8 Compressed Modernization and the Formation of Developmentalist Mentalités

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INTRODUCTION

South Koreans have struggled to overcome hunger and poverty for the past 40 years.

Although having experienced the economic crisis of 1997-8, South Korea is now on the threshold of being one of the world’s advanced economies. Generations that are now over 60 years old have gone through transformations of historical turmoil, from a pre-modern to modern society in terms of individual living standards: from the devastation and poverty under Japanese colonial rule and during the Korean War, to new lifestyles encompassing cars, apartments, department stores and overseas travel. Few societies have changed from a pre-industrial society to a knowledge-based economy within one generation. Such rapid change has been referred to as “compressed modernization.”

The rise of South Koreans above hunger and poverty is attributable to industrialization and modernization. Even though there remain such problems as serious inequality,
unemployment and a lack of transparency, as well as instability in the market system, many South Koreans have finally reached the minimum living conditions necessary for a decent life. Nonetheless, many are still suffering from an obsession that they should enjoy an even more abundant life. The middle and lower classes are eager to ascend to a higher social status. At the same time, each stratum of society struggles to live better than the other. They have no time to ask themselves what a better life is, or why should they want to live well.

What is a better life to South Koreans? There exists only one clear criterion. It is materialistic affluence. They either have it or are eager to have it so that they don’t need to envy others. The problem at this point is that they put being richer than others before the substantial quality of their own lives.

Being a winner in any kind of situation is considered to be a means to acquiring material prosperity. This prevailing idea is not limited to a few individuals or groups. All South Koreans, from lower to higher social strata, are preoccupied with the desire for a better life. Developmentalism denotes a state of mind, behavioral style and structure of feeling that infatuates most South Koreans in this way. It is relevant to call such a state of mind developmentalist mentalités because it forms a structure of feeling that makes up the psychological infrastructure inherent to South Korean society, going beyond values or
attitudes. I use the term, *mentalités* as the Annales school defines it, meaning a kind of mindset that has been formulated in a society and shared by its community members over a long historical period, such as four or five hundreds years.

This chapter examines how the developmentalist *mentalités* has been formed in bureaucratic and corporate organizations, and the family system during the Park Chung Hee era and how it is related to the formation of individual and collective identity. Developmentalist *mentalités* serves as a structure of feeling or an ideological system that consolidates modes of behavior as well as ways of thinking. Due to this developmentalist *mentalités*, civil virtues and morals of solidarity and tolerance have been replaced with avaricious desire for material possession and indiscriminate competitive survival *mentalités*. As researchers point out, the developmentalist *mentalités* has been a behavioral framework and a way of thinking in a society where all people compete with one another just like a “war of all against any others.” Based on the belief in the need to get more profits and privileges, rent seeking has been established as a “rational” rule of the game instead of reasonable investment and transparent management between bureaucrats and enterprises. How can this perverse rule of the game be changed?
This study assumes that though developmentalist *mentalités* has worked as a catalyst for social vitality, it has become a social ill from which South Koreans suffer. To explore how the forms of developmentalist *mentalités* work in different organizations, this study reviewed about two hundred academic articles which deal with issues related to compressed modernization since the Park Chung Hee regime. By analyzing these secondary sources, the study tried to identify a variety of forms of developmentalist *mentalités* in bureaucratic and business organizations and in individual and collective identities.

