

This neo-liberal approach was introduced to the Korean labour market prior to the 1997 economic crisis but became more dominant during the crisis-affected period. Under the supervision of International Monetary Fund (IMF), the state led the neo-liberal labour market reform by allowing legal redundancy dismissal system for urgent managerial reasons and workers’ dispatch system, enhancing flexibility of non-permanent form of jobs (Kwun 2001; OECD 2000; Song 1999). As a result, aiming to reduce firms’ wage costs, lay-offs and non-regularisation of workers through replacement of full-time permanent to flexible forms of workers, such as temporary contract-based, part-time or outsourced appeared as major methods of the labour market restructuring. In many cases female workers were more vulnerable to these employment changes because of the patriarchal gender ideology prevailing in the whole society, perceiving men as a breadwinner of their family and women as an additional workforce. Thus, it was commonly occurred that women were forced to leave their job if a husband and wife worked in the same workplace, if they took a maternity leave, or without any particular reason but just because of their gender identity as a women (Cho 2000a; Kwun 2001; Park 1999).

The restructuring of the Korean banking sector was not exceptional. Restructuring of the sector became one of the country’s prior tasks due to its unhealthy business performance giving negative effects to the national economy previous to the crisis. As a result, Korean banks adapted to the neo-liberal structural adjustment program, including the flexible labour arrangement. In this paper employment changes in the Korean banks followed by the 1997 crisis will be examined, specifically focusing on gender differences. The first part of this paper will review general labour market trends with the neo-liberal labour standards. The next part will look at employment restructuring of the Korean banking sector, particularly focusing on the year 1998. This paper will use the results of the questionnaire survey (with 108 bank employees) and in-depth interviews (with 8 bank employees) conducted by the author in Seoul, from October to November 2001. These survey analyses and personal interviews are expected to provide practical evidence in support of the major discussion of the research. In conclusion, this paper contains that Korean banks’ sudden adaptation to the neo-liberal labour standards during the crisis-affected period changed the nature and condition of employment to a great extent, producing drawbacks, including decline in employment stability and security. Moreover, the main research evidence of the paper aims to show that the changes occurred along gender lines due to the patriarchal tendency of the Korean labour market, resulting in a worsening of the marginalisation of women’s employment.

2. Characteristics of the Neo-Liberal Labour Standards and Gender Implications

Not all countries necessarily adjust to the neo-liberal economic approach of their own free will. In particular, the approach has become very common in economic crisis-affected countries because those countries are supervised to put it into practice in the process of restructuring by international financial institutions, mainly IMF. This is largely because this economic approach, named as structural adjustment program, contained in a financial rescue package, is expected to assist crisis-affected countries to overcome their economic...
difficulties. The macro-economic policies that those countries are required to implement in their economy include currency devaluation, drastic cuts in government spending and employment, higher interest rates, market deregulation, embracing labour and capita markets, and liberalisation of trade and foreign investment (Jackiewicz 2001; Ratnam 1996). Korea, as one of the 1997 Asian financial crisis-affected countries, had to adopt this neo-liberal approach as a survival strategy during the post-crisis period.

The major changes which have occurred in the nature of employment in response to such macro foundations can be summarised by six categories as follows (Beneria 2001). First, employment activities have shifted from 'core' to 'periphery' which locates in smaller firms and independent contractors, including outsourcing and subcontracting firms (Dicken 1998; Smith 1997; Standing 1991). The drive towards leaner production and minimising the workforce has become more important in global competition to lower production costs. Thus, reduction in the size of firms has accompanied by the continuous downsizing of workforce, referring to the dismissals of workers for managerial reasons little related to their job performance (Capelli 1999).

Secondly, the division of workers in terms of job quality or skill levels has become more apparent. For instance, more important or high skill jobs tend to be concentrated in core firms while less important or low skill jobs seem to transfer to outside the core, such as outsourcing or subcontracting firms (Jokes 1995). Thirdly, the growing division between more and less privileged jobs has notably expanded contingent forms of employment, resulting from an increase in employment instability of individual workers. Especially, less important, low skill or low-skilled jobs have increasingly become non-regular or contingent (Campbell and Burgess 2001; Davis-Blake and Uzzi 1993; Hipple 2001; Smith 1997).

Fourth, the processes of informalisation and decentralisation of labour market have disturbed employment stability and security to a large extent. That is, workers are exposed to the constant threat of dismissal so that the labour market has great tendencies of job turnover, unemployment, and underemployment (Standing 1991:32). Fifth, these tendencies have polarised workers in terms of income level and employment opportunity. This polarization is usually seen to occur based upon differences of individual workers' education or skill levels, location of production, income levels of countries, group traits of workers. While more privileged workers have enjoyed the constant wage growth and job promotion, less privileged ones have mostly suffered from precarious job situations, including high job turnovers and demotion to lower ranked position (Davis-Blake and Uzzi 1993).

Sixth, there have been profound changes in workers' attitudes toward workplaces and in the working environment. Expansion of contingent job contracts and more frequent movement in and out of the workforce have created unstable labour situations so that workers have less commitment and less loyalty to their firms (Smith 1997). Thus, the culture of lifetime work experiences and attachment to a specific firm has gradually disappeared.

In sum, these growing trends of flexibilisation and decentralisation of workforce are not deemed entirely positively because of the negative impacts on employment. The drawbacks include decline in employment security and stability presented as more frequent job turnovers, higher levels of unemployment and underemployment, and deepening of division of workers between primary (or core) and secondary (or periphery). In this regard, which groups are more likely to be affected by these changes? In general, marginal forms of labour, specifically women, become the first targets for restructuring largely because of the patriarchal tendencies of labour market restructuring.
Macro-economic concepts, the basis of neo-liberal structural adjustment programs, look at the economy as a whole rather than individual firms or households (Bakker 1994, p. 8). The macro-economy assumes that the individual is both a commodity and a rational economic person in determining the level and the pattern of economic activity and allocation of human resources in response to economic demand. Macro-economic policies do not implicate any gender relations explicitly. However, they generally take the reproduction and maintenance of women’s roles for granted, although they are significant to constrain women’s participation in paid work (Elson 1994, p.41; Sen and Grown 1987). The ignorance of women’s family reproductive and maintenance roles in macro-economic policies tends to be worsened during periods of economic downturn and the growth-oriented macro-economic structural adjustment. For example, the family ‘breadwinner’ concept, men as a primary and women as a secondary breadwinner in households, becomes more dominant when it is to be decided who to remain at work (Bakker 1994; Chants 1996; Elson 1991; ILO 1998a; Riphenburg, 1996; Sen and Grown 1987). In addition, the already existing gender division of labour in paid work, mostly women in less important, less paid, and less skilled jobs, intensifies marginalisation of women’s work (Aslanbeigui and Summerfield 2000; Beneria 2001).

As a result, both ‘discouraged’ and ‘added’ worker effects operate in women’s employment arena during periods of economic downturn and economic restructuring but they tend to be stronger for women than for men (Baden 1993; Chang 2001; Rubery 1988, p. 3). Women are more likely than men to be ‘discouraged’ by poor employment prospects and not actively search for jobs. As a result, they become cyclically unemployed but later remain as the structural unemployed or leave the workforce. In addition, ‘added’ worker effect may happen because women have no other choice but to join the labour market to support their family in financial difficulties. Thus, women have no other choice but to accept underprivileged jobs in the formal market as a contingent worker, nor entering the informal market, suffering from low wages and poor working conditions. In conclusion, the existing literature has suggested that recession and SAPs have more serious effects on women’s employment in the long term, resulting in higher unemployment, underemployment and participation in informal sector.

3. The Neo-Liberal Labour Arrangement in Post-1997 Korean Banks and Gender Differences

Substantial restructuring occurred in the financial institutions in Korea during the economic downturn and crisis period, primarily through business closure, merger, or downsizing primarily under government-led financial market reform (Crotty and Lee 2001). As a consequence, in 1998 five banks were entirely withdrawn from the market, nine of them merged, and two were waiting to be taken over by foreign investors. In addition, the rest of the banks downsized, largely by reducing the number of their branches nationwide, resulting in as much as a 16.2 per cent decline of branches compared to the previous year, 1997 (Lee 2002, pp. 148-9).

Such radical changes of the banks during the post-1997 crisis period were followed by massive unemployment of the workforce. The rigorous job-cut oriented downsizing program removed approximately 34 per cent of the bank workforce with regular employment status for one year in 1998 (Lee 2002, p. 149; KFJLU 2000). In addition to downsizing, banks adopted a new human management strategy, aiming to bear professional human resources that were capable to compete in the global financial market. They selected a small of number employees, mostly male workers, to be in charge of major...
tasks in business, such as dealing with foreign or domestic investors. Meanwhile, minor jobs or assistant tasks, including telling and customer services, were largely taken care of by non-regular workforce, such as part-time, temporary contracted workers, or were outsourced. Women consisted of a majority of workforce in those less-important jobs (Kwun 1999, 2001).

Looking at how the job cuts were made, the criteria for lay-off in banks were not gender-neutral. 92.9 per cent among the total unemployed including both male (91 per cent) and female (94.8 per cent) workers appeared to leave their jobs voluntarily for one year in 1998. A voluntary retirement system, also called 'honourable early retirement', was introduced by banks aiming to reduce possible problems caused by forceful lay-off during the downsizing period. What it means is that banks selected a number of people to be removed in accordance with their own lay-off criteria and informed the workers of the fact that they would be forcefully removed if they tried to remain at work. Therefore, in order to persuade the workers to leave with little resistance, each bank provided an early retirement compensation package, including more amount of retirement allowance than the normal amount and early pension benefit. Therefore, the workers who were informed to leave and further other workers who felt the future threat on their job stability decided to withdraw themselves with such a compensation package (Kim 1999; Kwun 2001).

However, some of the lay-off criteria of banks were designed to remove female workforce, specifically married women. For instance, one of the bank's criteria for lay-off selection was those who have another family member's income in their household. For instance, in 1998 the total number of Korean banks’ job-cuts in level 5, mostly tellers, was 18,870 persons, consisting of 17.5 per cent of men and 82.5 per cent of women, while the gender ratio men to women in the level 5 at the end of 1998 was 68.7 and 31.3 percent (KFFLU 2000). In addition, banks strategically attempted to transform the tellers' working status from permanent to non-permanent. Therefore, they required most of their tellers to resign first and re-enter the same jobs as new by recruited non-regular workers, which were suggested to receive only about 70 per cent of their previous income or less (Kim 1999; Cho 2000a). As a result, a large number of the telling workforce, who was mostly female, had to leave their jobs and these jobs many of them regained their jobs on the basis of full-time or part-time status with a fixed-term contract.

The case of Nonghyup, a commercial bank affiliated to National Agricultural Cooperative Federation, provides a good example of gender-discriminated restructuring of Korean banks. In the process of Nonghyup's downsizing in January 1999, the employers explicitly forced married women with husbands working in the same bank to resign their jobs. The female workers were threatened that their husbands would be suspended from their work by force unless they made a voluntary retirement. As a result, 752 persons out of the total 762 married couples working in the same bank were removed from their workplace and 688 persons (91 per cent) of them were women. Some of these women were re-hired for the same tasks as their previous ones but on a fixed-term contract. This case was later recognised as a gender discriminatory lay-off practice of the bank. In addition, it was also revealed that Nonghyup downsized its workforce in the name of restructuring despite its surplus management. However, this case was later sent to the court as a case of an unfair labour practice against the equal employment law protecting gender equality in workplaces but the court decided in favour of the employers (Cho 2000a: 138; Shin 2002, p. 48; Women Workers' Action Centre 2003).

Therefore, compared to 1997, 34.4 per cent of employees were removed from their jobs in 1999 but the job decline for women with regular employment conditions was far greater than for men, at 49.1 per cent for women and 27.6 per cent for men. Meanwhile, the size of non-regular workforce grew considerably during the same time period and
female workforce constituted 90 per cent of them at a rough estimate (Kwun 2001). The over-representation of women in the banks' non-regular workforce has continued up until to the present. According to the data released by Korea Financial Industry Union, the ratio of non-regular workers in the total bank workforce in 2002 accounted for 21.8 per cent and 84 per cent of them were women (Working Voice 2003).


In order to look at employment changes in post-1997 banks, the author conducted a questionnaire survey with bank employees from October to November in 2001. The total number of the respondents was 108 from eight different banks located in Seoul, 55 of them were female and the rest, 53, were male. In addition to the survey, the author had in-depth interviews with eight of the respondents separately, two men and one woman, and five women in a group.

Among the total survey respondents 58.2 per cent of female workforce were in charge of telling and customer services compared to 15.1 of men. The top three occupations the female respondents were participating in were telling (41.9 per cent), customer service (16.4 per cent), human and branch management and assistant (16.4 per cent). On the other hand, those for men were loan (47.2 per cent), research or computer-related tasks (22.6 per cent), and telling (15.1 per cent).

Not all of the respondents of the survey underwent the bank restructuring of 1998; 46 female and 45 male of them did. About a half of these respondents (23 women and 21 men) answered that their employment conditions worsened in 1998. For the question asking what conditions got worse, both male and female respondents (7 and 19 persons, respectively) most often chose an increase in the amount of work, followed by wage decline. This was mainly because the ones who survived the job-cuts had to be responsible for additional work previously done by other workers who left the workplace. In addition, three female respondents changed their employment contract from full-time permanent to full-time fixed-term and two other females went through job demotion, while no man experienced either of them. The ratio of female workers who transformed to non-regular workers to the total 23 female respondents seemed to be smaller (13.0 per cent) in this survey, compared to the employment numerical data presented in the earlier section. However, according to the respondents, it was because the majority of female workers whose jobs were negatively affected during the employment restructuring of 1998 were discouraged from remaining in the workplace and thus quit their job permanently over time and only three of them still remained.

Regarding such job changes, one male interviewee in his late 30s said,

... Besides, in this restructuring process, the number of workers was greatly reduced, mostly the ones in charge of telling and customer service jobs replaced by the smaller number of non-regular workers, automated teller machine, and the Internet banking service. However, this adaptation of the flexible labour management turned out to cause some critical problems, such as a rise in workload but for the smaller number of workers and too many different types of tasks for one person to deal with at the same time. Therefore, most of us have suffered from working overtime, about 14 hours a day in average. In this aspect, male workers do not prefer to work with married female colleagues who are not able to work overtime because of their family commitment....