**A CRITICAL REVIEW OF SOUTH KOREAN ECONOMIC GROWTH**

Indicators of high economic growth: South Korea has witnessed continued economic growth since the 1960s. The Park Chung Hee military government strongly pushed ahead with economic development plans in a bid to obtain popular support because it had come into power by staging a military coup and therefore lacked political legitimacy. South Korea subsequently achieved high economic growth of 7.8% during the first economic plan period, from 1962 to 1966, 9.6% from 1967 to 1971, 9.2% from 1972 to 1976, 5.8% from 1977 to 1981 and 8.7% from 1982 to 1986.¹ In line with economic growth, GNP jumped about 200 fold from $2.3 billion in 1962 to $458 billion in 1995 and per capita GNP increased 116
fold from $87 to $10,076 over the same period. Secondary industries rose to accounting for 36.6\% of GNP in 1995, changing the labor market, household income and the overall economy, as well as economic growth, while they accounted for only 8.7\% of GNP in the early 1960s. With the growth of East Asian New Industrializing Countries (NICs) since World War II, the extent of South Korean economic growth is evidenced by its internationally accredited high growth rate. <Figure 1> compares the economic growth rates of South Korea with those of major advanced capitalist countries, which show that South Korea achieved economic growth rates far higher than advanced Western countries (as one would expect, given the extremely small economic base in South Korea in the 1960s). Over the past 30 years, South Korea has recorded a growth rate of 8.38\% on average compared with 2-3\% of advanced Western countries.

(Figure 1 here)

As shown in <Figure 1>, the growth rates for the South Korean economy were significantly higher than those of Western capitalist economies. South Korea was outpaced only by Taiwan in growth rates. According to Lee (1980), early in the 1960s the Kennedy government regarded South Korea as a country with little possibility of being industrialized
due to the low level of technology and few natural resources. However, in 1966 South Korea was able to commence the achievement of economic self-reliance, enhanced status in the international community and industrialization, by taking off economically with US aid and support for economic reform, resuming diplomatic relations with Japan and participating in the Vietnam War, while at the same time bringing about accumulated effects produced by benign cycles through industrialization strategies, such as import substitution and export promotion. These industrialization strategies expanded the volume of trade to an extent which exceeded the high economic growth.

<Figure 2> shows the increase in trade volume. The seventies saw the average annual volume in trade grow by about 32%, whereas the eighties saw a growth of about 14% and the nineties about 11%. As a result, trade volume, which stood at $2.819 billion in 1970, jumped 100 fold to $280.778 billion.

Figure 2 here

CHAEBŎL-CENTERED ECONOMIC SYSTEM AND THE EXCLUSION OF LABOR AND CIVIL SOCIETY
As many researchers studying the development of the South Korean economy indicate, the development process was pushed through by a state-driven and Chaebol-centered drive over a short period. South Korean development has been driven by an authoritative developmentalist state, with a critical role played by policy makers and bureaucrats. The state-driven economy focused on large capital, excluding labor. In fact, the development process of the South Korean economy was one of condensed growth, achieved in a short period by giant chaebols. First, the number of subsidiaries of the five leading conglomerates increased more than three fold, from a total of 62 companies in 1972 to 197 in 1987, and to 258 in 1997. (See <Figure 1>)

The quantitative growth of large companies, however, meant not only an increase in the number of their subsidiaries. It also meant that the daily lives of the people were brought under their control by the goods and services produced by them. In the past, the fostering of chaebol under state-mobilized development was focused on manufacturing. As at end 1987, the number of manufacturing businesses among the subsidiaries of the five leading chaebol, were even more numerous than that of non-manufacturing. In terms of the sales volume of chaebol in the manufacturing industry, total sales of the 12 largest companies accounted for
14.6% of total manufacturing sales in 1972 and 33.6% in 1987 respectively. In 1994, the shipments by 30 conglomerates made up 39.6% of shipments in the mining and manufacturing industries. The increasing proportion of chaebol in the manufacturing sector has laid the foundation for their control over the non-manufacturing sector and consequently has extended their span of control to the whole of the South Korean economy.

According to the *White Paper on South Korea's five Chaebol 1995-1997*, published by the People’s Solidarity for Participatory Democracy, these five large companies accounted for 29.4% of total national assets and 30.0% of total liabilities in the nation’s economy as of 1995-1997, indicating that South Korean economy is substantially under the control of chaebol. But this kind of growth of chaebol poses problems in that it is limited to quantitative growth. The head of the Samsung group, Lee Kônhee, unveiled the “Declaration of New Management from Quantity to Quality” in 1993. This is a good example revealing frankly the reality of South Korea’s economic growth. Except for some products, most export items produced by chaebol do not match those of other countries in the world market in terms of quality. Moreover, the dependence upon imported machines, equipment and intermediate goods is still high in producing export goods. According to the *Report on Competitiveness on National Industries* released by the Ministry of Commerce on
July 14, 2000, although D-RAM memory semiconductors and steel are dominant (in shares and technology) in the world market, other items for export are not competitive compared to those produced by advanced countries, including Japan.