Interestingly, in the survey male and female respondents showed considerably different perceptions of the question asking, “who, men or women, and had to suffer more
from negative employment changes during the time period and for what reason”. 53.3 per cent of male respondents saw the changes as gender neutral, while only 22.9 per cent of women did so. On the other hand, 60.4 and 37.8 per cent of women and men respectively perceived women as undergoing more severe employment changes, embracing lay-offs, involuntary retirement, demotion, wage decline, and alternation of their contract from regular to non-regular. As reasons for this, the majority of both male and female respondents offered two equally important reasons. They were because women are participating in less important jobs in banks, and because women were regarded as the non-breadwinners of their family. These answers explicitly prove that family breadwinner ideology and marginalisation of women’s jobs in the workplace offered significant bases to unfair employment restructuring of the banks during the crisis-affected period. Some respondents asserted that women left their jobs because of early retirement incentives.

With regard to the early retirement program, one male interviewee in his early 30s said, “after all, women were better off with the banks’ restructuring program at that time. They took good advantage of receiving the incentives in their voluntary retirement and many of them were able to re-enter the workplace as a non-regular worker”. Subsequently, the author asked why, if the incentives contained better forms of benefits compared to the ordinary ones and also if men could re-gain their jobs just like women, men did not take the chance as many as women did. The male interviewee claimed,

... Many male senior colleagues of mine left their jobs with the incentives. In their case they received a quite good amount of the incentives to establish their own micro business with or to make a living through re-investment of the money in a financial institution after their retirement. Additionally, seniors were less likely to have burdens to support their family because most of their kids were grown ups requiring parents’ less financial support. However, for the men in their active working ages, 30s and 40s, like me, the amount of the incentives was not enough to plan a new business with. Besides, there was little job opportunity given to us with only bank job experience at that time. Furthermore, working as a non-regular male teller was regarded as a shame and embarrassment in the Korean society and thus it was the last thing to do in bank men’s career....

In the case of one female interviewee in her mid-30s, she said,

... during the economic restructuring of 1988, not only my workplace but also the whole society seemed to perceive that women had to first remove themselves from work and return home. Moreover, they were expected to provide inward support to their male head of the family, who were seen as devoting themselves to get the national economy recovered from the crisis. In my workplace the ones who resisted to leaving their jobs were viewed as selfish and less committed to the maintenance of the wellbeing of the society. Thus, with increased uncertainty and insecurity of their jobs, many women preferred to resign when the early retirement package was offered. In my personal case, I remained in the workplace because I was responsible for looking after my family but had to go through job demotion by two levels and wage decline. This is how I could survive from the restructuring....

Among the total respondents of the survey, 13 of the 55 female workers were on either part-time or fixed-term contract, while none of the men had a non-regular worker’s status. In comparison of regular and non-regular workers’ working conditions, the 13 workers found themselves treated differently from their colleagues with a full-time permanent position in terms of less employment benefits despite the similar or longer working hours. Table 1 in appendix shows the comparison of employment conditions between one non-regular (marked as A) and four regular workers (marked as B, C, D, and E). Five of them were university graduates with the same 10-year working experience. A was working on the basis of one-year renewable employment contract, while the rest of them were on a full-time permanent contract. According to, A received a lower level of
income with no bonus and enjoyed only the benefits of health insurance, employment insurance and national pension.

On the other hand, the employment changes from regular to non-regular in Korean banks are often said to generate conflicts among workers with different employment conditions so that diminishes the quality of their service. The author interviewed five female Korean bank employees regarding any changes occurring in their workplace after increases in flexible use of labour. Four of them were working with either a fixed-term or temporary contract, while only one of them continued her full-time permanent position. One of the significant findings through the interview is that all interviewees showed little satisfaction with their job quality and conditions. For instance, the four contingent workers asserted, "we often feel frustrated by the fact that our workload was as much as other full-time permanent workers' but we are treated differently in terms of poor employment benefits and exclusion in the workplace from our colleagues with a full-time permanent position. As a result, it caused us to become less responsible for and attached to our work after the change in our job status".

Meanwhile, one full-time permanent worker said, "I am the only female teller who remains without changing the contract status in my workplace but, after all, my workload and responsibility has increased considerably. Besides my own work, I am also assigned to take responsibility for the work done by other contingent tellers". In addition, as well as the other four interviewees, she found her job very unstable and insecure because of possible job deterioration in the future. Therefore, the findings of the interview revealed that the change of employment and working environment in the Korean banks affected individual workers to a large extent by generating invisible barriers between workers with different employment status. Moreover, as workers saw their job as unstable and insecure, they were less attached to their job which further resulted in providing customers with relatively poor quality of service.

5. Conclusion: Increase in Employment Flexibility and Marginalisation of Women's Work in the Korean banks

This paper has examined gender differences in employment changes in post-1997 Korean banks. The banks' sudden adaptation to the neo-liberal labour standards during the crisis-affected period changed the nature and condition of employment to a great extent. In the pursuit of rapid restructuring toward lean and efficient management, the banks focused on downsizing of their workforce through flexible labour arrangements. Dismissal of workforce, decline in wages, and replacement of regular with non-regular workers, including a fixed short-term, part-time or outsourced, became dominant in the restructuring process. However, the drawbacks include decline in employment security and stability presented as more frequent job turnovers, higher levels of unemployment and underemployment, and deepening of division of workers between primary (or core) and secondary (or periphery). In many cases female workers were more vulnerable to these employment changes because of the patriarchal gender ideology prevailing in the whole society, perceiving men as a breadwinner of their family and women as an additional workforce. Thus, a number of women were either discouraged from remaining in the workplace or forced to switch to a lower waged and more flexible form of labour.

It is notable that these employment trends of the Korean banking sector are similar to the common characteristics of the neo-liberal labour market, occurring along the gender lines (Cho 2000a; Kwun 1999; 2001; Shin 2002:48). The main discussion of the Korean banks in the earlier section has showed that the banks conducted lay-offs, largely through
honourable early retirement, for managerial reasons and labour re-arrangement by importance of tasks, resulting in an intensification of occupational segregation between primary and secondary workforce. Moreover, this occupational segmentation has been closely linked to division of workers in the banks in terms of their different employment status, regular and non-regular. The increase in flexibility and the polarisation of the banks’ workforce have changed workers’ attitudes toward their workplaces and working environment. Despite of different degrees of feelings, uncertainty and less employment stability have appeared common for both regular and non-regular workers in banks. In addition, the differences of employment rights and benefits depending on different employment status have caused some conflicts between regular and non-regular workers, such as feeling exclusion from one group to another. Significantly, women are over-represented among the secondary (non-regular) workforce and suffer from their underprivileged employment conditions.

One criticism of the Korean labour market restructuring, including the banking sector, is that it has only focused on increase in labour market efficiency largely through reduction in labour costs by downsizing workforce or enhancing labour flexibility in terms of numerical, wage and working hours (Lee 2002, p. 237; Shin 2002, p. 28). One study suggests that the Korean labour market has highest degree of numerical flexibility in the world, even beating that of the United States, in terms of labour market, employment, and wages (Kim 2003). This outcome demonstrates a great deal of changes in the Korean labour market conditions between pre- and post-1997 crisis period. During the pre-crisis period the United States showed higher degree of flexibility in most categories. Moreover, deregulation and increases in numerical flexibility in the Korean labour market has proceeded on the basis of little employment protection to control abuse of lay-offs and labour substitution and ensuring an equal treatment between workers who do equivalent jobs regardless of gender and their job status (Chung 2003). Consequently, facilitation of lay-offs, wage reduction, replacement of regular to non-regular workforce in the labour market with little employment protection has worsened the extent of dual labour division between primary and secondary, resulting in vertical polarisation of individuals between the have and the have-nots.

Faced with over-representation of women among marginalised workers due to unfair employment practices, this paper takes the view that the patriarchal tendencies of the labour market largely characterised as family breadwinner ideology and gender division of labour can no longer be the solution for employment management during economic contraction. Men cannot be the only breadwinners for their family in the contemporary society, especially where unemployment and underemployment are significant labour market outcomes for not only women but also men. Under the situation of less or no family income in the household, women have increasingly participated in paid work. In any case, women make up approximate 40 per cent of the country’s total workforce and more than 16 per cent of family heads appear women (Cho 2000b, p. 317; NSO 1999; Park 1998; Shin 2002, p. 28). Taking importance of women’ roles in both household and paid work into consideration, the labour market actors are required to make an effort to get the market operation more rational and accountable and to improve employment protection securing workers’ rights and benefits.
References


### Appendix

| <Table 1> Comparison of employment conditions between non-regular and regular workers |
|-----------------------------------------------|---|---|---|---|---|
| Working period (year/month) | A | B | C | D | E |
| 10/0 | 10/10 | 10/0 | 10/6 | 10/9 |
| Weekly working hours | 60 | 53 | 55 | 48 | 56 |
| Wage (million Korean won) | 100 - 150 | 150 - 200 | 100 - 150 | 150 - 200 | 100 - 150 |
| Annual bonus (per cent) | No | 90¹ | 90 | 100 | 80 |
| Employment benefits | | | | | |
| - Health insurance | ✓ | ✓ | ✓ | ✓ | ✓ |
| - Employment insurance | ✓ | ✓ | ✓ | ✓ | ✓ |
| - Public pension | ✓ | ✓ | ✓ | ✓ | ✓ |
| - Children’s education insurance | | | | | ✓ |
| - Unemployment insurance | | | | | ✓ |
| - Maternity leave | | | | | ✓ |
| - Day-offs for special occasions | | | | | ✓ |
| (family member’s wedding and) | | | | | ✓ |
| - Payment for extra working hours | | | | | ✓ |
| - Subsidy for external training | | | | | ✓ |
| - Medical subsidy | | | | | ✓ |
| - Subsidy for lease | | | | | ✓ |
| - Housing loan with no interest | | | | | ✓ |

¹ Annual bonus refers to extra payment apart from workers’ annual income. For example, 90 per cent annual bonus means workers receive an amount equalling 90 per cent of their annual income separately from their wage, on a regular basis but usually not monthly.

² Source: Survey results by the author.
The 1997 Financial Crisis, Recovery and Challenges in Korea

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1. Introduction

The paper seeks to investigate changing international business environment in South Korea (Korea hereafter), particularly following the 1997 financial crisis. Special attention will be placed on changing business environment captured by current account movement.

Why Korean economy recovered quickly? There could be many answers to these questions either from macro- or micro-economic level. Twelve of the thirty largest chaebols and five nonperforming banks had to leave markets along with government-led restructuring across the economy. This motivated the chaebols to change structure of governance towards more Anglo-American style, and concentrate on core business, rather than growth-obsessed investment with bank loan. It encouraged banks to reduce nonperforming loans from more than 30% of GDP in 1997 to less than 6% of GDP in mid 1998, and meet the BIS equity ratio of 8 percent. Certainly, the sharp drop in interest rate followed by IMF-led high interest rate policy was crucial to the recovery of the economy. The Bank of Korea, armed with floating exchange rate system, could manage the interest rate down to 5-6 percent by late 1990s from around 30 percent following the crisis. This impact was sizable because the economy was dominated by debt-laden chaebols. Furthermore, the high interest rate policy directly hit small and medium sized firms as well, which caused a viscous-circle of rising bankruptcies and a credit crunch.

The Korean economy experienced a significant change in external sector as well. Korea removed some important trade/investment distortions following the crisis. In particular, Korea removed quantitative restrictions for Japanese imports that was introduced in order to rectify severe bilateral trade imbalance and to protect domestic producers. Major targeted products include consumer durable goods such as electric/electronic goods. This removal of trade distortions is expected to ambiguously worsen the current account balance given consumers’ preference to Japanese products and recovering business investment.¹

Removing distortions in foreign direct investment (FDI) was another important change following the crisis. The changes include allowing hostile mergers and acquisitions (M&As) by foreign investors, raising the limits of foreign ownerships and foreign investment on land. This removal of distortions, associated with the won depreciation, led to surged FDI inflow. As a result, the share of FDI in GDP (fixed capital formation) rose from 2.6 (1.3) percent in 1996 to 6.7(5.5) percent in 1998 (Ministry of Commerce, Information and Energy, 1999).

Having mentioned some important domestic and trans-border factors for the quick recovery, this paper will focus on Korea’s trade along with the crisis and the recovery.

¹ Korea’s import for consumer goods increased 17.5 (13.1) percent per annum in terms of volume (value) between 1990 and 1999, followed by capital goods (9.8% in value, 13.1 % in volume) and industrial materials (7.3% in value, 9.6% in volume).
Aiming at this, we will focus on some structural issues including TOT (terms of trade) problem and export diversification. This paper begins by retrospecting the nature of the 1997 crisis in the following section.

2. Macro Aspect of Current Account Movements - Was the 1997 Shock Real?

In retrospect, the quick recovery following the crisis apparently implies the crisis was nominal rather than structural. However, the characteristic of the crisis captured by consumers’ consumption behavior and corporate investment (and thus current account), coupled with economic theories, indicated that it was real.

The current account balance is basically reciprocal of saving-investment balance. Figure 1 illustrates the gross saving rate and gross investment rate were similarly at around 35 percent in early 1990. However, there has been a gap between the rates since 1994 when investment boom began. This surged investment led-by expectation of recovery of the world economy caused sizeable capital inflows, largely by short-term borrowing, and this was one of the crucial causes of the 1997 crisis. The investment rate dropped sharply following the crisis, from 38.1 percent in 1996 to 20.9 percent in 1998, before rebound to 27 percent in 1999. This sharp drop of investment, coupled with rising saving, has led to surplus on the current account following the crisis.

More importantly, the figure suggests that people regard the 1997 crisis as real shock and overshooting in the adjustment of consumption. The intertemporal consumption smoothing approach indicates that people adjust consumption completely to the external shock (changed outputs), whereby no current account effect of the shock (Svensson and Razin 1983; Obstfeld and Rogoff 1995). On the contrary, people would not change their consumption behavior to nominal and temporary shock. Put differently, people would adjust their net foreign assets between periods of time and thus the current account will be affected. However, the limitation of this approach is it heavily relies on the assumption of perfect information and rationality of agents.

Figure 1 indicates that private saving (consumption) rose (dropped) sharply in 1998 in response to the recession and thus it, coupled with the given little foreign borrowing, showed their understanding the crisis as a real shock. In fact, there was an overshooting in this adjustment if balances in 1997 were optimal. Gross national income (real) declined by 7.9 percent in 1998, but private expenditure on final consumption (real) dropped by 9.6 percent in the year. This is also contradictory to the prediction by the Milton Friedman’s permanent income theory of consumption. According to this theory, the variation of expenditure should be smaller than the cycle of income. The increase in precautionary saving was because of increased uncertainty about the future income. The 1997 crisis as an exogenous shocks dropped both private consumption and investment. The stock price dropped by nearly a half following the crisis and it caused a negative wealth effect. The crisis also caused a credit crunch and liquidity problems to firms.

The decrease of public saving rate following the crisis was attributed to the declined tax income during the recession and increased expenditure to improve social security net for the surged unemployed, and capital injection for restructuring in the financial (banking) sectors.
Figure 1: Trends of Saving and Investment Rates

![Graph showing trends of saving and investment rates from 1990 to 2000.]

Note: Gross saving ratio is calculated by (gross disposable income-gross final consumption expenditure)/gross disposable income. The same calculation was applied to gross investment ratio. Source: BOK, National Account, various issues.

The swings of interest rates following the crisis effectively affected the share of indirect tax and thereby income distribution in Korea. The share of direct tax dropped from 48 percent in 1998 to 40.5 percent. This decline is largely attributable to changes in interest rate over the period. Corporate bond rate, as an indication of market rate, was 31.1 percent in December 1997 but it dropped to around 16 percent in mid 1998 and further to 7-8 percent in 1999. While this drop of direct income tax caused the worsening of income distribution, it is a remaining empirical question that how much private saving will be affected by this distortion.

3. Export, Current Account Surplus and Recovery

3.1. Exports and Growth

The difference between exports and imports, or net exports, is a component of the total demand for home goods in GDP equation. More importantly, the potential benefits of exports on growth are due to the spillover from export sector including productivity externality, higher rate of capital formation, facilitating capital imports by lessening the foreign exchange constraint (refer to Sharma et al. 1991 for summary). This has been true in Korea, confirmed by the high ratio of export in GDP (EX/GDP) in figure 2.

However, the movement of exports following the crisis illustrates that the rise in export per se does not necessarily raise proportionately people’s living standard. The incremental share of exports in GDP (measured by change in value of export divided by change in value of GDP), proxying contribution of unit of exports to GDP growth, indicates that Korea’s exports following the crisis were largely based on the volume-based ‘pushing exports’. The ratio (DEX/DGDP) in the figure increased in the early 1990s, but dropped sharply since 1995 when the unit export price dropped sharply. In particular, the incremental share dropped to below zero in 1998, indicating that negative price effect was more than offsetting the positive volume effect following the sharp depreciation of won.
While the unit export price was not recovered, the increase in the incremental share rebounded because of rising export volume.

Figure 2: GDP Growth and Exports

Note: DEX/DGDP is calculated by change in value of export divided by change in value of GDP in US dollar.
Source: IMF, IFS, various issues

3.2. Stabilised Foreign Exchange Market

The current account surplus, coupled with visible restructuring in banking sector and business groups, was crucial to the recovery of foreign credibility on Korean economy.

Most of Asian countries including Japan experienced the banking crisis due to sizeable (around 14-19%) nonperforming loan when there was a burst of the bubble economy. However, one of the crucial differences between the crisis ailing East Asian countries and Japan was the amount of available foreign reserve before the crisis. Small amount of foreign reserve under pegged exchange rate regime triggered speculative attack on the currency and thereby a herd behavior with a capital flight.

Surplus on the current account is crucial to increase foreign reserve, given capital inflows, or/and it lessens the pressure to finance from foreign markets, given foreign reserve. Figure 3 illustrates that the current account (CA) had approximately been the mirror of capital inflow (KA) until 1997. However, the sharp increase in the current account surplus following the crisis has been much larger than capital inflows. As a result, the (stock) foreign reserve (FR) increased dramatically in 1998. The increasing rate of the current account surplus declined in 1999, but it was still in surplus. This surplus, coupled with a fall in net foreign asset by rising capital inflows, contributed to raise foreign reserves in 1999. The amount of foreign reserve increased from $3.9 billion before the crisis to around $95 billion in mid 2000. This increased foreign reserve contributed to restore foreign investors’ confidence on the value of the won, demonstrated by the sharp appreciation began from late 1998.

2 Other major differences include East Asian countries including Korea largely relied on short-term foreign debt for the saving-investment balance (Aoki and Min 2000). As well, Japan adopted floating exchange rate regime, but most of East Asian countries adopted pegged exchange rate regime.
However, the remaining question here is that whether or not the foreign reserve is necessary, and what is optimal amount, if any. The foreign reserve implies an incurrence of quasi taxation as the opportunity cost of the reserve is relatively high. Theory of exchange rate also suggests foreign reserve is not necessary under the floating exchange rate regime.

Figure 3: Current Account, Capital Account and Foreign Reserve

Source: BOK, National Account, Various issues.

4. Challenges: TOT and Market Diversification

The movements of terms of trade (TOT), measured by unit value of exports divided by unit value of imports, reflect structural change in the world markets in dynamic aspect. Whether the worsening was caused by the demand or the supply factor, a country whose TOT falls receives less in return for each unit of the good it exports, and vice versa. As a result, the worsening has three important implications in Korea. Firstly, it simply erodes the positive impacts of improved competitiveness and reduces the size of surplus on the current account given the level of exchange rates and interest rates. The worsening of the TOT provides a challenging policy implication in terms of real exchange rate alignment. We remember that Korea, like many East Asian countries, used to sterilising intervention regardless of the 'nature' of the shock due mainly to the impotent interest rate, which in turn was due to government regulation and imperfect capital mobility. However, the sterilizing intervention could have delayed the alignment (depreciation) of real exchange rate in 1996 when the current account deficit was led by the TOT shock rather than by investment boom. Now, Korea faces terms of trade shock with a 'floating' exchange rate regime and reasonably sizeable current account surplus. Secondly, it affects the country's per capita living standard and private consumption decisions. Thirdly, the magnitude of

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As a result, the movement of TOT is not directly caused by the changes on the balance of current account. The level of investment following the crisis also dropped sharply. However, we notice that the adverse development of TOT between 1995 and 1996, coupled with investment boom (including semiconductors) began in 1994 instigated by the expected recovery of the world economy, led to a sizeable deficit on the current account in Korea. This, combined with absence of prudential supervision, caused short-term based foreign finance (particularly from the financial institutions) and thereby raised vulnerability of the economy to the tequila effect in 1997.
the negative impacts of the structural change depends on the elasticities of demand for exports and supply of exports. This paper focuses on the second and the third aspects.

4.1. Movements of TOT

Figure 4: Terms of Trade, Income TOT, Unit Export and Import Price for Selected Commodity

Figure 4 shows trend of terms of trade (TOT), income TOT, unit price of Korea's major export (semiconductor) and import (petroleum) between the first quarter 1994 and the second quarter 2000. The figure illustrates the TOT has a worsening trend over the period. The index value of 73 (95=100) of the TOT in the first half of 2000 was the worst figure in history. This deterioration of TOT was largely attributable to the drop of unit export price of Korea's exports although the rising petroleum price since mid 1999 facilitated the worsening. For example, the unit export price of semiconductor fell particularly in the mid 1990s, whereby causing sizeable deficit on the current account. The unit price dropped from 100 in 1995 to below the half in 1996 and further to 12.2 in the second quarter 2000. Because of the worsened TOT, Korea had to increase volume of exports to improve the current account balance.

This drop in unit price of semiconductor is a puzzle because the demand has been strong and the supply also relatively been stable. The strong US economy in the 1990s was largely attributable to IT-boom. While the reasons for the structural adjustment of the semiconductor price have yet to be analysed, psychological factors in the market following the Asian crisis and concern about the potential IT-led bubble, coupled with the fact that relatively short life cycle of the product, seemed to have affected the cyclical fluctuations of the price.

The declined petroleum price following the crisis, combined with strong world economy, was one of the crucial external factors for Korea to achieve a sharp recovery.

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4 The shares of semiconductor in total manufacturing production and exports were respectively 5 percent and 9 percent in the early 1990s. But the share in production increased to 13.6 percent in 1997 and to 21 percent in 1998. The share in exports also increased to around 13-15 percent in late 1990s. The share of Korea's electronic production in the world was 4.4 percent in 1997, indicating the fourth largest producers following the US, Japan and Germany.
However, the price began to rise significantly from second half of 1999 due to production reduction, and it thus caused the deterioration of the TOT. Figure 4 also shows income TOT, measuring the importability by total exports (value), has an increasing trend. This was largely due to the surged volume of exports.

Figure 5: Trends of Unit Value Indexes of Exports

![Trends of Unit Value Indexes of Exports](image)

Note: UXP(LI) is unit value index of exports for light industry, UXP(HCI) is for heavy and chemical industry, IT is for information technology-related products.

Source: IMF, IFS, various issues.

Figure 5 illustrates the decrease in unit value of exports of heavy and chemical industry products have been the most noticeable since mid 1990s. This drop was largely led by decreased price in semiconductor, chemical and steel products. In contrast, the price index for information technology (IT) related products, being an emerging major export item, have been higher than average index of the heavy and chemical products.

Was there a pass-through effect of depreciation for Korea's imports following the crisis? The pass-through effect of the depreciation referring to the proportion of the depreciation that is translated into higher import prices in the depreciating country suggests that the unit price of imports in the depreciating country may also drop (Knetter 1993; Dornbusch 1987). The apparent drop of import price followed the crisis seemed to be consistent with this hypothesis. However, this drop of import price was largely led by the declined prices of petroleum and industrial commodity over the period. Imported petroleum prices declined from 19.3 US dollar per barrel in 1997 to 13.7 dollar in 1998, before rising to around 30 dollar by mid 2000.

We expect Korea's major importing countries including the U.S. and Japan would not strategically respond to the depreciation of the won. Korean market is assumed to be too small for these exporters to taken this action in order to preserve their market shares and stabilize prices in the buyer's currency relative to a constant markup policy. Thus, it is

5 Average quantity of petroleum imports between 1997 and 1998 was around 850 million barrels in Korea.

6 Athukorala and Menon (1994) also confirm that incomplete pass-through of exchange rate changes is a pervasive from Japanese exports. However, the paper rejects the widely held view that Japanese export firms have relied more heavily on pricing to market strategies during the period of yen appreciation in order to maintain market shares. In spite of this, whether or not Japanese exporters and the US exporters showed different pricing behaviors in Korea following the crisis is an interesting empirical question. Korea was the
assumed that the drop of the unit value of exports is proportionately larger than that of imports. By the same token, there is no difference between bilateral trade balance with Japan and the US. However, the depreciation of won vis-à-vis the yen raises the won prices of imports (dollar price is unchanged and thus bilateral balance in dollar terms), and profit margin to Korean firms in the won would be squeezed to the extent of the intermediate imports from Japan. As a result, Korea’s dependency on Japan for intermediate imports, would have moderated the positive effect of depreciation on exports at given profit margin.

4.2. Export Market Destinations: Demand for Exports

Table 1: Shares of Korea’s Major Export Countries (% $ Million US)

<table>
<thead>
<tr>
<th></th>
<th>US</th>
<th>Japan</th>
<th>UK-Germany</th>
<th>ASEAN5 (ASEAN4)</th>
<th>China</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1980 (A)</td>
<td>26.7</td>
<td>17.7</td>
<td>8.4</td>
<td>6.6(5.0)</td>
<td>0.1</td>
<td>59.5</td>
</tr>
<tr>
<td>1985</td>
<td>40.3</td>
<td>17.1</td>
<td>7.1</td>
<td>5.7(3.9)</td>
<td>0.2</td>
<td>70.4</td>
</tr>
<tr>
<td>1990 (B)</td>
<td>30.4</td>
<td>19.9</td>
<td>7.2</td>
<td>8.8(5.9)</td>
<td>0.9</td>
<td>67.2</td>
</tr>
<tr>
<td>1995</td>
<td>19.4</td>
<td>13.7</td>
<td>7.1</td>
<td>13.6(8.2)</td>
<td>7.4</td>
<td>61.2</td>
</tr>
<tr>
<td>1996</td>
<td>16.7</td>
<td>12.1</td>
<td>6.1</td>
<td>14.9(9.9)</td>
<td>8.8</td>
<td>58.6</td>
</tr>
<tr>
<td>1997 (C)</td>
<td>15.6</td>
<td>10.7</td>
<td>6.3</td>
<td>13.8(9.6)</td>
<td>9.8</td>
<td>56.2</td>
</tr>
<tr>
<td>1998</td>
<td>17.3</td>
<td>9.3</td>
<td>6.2</td>
<td>11.4(8.3)</td>
<td>9.0</td>
<td>53.2</td>
</tr>
<tr>
<td>1999 (D)</td>
<td>20.3</td>
<td>10.9</td>
<td>6.2</td>
<td>12.0(8.6)</td>
<td>9.4</td>
<td>58.8</td>
</tr>
<tr>
<td>Coefficient of variation</td>
<td>36.7</td>
<td>27.7</td>
<td>11.6</td>
<td>31.8(29.8)</td>
<td>78.1</td>
<td></td>
</tr>
<tr>
<td>Adjustment rate</td>
<td>(B-A)/A*100</td>
<td>13.9</td>
<td>12.4</td>
<td>-14.2</td>
<td>33.3(18.0)</td>
<td>800.0</td>
</tr>
<tr>
<td></td>
<td>(C-B)/B*100</td>
<td>-48.7</td>
<td>-46.2</td>
<td>-12.5</td>
<td>56.8(62.7)</td>
<td>988.9</td>
</tr>
<tr>
<td></td>
<td>(D-C)/C*100</td>
<td>30.1</td>
<td>1.8</td>
<td>-1.6</td>
<td>-13.1(-10.4)</td>
<td>-4.1</td>
</tr>
</tbody>
</table>

Note: 1. standard deviation/mean *100 2. ASEAN 5 includes Singapore, Indonesia, Malaysia, Thailand and the Philippines. ASEAN 4 excluded Singapore from ASEAN5.