Thus, state-mobilized development, which was a multiple industrialization process through import substitution and export promotion focused on fostering chaebōl, brought a rapid increase in trade volume, concentrating on quantity rather than quality, and a chronic trade deficit. As a result, the increase in foreign liabilities became one of the major problems of the South Korean economy. Foreign liabilities have slowed to some degree due to trade surpluses during the four years from 1986 to 1989, but showed a sharp rise again later. In particular, as the capital market was liberalized since the middle of the 1990s, the inflow of foreign funds, which focused on short-term capital, caused the imbalanced management of short-term and long-term capital, providing the direct cause of the foreign currency crisis in 1997. To sum up, the high growth of the South Korean economy was unprecedented (except by Taiwan), though led by chaebōl. But this growth came with a price to pay later. Above all, the most serious problem was that workers were excluded from decision-making. Long working hours and high industrial accident rates show who paid the price for high growth rates.
The working conditions of South Korean workers, including long working hours, were much worse than those of other developing countries, let alone advanced countries. 1985 South Korea recorded an industrial accident rate per 10,000 employees of 1.8 compared with 0.05 of Japan, 0.11 of the US, 0.19 of Singapore, 0.57 of Hong Kong, 0.8 of Mexico and 0.8 of Argentina. The rates of South Korea were 36 times higher than those of Japan and at least two times higher than those of the other countries. The exclusion of workers from social integration prompted the emergence of a low level civil society, which acted as a dilemma for the developmentalist state and became a key factor in the creation of the financial crisis in 1997.

High economic growth accelerated urbanization. During the period 1960-1995, the urban population increased by an average annual rate of 4.2% to 29,000,000 in 1995, while the nation’s entire population growth rate stood at mere a 1.7%. The urbanization rate reached 86.4% in 1995 from 35.8% in 1960. Another characteristic of urbanization in South Korea is that urbanization was concentrated on several major cities. The increase in population in capital regions as well as in Seoul was typical. During the period 1960-1995, Seoul showed an average annual growth rate of 4.2% while the whole nation saw a 1.7% increase. In fact, South Korea’s population increased dramatically for 20 years from the 1960s to the 1970s,
which period also saw high economic growth, and then decreased substantially in the 1980s.

Forced back into suburban areas by increased housing prices, the urban population growth in fact recorded negative figures in the 1990s. The back flow resulted in the rapid growth of satellite cities around Seoul. The concentration of population on Seoul and capital regions is significant to understanding the character of consumption society of South Korea. The growth of capital regions means not simply the concentration of population, but also the concentration of all sectors, such as political, economic and cultural. Capital regions account for 65% of all bank savings, 58% of all industries, 82% of the government and public sectors, 88% of major business headquarters and over 60% of banking, insurance, real estate and legal services. Capital Regions dominate all sectors which contribute to regional inequality in South Korean society, while these capital regions themselves are also divided into local areas, creating further regional inequality between Seoul and its satellite cities, and between the Kangnam (south of Han river) and Kangbuk (North of the Han river) districts in Seoul.

As mentioned briefly, compressed modernization was initiated by the state, supporting chaebōls. The general public and workers did not have the opportunity to participate in this
modernization process as major subjects of condensed growth. The unprecedented case of urbanization, which focused on capital regions, also caused inequality in land development in a similar way that the chaebol led economic growth. Compressed modernization accomplished over this short period severely influenced organizational culture and the operational rules of all social sectors, and vice versa. This study focuses on how compressed modernization influenced the operation and principles of social organizations and institutions, trying to set up the concept of developmentalist mentalités not only as a result, but also as a driving force of compressed modernization. Developmentalist mentalités does not mean a personal sense of values or value orientation, but a way of practices and thinking that are set down in social organizations and institutions, and shared by the members of organizations and institutions. In the following section, I will examine how developmentalist mentalités emerged in three fields: bureaucrats, enterprises, and identity formation.