Source: Korea Foreign Trade Association, Trend of Foreign Trade, various issues.

Values in Table 1 indicate three important facts regarding Korea’s export markets. Firstly, diversification of these markets has been noticeable over the last two decades. The gross shares of these five countries/regions declined since the mid 1980s down to 53.2 percent in 1998, and somewhat increased following the crisis. In particular, the relative importance of the US market declined before rising again following the crisis. In contrast, the shares of ASEAN and China rose sharply until the onset of the crisis. The share of the US rose until the mid 1980s, reaching its peak level of 40.7 percent in 1986, before declining until 1997. The change in the share between 1980 and 90 was 13.9 percent, and between 1990 and 97 was -48.7 percent. In contrast, exports to China surged dramatically since the mid 1990s due mainly to the establishment of diplomatic relation in the early 1990s, coupled with geographical proximity. In 1999, China emerged as the third largest single market (9.4%) followed by the US (20.3%) and Japan (10.9%) although the ASEAN five (12.0%) as a region is the most important destination.

second largest market to the US exports in Asia. The share of Korea (Japan) in the US exports was 3.7(11.4) percent and in the US imports was 3.5(18.7) percent in 1991.
Secondly, this geographical composition has adjusted since the crisis. In particular, the relative importance of the US market has resurfaced especially at the expense of ASEAN market. The strong US economy over the last ten years has led an increase in imports whereas household from ASEAN countries lost purchasing power following the crisis. The strong US economy was largely attributed to the IT-led digitalization in the nexus of structural change towards the ‘new economy’. This digitalization and the emergence of a knowledge-based economy have consumed semiconductors.

The change in relative importance was indicated by the adjustment ratio (measured by $(D-C)/C\times 100$ in table 3), with a ratio of 30.1 percent for the US, compared to $-13.1$ percent for the ASEAN 5. As a result, the share of these major developed countries increased from 32.6 percent in 1997 to 37.4 percent in 1999. However, it is not certain whether this higher reliance on the developed countries rather than developing ones suggests the exports will be more stable than otherwise. The information on the coefficient of variation seems to suggest that the exports will be more stable, but the expected increase in competition with other crisis ailing countries in the US (and other developed countries) as well as protectionism led by political conflict caused by the imbalance in bilateral trade may increase the fluctuation of the exports.

Thirdly, the recovery of ASEAN and the sustained growth of the Chinese economy is also crucial to Korea’s exports and growth. While there was a drop following the crisis, the importance of these markets to exports was confirmed by the surge of shares in 1999. However, a remaining empirical question in this context is to study the impact of the expected rise in intra-trade/investment in the Korean peninsula following the two summit meetings in June 2000 on the Korean’s trade/investment relationship within the region.

5. Summary and Conclusions: Some Implications to Australia

This paper reviewed two important external factors with a view to finding factors affecting recovery following the 1997 crisis. Special attention was placed on Korea’s export sector, which had led the growth of the economy. The analysis indicates that Korea’s reliance on the US market for its export rose sharply again following the crisis. The surged surplus on the current account helped Korea to get restoration of foreign investor’s confidence on the economy witnessed in the foreign exchange market and the growth. However, the deepening of the reliance on the US market was against the Korean government’s effort to diversify markets.

The worsening terms of trade has damaged the living standard and it has eroded the size of surplus on the current account balance. This worsening was largely attributed to the sharp drop of semiconductors price, combined with the rising petroleum price since mid 1999. While the reasons for the structural adjustment of semiconductor price have yet to be analysed, psychological factors in the market following the Asian crisis and concern about the potential IT-led bubble, coupled with short life-cycle of the product, seemed to have influenced the cyclical fluctuations of the price. Implications include the necessity of development of brand royalty and product differentiation in order to minimise the magnitude of the negative impact of the structural adjustment.

Economic recovery from East Asia is crucial to a stabilizing Australian dollar and the growth of the country. Firstly, Australia has sizeable (around 30-40% in 1990s) net
foreign liabilities (debts). While the debt service capability is controversial, this sustained current account and thereby rising net foreign liabilities can increase negative externality to the economy’s vulnerability. Secondly, the share of East Asia (excluding Japan) in Australian exports dramatically increased based on complementary relationship over the last two decades: around 13 percent in mid 1970s, 22 percent in mid 1980s and 40 percent in mid 1990s. The exports growth to Korea, China and Indonesia in 1995-96 grew by more than 20 percent. While the crisis saw some adjustments, the region is a predominant destination of Australia’s exports including coal, iron ores, and meat, with rising exchanges of elaborately transformed manufactures.

References


attributable to some pessimism on her debt service capability coupled with the image of the ‘old-economy’. However, this old-economy argument is controversial, depending on whether the IT industry should be evaluated in terms of production or consumption.

9 The share of Japan (more than 20% in mid 1990s) as a single country indicates it has been the most important destination for Australian exports although the share has declined from around 35 percent in mid 1970s.


A Simple Economic Model for ASEAN, Korea and Japan: An International Differentiated Duopoly in a Large Importing Market

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1. Introduction

East Asian countries have recently shown their interests of regional freer trade regimes among themselves. For instances, the Association of Southeast Asia Nations (ASEAN: Brunei, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Vietnam), ASEAN Free Trade Agreement (AFTA: Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand), and bilateral free trade agreements such as Japan-Singapore Economic Partnership Agreement (JSEPA) are the ones that have been pursued by the Asian countries in the southeastern area. In the northeastern area, Korea and Japan currently conduct a careful joint-study for a possibility of a formation of a free trade area. ASEAN has agreed on a formation of a free trade area with China on November 4, 2001 and will be completed by 2013.

If this new wave of regionalism in Asia is successful, the region may become one of the world largest trading blocks and can compete with NAFTA and EU. Table 1 in appendix shows data for ASEAN and China: geographical size, populations, numbers of cities, and gross domestic product. In particular, the total population of the region, which is almost 1.8 billions, amounts to 30% of the world population. Indeed, in the center of the current regionalism in East Asia is the potential market size. So, it is natural that competition among foreign firms becomes intense in the region.

This paper particularly focuses on an export competition between Korea and Japan in ASEAN market and attempts to predict consequences of a country's being a member of a free trade agreement with ASEAN. Firstly, we note a fact that the two countries are competing in many overlapped manufacturing sectors such as cars, computers, mobile phones, etc., although Japan exports more than Korea. Secondly, Korea and Japan have proposed a free trade agreement to the members of ASEAN. Given these two facts, one may ask itself a question: what would happen to the two exporting countries if one of them succeeds to form a free trade agreement with ASEAN?

To address the issue, the theoretical model proposed here is an international differentiated duopoly in a large importing country. The duopolists are providing products that are at some extent substitutable but differ in quality. The importing country sets up tariff barriers against each of the exporting duopolists under the two distinct trade regimes; in the absence and the presence of a bilateral free trade agreement with one of the two exporting countries. We show that the non-member exporting country enjoys a positive externality of the agreement. However, we further to show that the positive benefit is reduced when the exporting member country's product quality increases.

1 For instances, Korea's export of machinery, electrical appliances, and vehicles are US$7.3 billions as of 2001, while that of Japan is US$43.3 billions-6 times of Korea's exports.
The paper is organized as follows. Section 2 presents the basic model and the results from our benchmark case: optimal trade regime without a free trade agreement. Section 3 shows the results from the trade regime with a preferential free trade agreement with one of the two countries. Finally section 4 concludes the paper.

2. An Optimal Tariff Regime: Without a Free Trade Agreement

Consider a simple three-country model; one large importing country denoted by $l$ and two exporting countries denoted by $j$ and $k$. We assume that the importing country has $N$ identical consumers and the utility function of each consumer takes a quality-augmented version of the standard quadratic function:

$$U_i = x_j + x_k - \frac{x_j^2}{q_j^2} - \frac{x_k^2}{q_k^2} - \theta \frac{x_j x_k}{q_j q_k} + z.$$  

$x_j$ and $x_k$ are the quantities of each variety $j$ and $k$ respectively. Likewise $q_j$ and $q_k$ are the qualities of each variety $j$ and $k$ respectively. $z$ is expenditure on numeraires ($z = m - p_j x_j - p_k x_k$). $\theta$ is an index of the degree of horizontal product differentiation; as it approaches to 0, the goods become independent, while as it increases, the products become more substitutable. In particular, as the parameter approaches to 2, the quality-adjusted varieties become perfect substitutes. For the simplicity, we will assume $0<\theta<2$.

Note that the utility function specified in (1) is commonly used to analyze a partial equilibrium that focuses on a particular industrial structure (e.g., a differentiated product market in this paper). The partial equilibrium analysis assumes to ignore the income effects on the particular industry. That is, even when there is a change in income level of each consumer, it does not affect the consumer's consumption choice for the products of the industry. As we will see later in this section, the government's tariff revenues are the part of the government objective function and will be redistributed to the consumers as a part of income. The new incomes that come from the redistribution of tariff revenues will be spent to the numeraires $z$ and will increase the consumer's utility level eventually. So, our results on so-called differentiated product industry are not affected by any changes in income of consumers.

The inverse demand function of each consumer for a variety $j$ is given by

$$p_j = \frac{2x_j}{q_j} - \theta \frac{x_k}{q_j q_k}, \quad j, k = 1, 2, j \neq k$$

In each of the two exporting countries, there is only one firm that supplies one variety to the importing country. The cost of production is denoted by $c$ for each of the firms. An assumption of $c<1$ is necessary to ensure the model works. We assume that the cost of production is industry-specific, so the two firms face a same cost of production. When a

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2 We follow Sutton (1997, 1998) and Symeonidis (1999, 2000). An alternative extension of the quadratic utility model is Hackner (2000), that is, $U_i = q_j x_j + q_k x_k - x_j^2 - x_k^2 - \theta x_j x_k + z$. Our results are not qualitatively affected.
firm $j$ sells a variety $j$ to a consumer of the importing country, it pays a specific tariff ($\tau_j$) to the country and earns the price $p_j$ per unit. Since a firm faces $N$ number of consumers, the total profits of each firm is

$$\pi_j = N(p_j - c - \tau_j)x_j, \quad j, k = 1, 2, j \neq k$$

In the Cournot-Nash equilibrium we have, for $j, k = 1, 2, j \neq k$,

$$x_j = \frac{(4q_k \tau_k - 4q_j \tau_j)q_j + (1-c)(4q_j - 4q_k)q_j}{16 - \theta^2} \quad \text{and}$$

$$\pi_j = 2N\left(\frac{x_j}{q_j}\right)^2.$$

Before proceeding our analysis, positive constraints for the quantity variables, $x_j$ and $x_k$, must be discussed to ensure our model to work.

**Positive constraint for quantities:**

$$\frac{\theta}{4} \frac{1-c-\tau_j}{1-c-\tau_k} < q_j < \frac{\theta}{4} \frac{1-c-\tau_k}{1-c-\tau_j}.$$

If this positive constraint for the quantities does not hold, one of the firm may become a monopolist, which is not the focus of our paper. Note that $1-c-\tau_j > 0$ and $1-c-\tau_k > 0$ are satisfied if $p_j > c + \tau_j$ and $p_j > c + \tau_j$ from (2) and (3). Indeed, from (3) when $x_j$ (or $x_k$) is positive, $p_j$ (or $p_k$) is greater than $c + \tau_j$ (or $c + \tau_k$) so that the profit becomes positive. Note also that the tariffs will be later determined. For the time being, the tariffs will be considered as parameters exogenously given.

Let us examine how the optimal quantities in (4) are affected by parameters such as industry-specific cost, tariffs, and qualities. Here is our first lemma.

**Lemma 1**

*Given that the tariffs are exogenously determined, an export of a variety of a foreign country is; (i) decreasing in the industry-specific cost; (ii) decreasing in tariff imposed on its own; (iii) increasing in tariff imposed on the other country's export; (iv) increasing in its own quality; and (v) decreasing in the other's quality.*

Note that here we deliberately omit the partial effect of substitutability ($\theta$) on the exports. This is because the result does not add any interesting or intuitive implication on the exports. In fact, we tried to see the effect and obtained an ambiguous result regarding substitutability. Except for this parameter, the proof and intuitions for the Lemma 1 are as follows.

First, the industry-specific cost has a negative impact on the quantities. Differentiating (4) with respect to $c$ and using the positive constraint, we have $\frac{\partial x_j}{\partial c} = q_j(\partial q_j - 4q_j)/(16 - \theta^2) < 0$. It implies that a higher cost makes a firm to reduce their productions and thus exports.
Second, the tariff imposed on its own goods has a negative impact while the tariff imposed on the other competing goods has a positive impact. From simple differentiations, we can verify $\partial x_j / \partial \tau_j = 4q_j^2 / (\theta^2 - 16) < 0$ and $\partial x_j / \partial \tau_k = q_k q_j \theta / (16 - \theta^2) > 0$. As $\tau_j$ increases, the importing country becomes protective against the good $j$, which implies the export of the variety $j$ will decrease. As $\tau_k$ increases, the export of the variety $j$ will increase since both are substitutes. The impact becomes stronger as $\theta$ increases.

Third, the quality of a variety $j$ has a positive effect on its quantity. Given all other things being equal, when the quality of $j$ is improved, the quantity of $j$ will be increased; That is, $\partial x_j / \partial q_j = -\theta q_j q_k + (1-c)(8q_j - \theta q_k) / (16 - \theta^2) > 0$. This sign can be readily proved by using the positive constraint. On the other hand, it is interesting to note that the quantity will be negatively affected by the quality of the other competing variety $k$. That is, $\partial x_j / \partial q_k = -\theta q_j (\tau_k + c - 1) / (16 - \theta^2) < 0$. When the quality of $j$ increases, the demand for the variety will increase. So the export will also increase. As long as the two varieties are substitutable, the export of the other variety will be negatively affected.

Next, we consider an optimal tariff regime where the tariffs are determined endogenously by the importing country and see how this optimal tariff regime affects the exports and profits of the exporting countries, and welfare level of the importing country. Consider the importing government that chooses tariffs to maximize its national welfare. The national welfare is defined as a sum of consumers' surplus ($CS_j$) and tariff revenues ($TR_i$) in (6).

$$W_i = CS_j + TR_i = \sum_{j,k} \frac{1}{2} (1 - p_j) x_{ij} + \sum_{j,k} (x_i \tau_j)$$

The consumers' surplus is interpreted as an aggregated sum of consumer's marginal utility level after the expenditure in the market. It measures the degree of the consumer's satisfaction after payments. The tariff revenues are government's revenues from imports and are redistributed to the consumers, which will also increase the consumer's utility level. So, a maximization of the national welfare is tantamount to that of consumers' utility. The national welfare maximization problem yields two first order conditions for the tariffs as follows.

$$\tau_j = \frac{\theta(\theta^2 - 32)}{2(\theta^2 - 48)} \left( q_k / q_j \right) \tau_k + \frac{2(1-c)}{\theta^2 - 48} \left( 4\theta \left( q_k / q_j \right) - \theta^2 + 16 \right) / 2$$

$$\tau_k = \frac{\theta(\theta^2 - 32)}{2(\theta^2 - 48)} \left( q_j / q_k \right) \tau_j + \frac{2(1-c)}{\theta^2 - 48} \left( 4\theta \left( q_j / q_k \right) - \theta^2 + 16 \right) / 2$$

These conditions imply that there is a complementarity between the two tariffs. For instance, as $\tau_k$ becomes higher (lower), $\tau_j$ also becomes higher (lower). The intuition is that as both tariffs increase, the tariff revenues becomes more important factors to achieve the maximum national welfare, while as they decrease, the consumer's surplus becomes more important role in deciding the maximum national welfare. When the tariffs are chosen optimally, the equilibrium tariffs are as follows.
Note that for the non-negative tariffs, we would have $\theta/6 \leq q_k/q_j \leq 6/\theta$. It is interesting to note that this condition is similar to the positive constraint for variables with these optimal tariff solutions of (9). That is, putting (9) in the constraint gives us $\theta/6 \leq q_k/q_j \leq 6/\theta$. It implies that as long as the tariffs are non-negative, the quantities of exports are also non-negative. Otherwise the importing country gives a positive subsidy to the exporting foreign firms. Although there may be such a case of subsidy in a real international trade, we do not look into the case for the purpose of the paper. Instead we focus on the importing country's tariff policies (optimal tariff with versus without a preferential free trade) on the two competing exporting firms.

**Lemma 2**
When the tariffs are endogenously determined by the importing country, an optimal tariff for a variety is found to be; (i) decreasing in industry-specific cost; (ii) increasing in the quality of its own variety; and (iii) decreasing in the quality of the other's variety.

Here are the proofs and interpretation for Lemma 2. First, when the industry-specific cost is higher, the optimal tariff becomes smaller. That is, 
$$
\frac{dT_j}{dc} = 2(6 - \theta(q_k/q_j))/(\theta^2 - 36) < 0 \quad \text{and} \quad \frac{dT_k}{dc} = 2(6 - \theta(q_j/q_k))/(\theta^2 - 36) < 0.
$$
The intuition is simple. When the cost increases, the firms will reduce the exports to the importing country as shown in Lemma 1. To promote the exports, the importing country will begin to liberalize (or decrease) the tariffs.

Second, when the quality of variety $j$ is relatively higher than that of variety $k$, the tariff protection against $j$ becomes relatively higher than $k$. This can be verified by 
$$
\frac{dT_j}{(q_k/q_j)} = 2(1-c)\theta/(\theta^2 - 36) < 0 \quad \text{and} \quad \frac{dT_k}{(q_j/q_k)} = 2(1-c)\theta/(36 - \theta^2 - 36)(q_k/q_j)^2 < 0.
$$
The intuition is as follows. From Lemma 1, for example, the quality of variety $j$ has a positive relationship with its quantity exported. In other words, the relatively higher quality of the variety will induce the relatively higher exports. Then the importing country can increase the national welfare by raising the tariff against the variety $j$. At the same time, the relatively lower quality of variety $k$, which may be exported less due to the increased exports of the other variety $j$, will make the importing country reduce the tariff to promote the exports.

Taking into account the endogeniety of tariff determination, we can now fully decompose the impact of quality changes on the export into three separated effect using Lemma 1 and Lemma 2.

$$
\frac{dx_j}{dq_j} = \frac{dx_j}{\partial q_j} + \frac{dx_j}{\partial \tau_j} \frac{\partial \tau_j}{\partial q_j} + \frac{dx_j}{\partial \tau_k} \frac{\partial \tau_k}{\partial q_j}
$$

The first effect is a direct quality effect; as the quality increases, the export increases. The second effect is an indirect tariff barrier effect. As the export increases due to a higher quality, the optimal tariff protection is expected to be higher as well. So, the export will be affected negatively due to a higher tariff. The third is an indirect tariff substitution effect.
As the export of a variety $j$ increases, the other competing variety $k$'s export will become smaller. So the tariff imposed on the variety $k$ becomes smaller to induce more exports of the other goods $k$. Then, the export of the variety $j$ becomes smaller.

This implies that when one consider the endogenous choice of optimal tariffs for two competing varieties, the impact of a change in quality of a variety on the export becomes smaller.

\begin{equation}
0 < \frac{dx_j}{dq_j} < \frac{\partial x_j}{\partial q_j}
\end{equation}

How about the profit of the exporting firm? From the (5), it looks not obvious since the profit is a positive function of the exports but a negative function of the quality. To verify how a quality affects a firm's profits, we need to verify the sign of

\begin{equation}
\frac{\partial \pi_j}{\partial q_j} = 4N \left( \frac{x_j}{q_j} \right) \left( \frac{dx_j}{dq_j} - \frac{x_j}{q_j} \right).
\end{equation}

Note that it depends on the sign of \((dx_j/dq_j) - (x_j/q_j)\). With a simple algebra using the results from the model, we have

\begin{equation}
\left( \frac{dx_j}{dq_j} - \frac{x_j}{q_j} \right) = \frac{6(-1+c)q_{j}}{\theta + 6}(\theta - 6) > 0
\end{equation}

This implies that the profit will increase as the quality increases. The reason behind this result is the quality elasticity of export is greater than 1. In other words, when there is an increase in quality by one unit, then the percentage increase in the export is greater than 1. Using chain rule and results from the model, this can be proved as follows.

\begin{equation}
\frac{dx_j}{dq_j} = \frac{dx_j}{x_j} \cdot \frac{x_j}{q_j} = \frac{-\theta q_k + 12q_j}{x_j/q_j} > 1
\end{equation}

Note that $-\theta q_k + 12q_j > 0$ and $-\theta q_k + 6q_j > 0$ from the positive constraint with the optimal tariffs. So, when there is an increase in quality of a variety, the increase in the export of the variety becomes more than that of quality. Therefore the profit which is a function of $x_j/q_j$ as in (5) will increase as the quality is improved.

How about the impact of a change in a quality of a variety on the export of other varieties?

\begin{equation}
\frac{dx_j}{dq_k} = \frac{\partial x_j}{\partial q_k} + \frac{\partial x_j}{\partial \tau_j} \frac{\partial \tau_j}{\partial q_k} + \frac{\partial x_j}{\partial \tau_k} \frac{\partial \tau_k}{\partial q_k}
\end{equation}

Using Lemma 1 and 2, three effects can be considered. First, as we analyzed earlier, the direct quality effect is negative. If a quality of the variety $k$ increases, the exports of that variety will increase. Since two varieties are substitutes, the exports of the variety $j$
will decrease. Second, the indirect tariff barrier effect is positive. The higher quality of
variety \( k \) makes the optimal tariff against variety \( j \) decrease. Then, the smaller tariff makes
the exports of the variety \( j \) increase. Third, the indirect tariff substitution effect is also
positive. Since the protection against the variety \( k \) is increased, the exports of the variety \( j \)
will be relatively increased due to the substitution.

Compared to the case of exogenous tariff, the endogenous tariff setting makes the impact
of a quality of a variety on the exports of the other variety smaller. That is,

\[
\frac{\partial x_j}{\partial q_k} < \frac{dx_j}{dq_k} < 0
\]

How about the profit of a foreign firm when the quality of the other firm's variety increases?
This is rather simple since

\[
\frac{\partial \pi_j}{\partial q_k} = 4N \left( \frac{x_j}{q_j} \right) \left( \frac{dx_j}{dq_k} \right) < 0
\]

The following proposition summarizes the quality change effects on the exports and
profits for the exporting firms.

**Proposition 1**

(i) As a quality of a variety increases (decreases), its export and profit also increase
(decrease) and the export of the other firm's variety and its profit decrease (increase). (ii)
The optimal tariff setting system weakens the impact of a change in a quality on the exports
of differentiated products.

Next, we look into welfare effects of a quality changes. In (6), the welfare function
was defined as the sum of consumers' surplus \( (CS_i) \) and tariff revenues \( (TR_i) \). First, the
consumer's surplus will increase as the qualities are improved. It can be verified in the
model as follows.

\[
CS_i = \frac{(-1 + c)^2}{(\theta^2 - 36)^2} \left( (36 - 5\theta^2)(q_j^2 + q_i^2) + \theta(\theta^2 + 12)q_i q_j \right)
\]

\[
\frac{\partial CS_i}{\partial q_j} = \frac{(-1 + c)^2}{(\theta^2 - 36)^2} \left( 2(36 - 5\theta^2)q_j + \theta(\theta^2 + 12)q_k \right) > 0
\]

\[
\frac{\partial CS_i}{\partial q_k} = \frac{(-1 + c)^2}{(\theta^2 - 36)^2} \left( 2(36 - 5\theta^2)q_k + \theta(\theta^2 + 12)q_j \right) > 0
\]

It is intuitively obvious that consumers like higher quality of the products. The
consumer's surplus is normally defined as the aggregated sum of marginal utility of one
unit of goods minus the expenditure on the goods. Given all other things being equal, the
improvement of product qualities will increase the exports and thus decrease the market
prices of the goods. Hence, total consumers' surplus becomes higher.

Second, the tariff revenues are rather complicated to understand. The higher qualities
will induce more exports and thus give incentives the importing government to set a higher
tariff. Then, two opposing effects are expected in general. The more exports increase the
tariff revenues while the higher optimal tariffs discourage exports so the tariff revenues are decreasing. In our model, it can be shown that the tariff revenue changes depend on the current quality differences between the two varieties. That is,

\[
(19) \quad TR_i = \frac{2(1+c)^2}{(\theta^2 - 36)^2} \left((\theta^2 + 36)(q_j^2 + q_k^2) - 24q_k q_j\right)
\]

\[
(20) \quad \frac{\partial TR_i}{\partial q_j} = \frac{2(1+c)^2}{(\theta^2 - 36)^2} \left(2(\theta^2 + 36)q_j - 24q_k\right)
\]

\[
(21) \quad \frac{\partial TR_i}{\partial q_k} = \frac{2(1+c)^2}{(\theta^2 - 36)^2} \left(2(\theta^2 + 36)q_k - 24q_j\right)
\]

If \(12\theta/(\theta^2 - 36) < q_k/q_j < (\theta^2 - 36)/12\theta\), the tariff revenues increase as each of the quality increases. Note that with the positive constraint discussed earlier (i.e., \(\theta/6 < q_k/q_j < 6/\theta\)), it is easy to show \(\theta/6 < 12\theta/(\theta^2 - 36) < (\theta^2 - 36)/12\theta < 6/\theta\) for \(0<\theta<2\). So, if \(\theta/6 < q_k/q_j < 12\theta/(\theta^2 - 36)\) or \((\theta^2 - 36)/12\theta < q_k/q_j < 6/\theta\), one of the tariff revenues may decrease.

Finally, the national welfare and partial impacts of a quality change on the welfare can be calculated as follows.

\[
(22) \quad W_i = CS_i + TR_i = \frac{(-1+c)^2}{(\theta^2 - 36)}(q_k q_j - 3q_j^2 - 3q_k^2)
\]

\[
(23) \quad \frac{\partial W_i}{\partial q_j} = \frac{(-1+c)^2}{(\theta^2 - 36)}(q_k q_j - 6q_j) > 0
\]

\[
(24) \quad \frac{\partial W_i}{\partial q_k} = \frac{(-1+c)^2}{(\theta^2 - 36)}(q_k q_j - 6q_k) > 0
\]

As shown here, the impacts are all positive due to the positive constraint. This result implies that although there may be a negative impact on tariff revenues, the gains from increases in consumers' surplus dominate the tariff revenue losses that may occur. So, overall, the quality improvement will be good for the importing countries.

**Proposition 2**

*As a quality of a variety exported by a foreign firm increases (decreases), the importing country's national welfare also increases (decreases).*

Next, we move on the case of a preferential free trade system where the importing country gives a free market access right to only one of the two exporting country. How does this affect the level of the tariff barriers against the non-member country, exports, and national welfare?
2. An Alternative Optimal Tariff Regime: With a Free Trade Agreement

Suppose that \( \tau_k = 0 \) as a result of free trade agreement between the importing country \( I \) and the exporting country \( k \). We do not consider whether or not this agreement is sustainable in the long run in this model. We only look into the effect of the free trade agreement on the member and the non-member exporting countries.