DEVELOPMENTALIST MENTALITÉS IN BUREAUCRATIC ORGANIZATIONS

Im Hyŏnjin (1998) understood the ruling structure of South Korea through the concept of
“the organically unified state.” According to him, an organically unified state is an independent concept that includes patriarchal authoritarianism, colonial totalitarianism, a consul system, market authoritarianism, and bureaucratic authoritarianism. It also defines developmentalist state and entrepreneurial state as its sub-concepts. In addition, it postulates that anti-communist ideologies and state-initiated capitalism brought about the concentration of state power, which consequently strengthened government-centered bureaucracy, and made bureaucratic decision-making and administrative service into major systematic principles.

**Figure 3 here**

The above Figure 3 shows that it is only in the item titled “loyalty to superiors” that civil servants and the public agree with each other. It shows clearly how civil servants are familiar with centralized power and vertical order. On the part of the public, other items except for “loyalty to superiors” all stand at 10-20%. This figure is about half of that for civil servants. More than 80% of civil servants gave themselves high marks concerning integrity, responsibility and sincerity, while only 10-20% of the public agreed with them. The credibility gap between civil servants and the public is as wide as this figure. Meantime,
civil servants think that they are misunderstood deeply or mistrusted groundlessly by the public.

South Korean bureaucracy has been reinforced in terms of systems since South Korea was liberated from Japanese colonial rule. Chŏng Yongdŏk (1999) and others point out the organizational characteristics that support hierarchical bureaucratic culture as follows. The first characteristic is strengthened administrative organization. Amid the social disorder following liberation from Japanese colonial rule, the Korean War and the extreme North-South confrontation under the Cold War, South Korean bureaucracy has grown into an oppressive organization, designed to exercise compulsory authorities, such as army, police, intelligence and prosecution. Many administrative organizations have also institutionalized excessive regulatory devices to regulate their customers, or the public. Unlike Western countries, almost all of South Korea’s organizations carry out regulatory functions to related social sectors without any clear distinction between regulation and general administration.

The second is the dominance of government initiative and the concentration of core administrative agencies. The core administrative organizations have over-grown their role to concentrate on the decision-making authority of the Chief Executive. Within the
administration, the office of secretaries in the Blue House tops the list. Central organizations that manage other administrative organizations are also exceedingly overgrown. The third is the underdevelopment of the representative system. The power with which the parliament controls the administration has been weakened by administration-led decision-making and enforcement, which ended up in the parliament subject to the administration providing the necessary information. The fourth is the underdevelopment of civil participation in the government decision making process. Many government committees, to which stakeholders and public interests groups express their opinions and interests, can hardly exert their independence and autonomy.

As a result of the maximization of administrative efficiency in the process of rapid economic development, state-initiated capitalism, in which politics and economics are not separated from each other, became a basic cause of bureaucratic corruption. Corruption culture is discussed most seriously as a typical characteristic of compressed modernization in the bureaucratic society. Under the strong export drive initiated by the Park regime, the unfair distribution of credit funds and many financial favors and incentives created full-blown connections between political power and the chaebol. Consequently, corruption began to shape as bureaucrats and private sectors colluded with each other in regard to the
allocation of resources.

Moreover, irregularities and corruption led to a moral hazard in the public sector. According to Pak & Yu (1998), the ‘Confucian developmentalist state’ had to utilize traditional human relations such as blood ties, regional relations and school ties, rather than the autonomy of civil society, which made it difficult to accumulate capital through the expansion of trust needed for the long-term development of society. It was the vertical loyalty mobilized in the frame of Confucian favoritism, not spontaneity and participation that the nation asked of its civil society members. Accordingly, instead of horizontal participation based on the trust and spontaneity of civil society, the mobilization of vertical human relations became a social practice, which weakened social capital, or the social trust required for the development of capitalism. Owing to the waning of social trust, any practice or rule designed to control the moral hazards of the public sector could not be made.