We begin by solving the optimal tariff against the non-member country \( j \). From the maximization problem in (6) with \( \tau_k = 0 \), the optimal tariff \( \tau_j \) for the non-member country will be

\[
(25) \quad \tau_j^{\text{FTA}} = \frac{(1-c)((\theta^2 + 16) - 8\theta q_k)}{q_j}.
\]

Note that, for the non-negative tariff, \( 0 < q_k/q_j < (\theta^2 + 16)/8\theta \) should be satisfied. For the purpose of comparison in this section, we simply assume \( \theta/6 < q_k/q_j < (\theta^2 + 16)/8\theta \). Now it is ready to compare this with the previous result of optimal tariff on the variety \( j \), where \( \tau_j^{\text{NO}} \) refers to the optimal tariff without the free trade agreement from (9). This result implies that under free trade system with country \( k \), the optimal tariff against the country \( j \) will become smaller. We call this as a tariff complementarity effect; when the importing country gives a preferential free access to one of the countries, the tariff imposed on the other country will be also smaller compared to one without an FTA. It is better for the importing country (under the FTA with country \( k \)) to reduce \( \tau_j \) from \( \tau_j^{\text{NO}} \) for the following reason. Since the zero tariff on the imports from country \( k \) is imposed, the imports will increase and thus the consumer's surplus will be increased as well. Then by reducing the tariff against country \( j \) the importing country can accelerate the positive increase in the consumer's surplus. But, it will not decrease the tariff to zero level but stop at some lower positive point, which is an optimal under the FTA system. That is, too much reduction in tariff may reduce tariff revenues substantially and thus reduce national welfare eventually.

This effect is well documented in the literature of preferential free trade analysis. For instance, see Richardson (1995), Bagwell and Staiger (1997) and Yi (2000). However, what is novel in our model is that it will show that such a tariff complementarity effect of an FTA, which can be measured by the difference between \( \tau_j^{\text{FTA}} \) and \( \tau_j^{\text{NO}} \), is affected by the relative quality of the two varieties and industry-specific cost. Here is our proposition that summarizes the results.

**Proposition 3**

When the importing country gives a preferential free trade treatment to a country \( k \) (take one exporting country as a member), it will also reduce its optimal tariff against the non-member country \( j \) (take the other exporting country as a non-member). All other things
being equal, (i) as the relative quality of a variety exported by the member country \( k \) increases (decreases), the tariff complementarity effect of the FTA becomes smaller (larger); and (ii) as the industry-specific cost increases (decreases), the tariff complementarity effect of the FTA becomes smaller (larger).

First, when the \( q_k/q_j \) increases, the effect becomes weakened; 
\[
\frac{\partial (\tau_j^{FTA} - \tau_j^{NO})}{\partial (q_k/q_j)} = 6(1-c)(\theta^2 - 32)\theta / (\theta^2 - 48)(\theta^2 - 36) < 0.
\]
The intuition can be provided as follows. From (4), we have 
\[
\frac{\partial x_j}{\partial \tau_j} = 4q_j^2 / (\theta^2 - 16) < 0 \quad \text{and} \quad \frac{\partial x_j}{\partial \tau_j q_j} = 8q_j^2 / (\theta^2 - 16) < 0.
\]
Both results imply that as \( q_j \) decreases given \( q_k \) (equivalent to say, an increase in \( q_k/q_j \)), the marginal impact of the tariff reduction \( \tau_j \) on import increase \( x_j \) becomes stronger. So, the importing country does not have to reduce the tariff \( \tau_j \) much. A smaller reduction in the tariff will do. So the tariff complementarity effect of an FTA becomes smaller as \( q_k/q_j \) increases.

Second, as for the industry-specific cost \( c \), when it is increased, the tariff complementarity effect will become smaller. That is, 
\[
\frac{\partial (\tau_j^{FTA} - \tau_j^{NO})}{\partial c} = (\theta - 6q_k/q_j)(\theta^2 - 32)\theta / (\theta^2 - 48)(\theta^2 - 36) < 0.
\]
The intuition is simple. As the cost increases, the exports will be decreased. However, since the preferential free trade was given to the country \( k \) only, the reduction of exports due to the higher cost could be made up by the zero tariff, which will increase the exports. The reduction of exports due to a higher cost is more serious to country \( j \). So the importing country has less incentive to reduce to tariff to country \( j \). Otherwise the loss of tariff revenues due to a reduction of exports becomes larger.

Now how does the free trade agreement affect the exports, profits, and national welfare? First, let us see the exports for the member and non-member exporting countries. From (4), using \( \tau_k = 0 \) and \( \tau_j = \tau_j^{FTA} \), we have

\[
(27) \quad x_j = \frac{(-4\tau_j^{FTA} q_j)q_j + (1-c)(4q_j - \theta q_k)q_j}{16 - \theta^2}, \quad \text{and}
\]
\[
(28) \quad x_k = \frac{(\theta \tau_j^{FTA} q_j)q_k + (1-c)(4q_k - \theta q_j)q_k}{16 - \theta^2}.
\]

So, the export of the member's variety is positively related with the external tariff set by the importing country against the non-member country, while the export of the non-member's variety is negatively related. The tariff impact on profits is the same as that on exports.

After substituting the optimal external tariff (25) into the export variables, we get the following expressions for the exports.

\[
(29) \quad x_j^{FTA} = \frac{q_j(1-c)(-\theta q_k + 8q_j)}{48 - \theta^2}, \quad \text{and} \quad x_k^{FTA} = \frac{2q_k(1-c)(-\theta q_j + 6q_k)}{48 - \theta^2}.
\]
Note that, since $\theta/6 < q_k/q_j < 6/\theta$, the exports are positive. More interestingly note that these two exports are greater than those under no-free trade agreements. That is,

\begin{align*}
(30) \quad x_j^{NO} - x_j^{FTA} &= \left( \frac{2q_j(1-c)\theta}{(48-\theta^2)(36-\theta^2)} \right) (\partial q_j - 6q_j) < 0 \\
(31) \quad x_k^{NO} - x_k^{FTA} &= \left( \frac{q_k(1-c)(24-\theta^2)}{(48-\theta^2)(36-\theta^2)} \right) (\partial q_j - 6q_j) < 0
\end{align*}

This result tells that the member's export will increase due to the free access to the market, and the non-member's export also will increase due to the tariff complementarity effect of the free trade. The following proposition summarizes the result.

**Proposition 4**

The member's and non-member's exports and profits under the FTA between the importing country and one of the exporting countries are higher than those from the optimal tariff regime without an FTA.

How about the welfare of the importing country? Two opposing effects can be discussed in general. First, since there will be more exports under the free trade system the national welfare must increase due to the increase in the consumers' surplus. Second, however, due to the zero tariff for the member country and the lower tariff for the non-member country, the importing country loses the tariff revenues from the two exporting countries.

Due to the nature of our assumption that the importing country chooses optimally the tariff rates against the two exporting country, any other tariff setting than the optimal rates must yield a lower national welfare. This implies that the national welfare under the free trade agreement becomes smaller than that under the optimal tariff system, mainly due to the fact that the reduction in tariff revenues is greater than the increase in consumers' surplus.

To verify this argument, let us calculate the welfare of the importing country under the FTA first as follows.

\begin{align*}
(32) \quad W_i^{FTA} &= \sum_{j,k} \left( \frac{1}{2} (1 - p_j^{FTA}) x_j^{FTA} \right) + (x_j^{FTA} c_j^{FTA}) = \frac{(-1+c)^2}{48-\theta^2} (3q_k^2 - \theta q_k q_j + 4q_j^2)
\end{align*}

Compared to the welfare from the trade regime without the free trade agreement in (22),

\[ W_i^{FTA} - W_i^{NO} = \frac{(-1+c)^2(-6q_k + q_j\theta)^2}{(\theta^2 - 48)(\theta^2 - 36)} < 0 \]

Remember that the FTA of this model is a *unilateral* free trade agreement given by the importing country to one of the exporting country. The result shows that there is no economic reason for the importing country unilaterally to open up the market to the exporting countries due to the national welfare loss. However, if there exists a sort of transfer payment between the members of the FTA to make up the importing country's loss from the FTA, then a *bilateral* (or reciprocal) free trade agreement can be obtained. In this
case, we need to see whether or not the exporting country has a long-term incentive not to deviate from such a commitment with the importing country. This would be an interesting topic, but given the limited specification of the model, we do not pursue further to see such an incentive for the importing country and the exporting country to agree on the FTA sustainable in the long run.

4. Summary

This paper is motivated by the current trade relations in the East Asia countries. In particular, we try to set out a simple economic model for ASEAN, Korea and Japan. In the model, ASEAN is assumed to be a large importing country and, Korea and Japan are the two countries that export and compete in the large importing country. The two exporting countries are modeled as suppliers of the differentiated products with different qualities such as cars, cameras, computers etc. In this model, we consider two different trade regimes. The first trade regime is an optimal tariff setting system where the importing country chooses tariffs optimally against both exporting countries. The second is the case when the importing country agreed to form a free trade agreement with one of the two exporting countries and chooses an optimal tariff against the non-member country outside the agreement.

Under the optimal tariff setting without the free trade agreement, we showed that, the quality improvement of a variety has a positive impact on the exports, profits and welfare of the importing country. Under the free trade agreement system, we showed that the non-member country is benefited by the tariff complementarity effect of the free trade regime and enjoys a lower tariff, compared to the optimal tariff setting regime without the free trade agreement. More interestingly, we showed that the tariff complementarity effect was negatively affected by the quality differences between the member and non-member country. For instance, as the member exporting country’s product quality is improved relatively better than the non-member exporting country’s, the tariff-reducing effect to the non-member (i.e., the tariff complementarity effect of the FTA) becomes weakened. This is because the opportunity cost of reducing the tariff for the non-member becomes larger. That is, by reducing the tariff to the non-member, the importing country loses a chance to import the higher quality product from the member country.

References


Every man for himself-trade in Asia. (2000, November 2). The Economist.


## Appendix

### Table 1: ASEAN Countries and China as a Large Market

<table>
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<tr>
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Source: www.aseansec.org
Pass-Through Elasticity, Substitution, and Market Share: The Case for Sheep Meat Exports from Australia and New Zealand

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1. Introduction

Monopolistic export producers with some market power in a segmented market tend to practise pricing to market (PTM) by adjusting their destination-specific mark-ups (price over a marginal cost) in reaction to the exchange rate fluctuations in different markets. Trade models including a concept of intra-industry trade show that large fluctuations in the bilateral exchange rate are not fully passed through to the import prices of commodities traded. This phenomenon is labelled as incomplete exchange rate pass-through, and is apparent in international trade.

For example, over the two years from the second quarter of 1995 to the first quarter of 1997, the New Zealand export price to Japan decreased by 16 per cent, while its dollar appreciated by 40 per cent against the Japanese yen over the same period. In the years 1997-2000, the unprecedented depreciation of the New Zealand currency against the Japanese yen dramatically brought down the value of New Zealand dollar by 60 per cent. However, the export price to Japan increased by a moderate 40 per cent. This simple example reveals that the magnitudes of swings in the export prices are considerably less than those in the exchange rates of the exporting countries. Exporters react to the exchange rate changes, in terms of export price in imperfect competitive market structure, to maintain or increase market share in the importing country (Krugman 1987).

The following article from The Press for instance explains such a phenomena in an international market in New Zealand automobile import industry:

New Zealand’s vehicle market leader Toyota says buyers should not expect a drop in car prices despite a strengthening New Zealand dollar against the Japanese yen...Toyota New Zealand chairman Bob Field said the weaker yen would take pressure off the motor industry which had been under a lot of 'margin pressure' due to a weak New Zealand dollar for the past year. This is just making it a bit more comfortable, Mr Field said. However that comfort was not likely to extend to reduce car prices. I think the stronger dollar, and weaker yen won't really change prices that much at all...Toyota makes up over 18 per cent of the total new car market. Nearly half of all market leaders, or 47 per cent, source their cars from Japan (Hopes of lower car prices dashed, January 15, 2002).

Empirical studies conducted for such large economies as the US, Germany, and Japan, in general support the pricing to market and incomplete pass-through phenomena. Marston (1990) find that Japanese manufacturing firms pass through their export prices to the United States only 50 to 60 percent of the exchange rate movements. Menon (1995) shows
that at least 50 percent of exchange rate pass-through to the import prices for the US, Germany and Japan. Feenstra, Gagnon, and Knetter (1996) find a strong evidence of PTM in the automobile industry from Germany, the UK and the US. However, their estimates of pass-through elasticity might be biased since the time series data for their analysis can be non-stationary.

For small open economies it is assumed that exporters are price takers. They face an exogenously determined export price in foreign currency which implies the complete pass-through. However, several empirical studies find that export producers in small open economies with some market power have ability to affect prices. Dwyer, Kent, and Pease (1994) find that exchange rate pass-through is complete for the prices of imports and manufactured exports in the long run; however, in the short run it is incomplete. Tongzon and Menon (1993) show that at the aggregate level the PTM elasticity is close to 0.7 but it is lower at the more disaggregate level. Lee (1997) illustrates that in average only 62 percent of exchange rate fluctuations are passed through in to Korean imports and the degree of pass-through is affected by a domestic market concentration in Korea. For Swedish exports of machinery and transport equipment exporters absorb about 26 percent of an exchange rate change in their profit margin (Athukorala and Menon 1995). Griffith and Mullen (2001) explain that the Ricegrowers' Cooperative Limited in New South Wales, Australia has been able to exercise its monopoly market power by varying mark-ups over different markets.

The major theoretical approaches to PTM phenomena are the adjustment cost's explanation and monopolistic competition from the supply side and the market share argument from the demand side. The source of mark-up variations can be explained by the importance of incomplete market structure and the size of the market share (Feenstra et al., 1996). If the markets are segmented and the industry is imperfectly competitive, then monopolistic firms will find that PTM is profitable. When firms have larger market shares in their domestic markets than in foreign markets, the foreign sales are more affected by firms' pricing. When more firms produce a given industry output, each firm's share of the industry output will be smaller, and so each firm will incur higher average costs of production.

Exporters have an incentive to reduce the mark-up to the importers whose market shares are relatively large when importers' currencies have depreciated against the exporter's currency. If one exporter maintains his mark-up as the importer's currency depreciates while his competitors moderately reduce the destination price, then the importers are likely to substitute other varieties for the relatively more expensive variety, which, in turn, will affect the market share. Therefore, exporters will stabilize prices in terms of the buyer's currency to maintain their market shares in the presence of competitors who are exporting the similar but differentiated products (Krugman 1987). The pass-through elasticity varies across industries as explained above due to such different environment as market shares, substitutability of differentiated products, and level of competition.

This paper empirically examines the relationship between the effect of exchange rate fluctuations on importing prices, competitor's price, and market share, utilizing sheep meat export data from the two major sheep meat exporting countries in the world, Australia and New Zealand. The world sheep meat production is dominated by China with 35.8% and the European Union with 15.7% (Table 1). Even though the total sheep meat production from Australia and New Zealand represent only 14 percent of world production, Australia and New Zealand together accounted for 90.4 percent of world exports in 1997 where the European Union and Japan were the major sheep meat importing countries. The sheep meat exporters in Australia have dominant market share in Japan and the US; however,
New Zealand exporters relatively have larger market shares in Canada, Germany, Hong Kong, Korea, Netherlands, and the UK (Tables 2A and 3A). The EU remains New Zealand’s most important market for sheep meat, taking around one half of total exports by volume and two-thirds by value.

2. Model and Methodology

Demand Side

We allow the currency pass-through to depend on the degree of substitutability between the export goods from different destinations. Agents have a choice between the two differentiated goods imported from New Zealand and Australia. They decide an optimal consumption of each good: \( u = u(x, s) \), where \( x \) is the quantity of good from New Zealand and \( s \) is the quantity of good from Australia.

The CES (constant elasticity of substitution) utility function that allows substitution between these products is most suitable (Bodnar, Duman, and Marston 2002) and agents in each destination will maximize their utilities

\[
\begin{align*}
\text{(1)} & \quad u(x, s) = [\alpha x^\rho + (1 - \alpha) s^\rho]^{1/\rho} \\
\text{subject to the budget constraint,} & \quad y = p(x)x + p(s)s. \\
\end{align*}
\]

The \( \alpha \) and \( \rho \) are the parameters for preference and substitutability, \( y \) the total expenditure on \( x \) and \( s \), and \( p(j) \) the import price denoted in destination currency \( (j = x, s) \). It is conventionally assumed that \( \alpha \in (0,1) \), and \( \rho \leq 1 \).

The elasticity of substitution between \( x \) and \( s \), \( \sigma \) is equal to \( \frac{1}{1-\rho} \geq 0 \). As well known, when \( \sigma = 1 \ (\rho = 0) \) the agents have a Cobb-Douglas utility form and when \( \sigma \to \infty \ (\rho \to 1) \) they have a perfect substitutability with a linear form. The inverse demand functions for \( x \) and \( s \) denoted in importer’s currency are in the following form:

\[
\begin{align*}
\text{(2A)} & \quad p(x) = \frac{\alpha x^{(\rho-1)} y}{\alpha x^\rho + (1 - \alpha) s^\rho} \\
\text{(2B)} & \quad p(s) = \frac{(1 - \alpha) s^{(\rho-1)} y}{\alpha x^\rho + (1 - \alpha) s^\rho}. \\
\end{align*}
\]

The regular demand functions for \( x \) and \( s \) can be derived as follows:

\[
\begin{align*}
\text{(3A)} & \quad x = y \left[ p(x) + (p(x))^{(1-\rho)} \left( \frac{1-\alpha}{\alpha} \right)^{1/(1-\rho)} \right]^{-1} \\
\text{(3B)} & \quad s = y \left[ p(s) + (p(s))^{(1-\rho)} \left( \frac{1-\alpha}{\alpha} \right)^{1/(1-\rho)} \right]^{-1}. \\
\end{align*}
\]

From 2A and 2B we can derive the partial elasticities of demand as functions of market share \( \phi \) and substitutability parameter \( \rho \),
(4A) \[
\begin{bmatrix}
\frac{\partial \ln p(x)}{\partial \ln x} & \frac{\partial \ln p(x)}{\partial \ln s} \\
\frac{\partial \ln p(x)}{\partial \ln s} & \frac{\partial \ln p(s)}{\partial \ln s}
\end{bmatrix}
= \begin{bmatrix}
\rho(1-\phi) & -\rho(1-\phi) \\
-\rho \phi & \rho \phi - 1
\end{bmatrix}
\]
and
\[
\frac{\partial \ln p(s)}{\partial \ln s} = \frac{1}{1-\rho} \begin{bmatrix}
\rho \phi - 1 & \rho(1-\phi) \\
\rho \phi & \rho(1-\phi) - 1
\end{bmatrix},
\]

where \( \phi = \frac{p(x)x}{y} = \frac{\alpha x^\rho y}{\alpha x^\rho + (1-\alpha)s^\rho} \).

**Supply Side**

Profit maximizing export producers from New Zealand and Australia sell differentiated products to \( n \) foreign destination markets, indexed by \( i \) and the market segmentation does not allow any arbitrage condition. We assume that each producer believes that the other will not change the price that it is quoting. An exporter in New Zealand selling the product of \( x \) will maximize its profit in \( t \):

\[
(5) \quad \max_{p(x)} \sum_i e_i^{nx} p_i(x)x_i - c \left( \sum_i x_i, r(e_i^{nx}) \right), \quad i = 1, \ldots, n
\]

subject to \( x_i = d^x(p_i(x), p(s), y_i; \alpha, \rho) \), where \( p_i(x) \) is the destination price from New Zealand to the \( i^{th} \) destination market (i.e., Korean won), \( x_i = d^x(p_i(x), p(s), y_i; \alpha, \rho) \) the quantity demanded by the destination market \( i \). The exchange rate \( e_i^{nx} \) is defined as New Zealand dollar price per unit of foreign currency (i.e., NZD/won). The total cost function \( c() \) depends on the quantity demanded by the destination market and input price \( r \) denoted in the exporter’s currency. In a small open economy it is common to be assumed that changes in exchange rate will cause the fluctuations in the input price.

The first order condition for the New Zealand profit maximization problem of equation (5) is

\[
(6) \quad p_i(x) = \frac{mc(e_i^{nx})}{e_i^{nx}} \left( \frac{\partial \ln x_i/\partial \ln p_i(x)}{1 + \partial \ln x_i/\partial \ln p_i(x)} \right), \quad i = 1, \ldots, n
\]

where \( mc \) is the marginal cost which can depend on the exchange rate \( e_i^{nx} \) and \( \partial \ln x_i/\partial \ln p_i(x) \) is the price elasticity of demand for \( x \) in the \( i^{th} \) destination market. The equilibrium solution for New Zealand case will be the following,

\[
(7) \quad p_i(x) = \frac{mc(e_i^{nx})}{e_i^{nx}} \left( \frac{\phi_i - (1/\rho_i)}{\phi_i - 1} \right).
\]

The pass-through (PT) elasticity can be expressed from equation (7) by taking a derivative of \( p_i(x) \) with respect to \( e_i^{nx} \) and assuming that the marginal cost also depends on the exchange rate:
The changes in the marginal cost are common to all destination countries but they vary over time since the commodity exported from a source country is assumed to be identical across destination markets. The changes in an exchange rate will lead to the changes in an exporter’s price and the part of these changes can be caused by changes in the mark-up in each destination which are country specific. The magnitudes of the changes in mark-ups resulted from the exchange rate fluctuations are determined by the exchange rate elasticity of market share and price elasticity of market share since
\[
d\ln K_i = \frac{\phi_i (1 - \rho_i)}{(\phi_i - 1)(\rho_i \phi_i - 1)} \frac{d\ln K_i}{d\ln e_i^{ae}} \quad \text{and} \quad \frac{d\ln K_i}{d\ln p_i(x)} = \frac{\phi_i (\rho_i - 1)}{(\phi_i - 1)(\rho_i \phi_i - 1)} \frac{d\ln p_i(x)}{d\ln K_i},
\]
where \( K_i \) is the mark-up in the \( i^{th} \) destination charged by exporters, i.e., \( K_i = \frac{\partial \ln x_i}{\partial \ln p_i(x)} \).

Therefore, the pass-through elasticity of equation (8) can also be represented by the import price elasticity of mark-up and exchange rate elasticity of mark-up:
\[
\frac{d\ln p_i(x)}{d\ln e_i^{ae}} = \left[ \frac{d\ln mc}{d\ln e_i^{ae}} - 1 + \frac{d\ln K_i}{d\ln e_i^{ae}} \right]^{-1} \left[ 1 - \frac{d\ln K_i}{d\ln p_i(x)} \right]^{-1}.
\]

Analogously, the first order condition for the profit maximization problem of the Australian exporter is
\[
p(s)_i = \frac{mc(e_i^{en})}{e_i^{en} \left( 1 + \frac{\partial \ln s_i}{\partial \ln p(s)_i} \right)} \left( \frac{\partial \ln s_i}{\partial \ln p(s)_i} \right)
\]
and the equilibrium solution will be
\[
p(s)_i = \frac{mc(e_i^{en})}{e_i^{en} \left( 1 - \rho_i(1 - \phi_i) \right)} = \frac{mc(e_i^{en})}{e_i^{en} \left( \phi_i - (1 - 1/\rho_i) \right)}.
\]

The pass-through (PT) elasticity can be expressed from equation (9) by taking a derivative of \( p_i(s) \) with respect to \( e_i^{au} \) and assuming that the marginal cost also depends on the exchange rate:
\[
\frac{d\ln p_i(s)}{d\ln e_i^{au}} = \left[ \frac{d\ln mc}{d\ln e_i^{au}} - 1 + \frac{(\rho_i - 1)}{\rho_i (\phi_i - 1) + 1} \frac{d\ln \phi_i}{d\ln e_i^{au}} \right]^{-1} \left[ 1 + \frac{(\rho_i - 1)}{\rho_i (\phi_i - 1) + 1} \frac{d\ln \phi_i}{d\ln p_i(s)} \right]^{-1}.
\]

If the demand functions were derived from the CES utility specification with a large elasticity of substitution between two varieties the optimal mark-up set by the exporter would fall when the importer’s currency depreciates and the exporter would raise the optimal mark-up when there is a depreciation of the exporter’s currency (PTM phenomena). This in turn will lead the exchange rate pass-through to be incomplete.

We estimate an equation in a double log-linear form based on the first order condition (7) for New Zealand:
\begin{align*}
\ln p_i(x) &= \alpha_i + \beta_i \ln \epsilon_i^a + \gamma_i \ln p_i(s) + \delta_i \ln \phi_i^a + \tau_i \ln mc_i^a + u_i, \\
i &= 1, \ldots, n \quad t = 1, \ldots, T.
\end{align*}

Since the New Zealand competitor’s (Australia) price in \(t^{th}\) destination at time \(t\) \(p_i(s)\) is endogenous in the equation (13) we employ the method of instrumental variables (IV), which entails finding an alternative variable that is uncorrelated with \(u_i\). The predicted values \(\hat{p}_i(s)\) of a regression of \(p_i(s)\) on the exchange rate, market share, and marginal cost can be substituted for \(p_i(s)\):

\[
\ln \hat{p}_i(s) = \hat{\alpha}_i + \hat{\beta}_i \ln \epsilon_i^au + \hat{\delta}_i \ln \phi_i^{au} + \hat{\tau}_i \ln mc_i^{au}.
\]

We finally estimate an equation of (13) with replacement of \(p_i(s)\) by \(\hat{p}_i(s)\):

\begin{align*}
\ln p_i(x) &= \alpha_i + \beta_i \ln \epsilon_i^a + \gamma_i \ln \hat{p}_i(s) + \delta_i \ln \phi_i^a + \tau_i \ln mc_i^a + u_i, \\
i &= 1, \ldots, n \quad t = 1, \ldots, T.
\end{align*}

Similarly we estimate the following equation for Australian case:

\begin{align*}
\ln p_i(s) &= \alpha_i + \beta_i \ln \epsilon_i^{au} + \gamma_i \ln \hat{p}_i(x) + \delta_i \ln \phi_i^{au} + \tau_i \ln mc_i^{au} + u_i, \\
i &= 1, \ldots, n \quad t = 1, \ldots, T.
\end{align*}

We assume that the error terms \(u_i\) in the equations (14) and (15) have a first-order autoregressive AR(1) error structure with contemporaneous correlation between cross sections, i.e. \(u_i = \rho_i u_{i,-1} + \epsilon_i\), \(E(u_i^2) = \sigma_i^2\), \(E(u_i u_j) = \sigma_i^2\), \(E(\epsilon_i) = 0\), \(E(\epsilon_i \epsilon_j) = 0\) \((s \neq t)\), and \(E(u_i u_j) = \sigma_i^2 = \phi_{ij}/(1-\rho_i \rho_j)\). The covariance matrix is estimated by a two-stage procedure leading to the estimation of model regression parameters by generalized least square (GLS) method. Thus, the covariance matrix for the vector of random errors \(u\) can be expressed as follows:

\begin{equation}
\Sigma = \Sigma \otimes \Omega
\end{equation}

\begin{equation}
E(uu') = \Sigma \otimes \Omega
\end{equation}

where \(\Sigma = \begin{bmatrix}
\sigma_{i1}^2 & \sigma_{i1}^2 & \ldots & \sigma_{i1}^2 \\
\sigma_{i2}^2 & \sigma_{i2}^2 & \ldots & \sigma_{i2}^2 \\
\vdots & \vdots & \ddots & \vdots \\
\sigma_{in}^2 & \sigma_{in}^2 & \ldots & \sigma_{in}^2
\end{bmatrix}\) and \(\Omega = \begin{bmatrix}
1 & \rho_j & \ldots & \rho_j^{-1} \\
\rho_j & 1 & \ldots & \rho_j^{-2} \\
\vdots & \vdots & \ddots & \vdots \\
\rho_j^{-1} & \rho_j^{-2} & \ldots & 1
\end{bmatrix}\).

3. Empirical Results
Tables 2A-B and 3A-B present the results from estimating equations (14) and (15) for New Zealand and Australia respectively. The F-tests for $\alpha$ in Tables 2A and 3A show that the null hypotheses that price effects for all the destinations are equal ($\alpha_2 = \alpha_3 = \cdots = \alpha_8$) are rejected in both models. This indicates that there is strong evidence against the competitive market model. The F-tests for $\beta$ indicate that the null hypotheses for the non-existence of pass-through elasticity ($\beta_1 = \beta_2 = \cdots = \beta_8 = 0$) are also rejected at a one percent significant level in both samples.