The bureaucratic system, as a core part of the organically unified state, developed a peculiar organizational culture. The developmentalist mentalités that is shared among bureaucratic systems breaks down to the following four points. Firstly, an aristocratic military culture is indicated. This was the most striking part of how Park realized his policies in his own way.
Many bureaucrats still seem to linger around this culture. Secondly, the collective belief indicated that bureaucrats were the major subjects of economic growth and development. As pointed out in many studies, South Korean bureaucrats believed that they were the real subjects of the modernization and high economic growth of South Korea. Despite its positive aspects in a sense, this belief is related to the characteristic of the following third item, which is that civil society and markets should be regulated by bureaucrats. Thirdly, bureaucrats share the belief that they control civil society and markets. Fourthly, they share the strong belief in the anti-democratic value orientation that social conflict means confusion and inefficiency. The institutionalization of anti-democratic decision-making came from the idea that the information disclosure of the policymaking process and its enforcement, and reasonable discussion, are only the cause of conflict and inefficiency. Thus, the culture of South Korea’s bureaucratic system affected not only bureaucratic society, but also the culture of enterprises and, to a great extent, many social organizations.

THE FORMATION OF DEVELOPMENTALIST MENTALITÉS IN THE BUSINESS ORGANIZATION

The above discussions have shown that compressed modernization was dominated by
economic activities centered on business conglomerates. The business conglomerate is called a gigantic group of chaebōl ruled by one head. In this organic system, corporate ownership and administration are combined on the basis of nepotism and familism, and management is diversified on this basis as well. In the process of economic growth, such business groups achieved remarkable growth by collaborating with political power and receiving favors. Using some businesses as a fulcrum for export policies and offering enormous favors, the government left them to monopolize the fruits of growth. Therefore, from the perspective of economic democratization, the problems found in conglomerates stem from “democratization of distribution” in addition to “democratization of their internal structure.” Based on my review of researches, the developmentalist mentalités within the culture of corporate organization, which has formed in the process of rapid economic growth, can be characterized as follows.

The first characteristic is a strong formalized and centralized power structure. Decisions are made mainly in the upper strata of the administration hierarchy, especially major decisions that require expenditure and are supposed to go through settlement, which is a formal procedure of approval by the upper levels of administration. In South Korean businesses, approval procedures are regarded as a means of exercising authority and rule, rather than of
discussion and participation. Such a decision-making system is attributed to nepotism, allegiance and Confucian ethics that accompany respect for one’s elders and superiors. The second is the top-down authoritative decision-making system. This system is organized on the basis of hierarchical structure, which is human-centered and in clear order. However, there are no definite descriptions of the relationship between authority and responsibilities. Thus, passing down orders to subordinate officials has become a typical decision-making process in South Korean businesses. Bureaucratic organization represents this top-down decision-making system, many operational rules and procedures, and strict hierarchies of authority and control.

Consequently, South Korean businesses have the complex characteristic of mechanical, vertical and horizontal structures. The third is possession by and ruling structure of a unitary family. South Korean businesses are owned and managed by a unitary family because they have a short history, i.e. their founders are alive. However, even the second and third generations of many conglomerates still rigidly maintain the hierarchy of a unitary family, which is imputed to Confucian cultural heritage. Song Min kyŏng (1998) points out that the ruling structure of South Korean conglomerates is characterized by a unitary ruling system based on the preponderant ownership by their head and his/her relatives. Therefore, the
absence of both internal control systems, such as a board of directors and an audit and inspection department, and of external control systems, banking on the operation of capital or financial markets, is to blame for closed and arbitrary decision-making by the heads of conglomerates, who are lacking in special knowledge. This has resulted in indiscreet expansions that have produced drops in profits and efficiency, and fragile financial structures due to excessive debt.\(^6\)

On the other hand, though financing has been autonomized after the sudden crises in developing countries, this mode of financing has brought the financial market under the control of gigantic business groups, which after all did not reform the unitary ruling system of conglomerates, but rather aggrandized and aggravated it. Accordingly, even the government, which was the only means to regulating conglomerates, lost control over them. The Park Chung Hee and Chun Doo Whan regimes repressed labor union movements and the development of civil society in order to advocate business groups, to the extent that they alternately had no social devices to regulate and restrain those business groups, and finally fell into the dilemma of the “developmentalist state.”