For New Zealand case Table 2A shows that the effects of exchange rates on import prices $\beta$ (which is attributed to pass-through elasticity) are always negative and the coefficients are significant at 1% level for six destinations out of eight. The negative sign indicates that depreciation of the New Zealand currency decreases its sheep meat import price in major importing countries. Those significant pass-through elasticities range from -0.39 (Canada) to -1.12 (Hong Kong) and the null hypothesis of a complete pass-through in each destination is rejected at a 5% significance level for Canada, Korea, the UK, and the US which indicates a strong evidence of incomplete pass-through in those destinations.1

The smallest change happens in New Zealand’s exports to Canada. When the New Zealand dollar depreciates against the Canadian dollar by 1%, its import price of sheep meat in Canada decreased by only 0.39% (in Canadian dollars). For Hong Kong and Japan, the same null hypotheses of full pass-through were not rejected, which implies that, while the two economies coefficients are -1.12 and -1.08, there is no evidence that they are significantly different from -1.2. In other words, ‘full pass-through’ was observed for the two economies. This result indicates that when New Zealand’s currency depreciates by 1%, the price of its sheep meat in these two economies decrease by about 1%. As demand would not decrease by 1% reduction in price, this pass-through will increase the total revenue of New Zealand’s exporters from these two markets.

The significant positive responses of New Zealand exporters to her competitor’s (Australia) import price on sheep meat $\gamma$ in most of destinations except in Hong Kong (and Japan, for which the coefficient is insignificant) represent the co-movement in the pricing strategy on the import price between New Zealand and Australia. The coefficient for market share $\phi$ in each destination reflects how New Zealand charges its price at destination according to its market share, when all other things being equal. Among the six economies with significant coefficients, five economies – Germany, Japan, Korea, the Netherlands and the United States – have negative coefficients, which implies that in general there is a negative relationship between New Zealand’s meat exporters’ mark-up to the import prices and the market shares they take. The only exception is the United Kingdom. It may reflect the monopolistic status of New Zealand in the country; the market share of New Zealand in the United Kingdom is incomparably high – as high as more than 82% on average through out the period. Table 2B reports that there have been consistent and stable (increasing) effects of marginal cost of producing sheep meat.

For Australian case (Table 3A) the pass-through elasticities $\beta$ are negative for every destination except for the Netherlands (where the coefficient is not significant). The coefficients for six destinations – Canada, Hong Kong, Japan, Korea, the United Kingdom and the United States - are significant at 1% level. The null hypothesis of a complete pass-through in each destination is rejected at a 5% significance level for Japan, Korea, the

1 The test results are available upon requests.
2 While our analysis found that the two coefficients are not significantly different from (-1), Tivig (1996) showed that the pass through elasticity greater than (-1) is possible in a dynamic situation. This 'perverse' relationship is observed for Australia's exports.
United States and the United Kingdom. This indicates that the fluctuation of exchange rates did not completely pass through in Japan, Korea and the United States. In case of the United Kingdom, a 1% depreciation of New Zealand currency decreases its price at destination by more than 1% (1.67%). However, we cannot reject the null hypothesis of complete pass-through in Canada and Hong Kong.  

The significant and positive coefficients on the competitor’s price from Australia and New Zealand ($γ$) in Germany and the United States reveal that New Zealand and Australia employ similar strategies on the export price to those markets (while the coefficient for the Netherlands is negative, meaning that in the Netherlands market, the pricing strategies of New Zealand and Australia move in different directions). The relationship between the import price and market share in each destination ($δ$) shows that the pricing strategy of sheep meat exporters in Australia (with a relatively smaller international market share than New Zealand) is not consistent apparently. For the economies such as Germany, Hong Kong and the Netherlands, the relationship is positive, while for Japan, the United Kingdom and the United States, it is negative. Table 3B reports that there have been consistently rising marginal costs of producing sheep meat in Australia.

One of major issues related to pass-through elasticity is the relationship between market share and the pass-through elasticity. Conventional economic wisdom explains that the relationship must be either linear or quadratic. In case of a linear relationship, it is expected that an exporter with a larger market share practised its monopolistic power and does not change destination price substantially when exchange rate fluctuates. A quadratic relationship explains that an exporter in a competitive market (with a small market share) operates where the price from each export country is very close (or the same theoretically) and, consequently, it cannot change its destination price significantly when exchange rate fluctuates. Therefore, while exporters in oligopolistic markets have flexibility to adjust their destination prices, those who are in competitive markets or monopolistic markets cannot change or do not have incentives to change the destination prices. Figure 1 shows the linear relationship between New Zealand’s market share and its pass-through elasticities in destination. As shown, the smallest market share New Zealand took in the eight destinations was on average about 30%, which is too high to regard the market as competitive. Therefore, it is improper to use a quadratic function to approximate the relationship. The straight line has a positive trend, implying that the change in the value of currency is transferred to the price of commodities to a larger extent when the exporting country’s market share is larger.

The same analysis is carried out for Australia, and the results are reported in Figures 2 and 3. As Australia has a relatively small market share, such as 4% in the Netherlands and 7% in Germany, Figure 2 uses a quadratic function to approximate the relationship between Australia’s market share and its pass-through elasticities. The U-shaped curve explains that when the market is competitive or monopolistic, the fluctuation in exchange rates is passed through to the destination price to a less extent; in contrast, when market is oligopolistic, it is passed through to the destination price to a larger extent. This result is consistent with the conventional wisdom. Figure 3 adopts a linear relationship to explain the same phenomena. It shows a positive trend, which is consistent with what is predicted from pass-through theories. It is noteworthy that the slope of the trend line for Australia (in Figure 3) is lower than that for New Zealand (in Figure 1). In other words, the relationship between market share and pass-through elasticity is higher in New Zealand. We consider that this might be related to the relative market share that the two exporting countries take;
in general, New Zealand takes a larger market in most destinations, which may enables it to behave more actively in response to fluctuation in exchange rates. This finding will be further pursued with more data and information.

4. Conclusions

We empirically examine the exchange rate pass-through elasticity utilising sheep meat export data from the two major sheep meat exporting countries in the world, Australia and New Zealand. Our results show the coexistence of incomplete and complete pass-through of exchange rate fluctuation to destination prices. The strong evidence of incomplete pass-through in an international sheep meat industry reveals that about 50% of exchange rate changes are passed through to the import prices of sheep meat. However, a complete pass-through phenomenon in Hong Kong implies that both export producers from Australia and New Zealand do not stabilize the local currency prices with respect to the exchange rate fluctuations in that particular destination.

The results also indicate that, in the presence of its competitor, the Australian sheep meat exporters whose market shares are relatively smaller than those in New Zealand are not able to exercise its monopoly power so actively as New Zealand exporters do. The exporters in Australia tend to increase its destination price lower than those in New Zealand, which may be an effort to maintain or increase their relatively low market shares while export producers in New Zealand find their abilities to increase their mark-ups in response to exchange rate fluctuation in the destination countries with large market shares.

References

Hopes of lower car prices dashed (January 15, 2002). The Press.
Table 1

Relative Shares of World Sheep Meat Production and Exports

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
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<tr>
<td>European Union</td>
<td>18.5</td>
<td>15.7</td>
<td>0.48</td>
<td>0.5</td>
</tr>
<tr>
<td>Middle East</td>
<td>10.6</td>
<td>7.9</td>
<td>.85</td>
<td>0.7</td>
</tr>
<tr>
<td>India</td>
<td>9.52</td>
<td>7.6</td>
<td>1.7</td>
<td>1.6</td>
</tr>
<tr>
<td>China</td>
<td>20.0</td>
<td>35.8</td>
<td>.36</td>
<td>1.12</td>
</tr>
<tr>
<td>Australia</td>
<td>10.1</td>
<td>7.2</td>
<td>38</td>
<td>40.9</td>
</tr>
<tr>
<td>New Zealand</td>
<td>8.2</td>
<td>6.73</td>
<td>55.7</td>
<td>53.5</td>
</tr>
</tbody>
</table>

Source: Counselor and attaché reports, official statistics, and results of office research, (Web Site: Foreign Agriculture Service, Commodity and Marketing Programs, Dairy, Livestock and Poultry Division.)
Table 2A

Estimation of Import Price of New Zealand Sheep Meat

<table>
<thead>
<tr>
<th>Country</th>
<th>( \bar{y}^{(1)} )</th>
<th>( \alpha )</th>
<th>( \beta )</th>
<th>( \gamma )</th>
<th>( \delta )</th>
<th>( \rho )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>60.45</td>
<td>-0.39**</td>
<td>0.09*</td>
<td>0.03</td>
<td>-0.26</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(5.84)</td>
<td>(1.79)</td>
<td>(0.80)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>69.90</td>
<td>2.34***</td>
<td>-0.02</td>
<td>0.14**</td>
<td>-0.57***</td>
<td>-0.39</td>
</tr>
<tr>
<td></td>
<td>(3.49)</td>
<td>(-0.16)</td>
<td>(2.64)</td>
<td>(-6.13)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hong Kong</td>
<td>40.75</td>
<td>4.49***</td>
<td>-1.12***</td>
<td>-0.79***</td>
<td>0.06</td>
<td>-0.29</td>
</tr>
<tr>
<td></td>
<td>(13.04)</td>
<td>(-9.25)</td>
<td>(-7.66)</td>
<td>(0.80)</td>
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<td></td>
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<tr>
<td>Japan</td>
<td>43.55</td>
<td>8.57***</td>
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<td>-0.11</td>
<td>-0.90***</td>
<td>0.21</td>
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<td></td>
<td>(18.29)</td>
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<tr>
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<td>58.35</td>
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<td>-0.27***</td>
<td>0.21</td>
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<tr>
<td></td>
<td>(8.53)</td>
<td>(-6.71)</td>
<td>(0.57)</td>
<td>(-5.84)</td>
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<tr>
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<td>-0.19</td>
<td>0.003</td>
<td>-0.42**</td>
<td>0.06</td>
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<td></td>
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<tr>
<td>UK</td>
<td>82.33</td>
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<td>0.43***</td>
<td>0.55**</td>
<td>-0.42</td>
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<td></td>
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<td>(4.50)</td>
<td>(2.48)</td>
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<tr>
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<td>-0.68***</td>
<td>0.40***</td>
<td>-0.60***</td>
<td>-0.54</td>
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<tr>
<td></td>
<td>(3.28)</td>
<td>(-4.40)</td>
<td>(4.72)</td>
<td>(-3.19)</td>
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F-tests

\( H_0 : \alpha_2 = \alpha_3 = \cdots = \alpha_8 \), F-value = 50.08***; Pr > F = 0.0001

\( H_0 : \beta_1 = \beta_2 = \cdots = \beta_8 = 0 \), F-value = 45.57***; Pr > F = 0.0001

(1) They are the average market shares of New Zealand as a percentage in each destination. Figures in parentheses are t-statistics. The superscripts *, ** and *** indicate the 10%, 5% and 1% significance levels, respectively.

Table 2B

Marginal Cost Effects (New Zealand)

<table>
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<tr>
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<tbody>
<tr>
<td>( \tau )</td>
<td>-0.02***</td>
<td>0.002</td>
<td>0.001</td>
<td>-0.01**</td>
<td>0.02***</td>
<td>0.03***</td>
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<td></td>
<td>(-4.67)</td>
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<td>(3.30)</td>
<td>(5.86)</td>
<td>(-0.35)</td>
<td>(7.49)</td>
<td>(3.78)</td>
<td>(5.75)</td>
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</table>

Figures in parentheses are t-statistics. The superscripts *, ** and *** indicate the 10%, 5% and 1% significance levels, respectively.
Table 3A

Estimation of Import Prices of Australia Sheep Meat

<table>
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<tr>
<th>COUNTRY</th>
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<th>( \alpha )</th>
<th>( \beta )</th>
<th>( \gamma )</th>
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<th>( \rho )</th>
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<td>Canada</td>
<td>34.83</td>
<td>–</td>
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<td></td>
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<td>(0.30)</td>
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<tr>
<td>Germany</td>
<td>6.68</td>
<td>-0.78***</td>
<td>-0.19</td>
<td>0.54***</td>
<td>0.12*</td>
<td>-0.39</td>
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<tr>
<td></td>
<td></td>
<td>(-2.78)</td>
<td>(-0.83)</td>
<td>(3.20)</td>
<td>(1.99)</td>
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<tr>
<td>Hong Kong</td>
<td>18.33</td>
<td>0.89**</td>
<td>-1.24***</td>
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<td>0.15**</td>
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<td></td>
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<td>(2.25)</td>
<td>(-7.03)</td>
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<td></td>
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<td>(-4.05)</td>
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<td>(-1.88)</td>
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<td>(2.40)</td>
<td>(-15.24)</td>
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F-tests

\[ H_0 : \alpha_2 = \alpha_3 = \ldots = \alpha_q, \text{ F-value} = 62.95^{***}; \text{ Pr} > \text{ F} = 0.0001 \]
\[ H_0 : \beta_1 = \beta_2 = \ldots = \beta_q = 0, \text{ F-value} = 13.90^{***}; \text{ Pr} > \text{ F} = 0.0001 \]


Table 3B

Marginal Cost Effects (Australia)

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<td>0.05***</td>
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<td>(10.89)</td>
<td>(19.2)</td>
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<td>(34.22)</td>
<td>(25.28)</td>
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</table>

Figures in parentheses are t-statistics. The superscripts *, ** and *** indicate the 10%, 5% and 1% significance levels, respectively.

---

\( ^{(1)} \) They are the average market shares of New Zealand as a percentage in each destination.

Figures in parentheses are t-statistics. The superscripts *, ** and *** indicate the 10%, 5% and 1% significance levels, respectively.
Figure 1. Pass-Through Elasticity and Market Share: Linear Trend Line (New Zealand)

Figure 2. Pass-Through Elasticity and Market Share: Quadratic Trend Line (Australia)
Figure 3. Pass-Through Elasticity and Market Share: Linear Trend Line (Australia)

\[
Y = \text{Pass-through Elasticity} \\
X = \text{Market Share}
\]

Linear Trend Line:
\[
Y = 0.147X - 0.69
\]