The developmentalist state model thus accumulated a great number of negative
underpinnings to the successful economic growth, and this authoritative model reached a level of unsustainability on account of its internal contradictions as well as its success. However, while this model brought forth an unprecedented increase in conglomerate capital, it repressed not only the labor union sector but also the forces that could check and reform this rapid growth. As a result, with the decline in state power and with the checking forces still underdeveloped, the transition from state-driven to a private economy led to a strengthening of the conglomerate hegemony system.

After all, since having stuck to the single purpose of joining the group of rich nations out of faith in national enrichment, the South Korean government averted its attention from the quality of life and was only interested in entering the line of developed countries. In times of somewhat materialistic affluence, rather than considering how to manage the national economy in balance, and how to maintain an individual’s quality of life, they committed themselves only to expansion in a way in which appearances and formalities were regarded as more important than substantiality.

The discussion above deciphers the cultural codes of the principal action groups called the chaebōl in South Korean society, which emerge in the process of compressed modernization.
First of all, economic growth mostly through governmental favors gave birth to cozy relations between politics and economics, which made it possible for decisions to be made and carried out arbitrarily by the head, and not reasonably by his/her business. When obtained through a connection with an influential official in the government, preferences were not fundamentally grounded on capitalistic confidence. Thus, nepotism could throw heavy power around. This favoritism brought about an authoritative business culture of choking up reasonable intercommunication by top-down decision-making. Secondly, instead of having developed conglomerates systematically, the government has strongly suppressed other sectors that could limit their activities.

As a result, at the same time as concentrated power of the government was attenuated, the influence of giant businesses on the entire society was strengthened. Harsh control over civil society and labor campaigns has resulted in the weakened power of major action groups who are there to fulfill the historical process of economic democratization so as to hold conglomerates in check. Therefore, as Ahn, Taek-guan (1999) says, despite the pluralistic political system in South Korea, paternalism and collective egoism prevail in a South Korean business culture deficient in public ethics.

THE INDIVIDUAL AND COLLECTIVE IDENTITY OF SOUTH
Institutional changes that compressed development has incurred also affected Koreans’ identity. Condensed growth and developmentalist *mentalités* can be found in South Koreans’ identity changes as well. In this chapter, identity change of South Koreans is classified into the following four groups: authoritative hierarchy, materialism, abnormal individual and group, and closed nationalism. First, strong authoritative hierarchy has made South Koreans take for granted that subordinates should obey their superiors. In consequence, such elements as equality, free communication, and discussion have remained underdeveloped. According to Im Huisŏp (1994), South Koreans have a strong class consciousness because they understand and organize human relations and social ethics recording to order of rank, and because relations between sovereign and subject, father and son, husband and wife, and old and young are prescribed as relations between the ruler and subordinate.

Reigning political power and bureaucrats, decision-making by a minority, organization culture of order and obedience, and unequal patriarchy were institutionalized when internalized authoritative hierarchy appeared as a form of life style or social culture. As this authoritative hierarchy is prevalent even in intellectual society, where reasonable
discussions should be regarded as paramount, personal network takes priority over academic discussion, and the relationship between senior and junior supersedes intelligence in shaping important human relations. Even in the intellectual world it is not the interchange between people with similar ideas or values and intellectuals with the same majors, but the interchange between people with the same academic and regional relations that is paramount in South Korea. An intellectual, not following authority and rank, is stigmatized as a unique person in the academic world or is excluded from it.

Secondly, materialism serves as an important element in defining our identity. Materialism has its roots in the history of South Korea over the past one hundred years. The Korean society that went through the Korean War had no chance to form into bourgeoisie. With the rapid collapse of the governing classes under Japanese colonization, only a few pro-Japanese bureaucrats and enterprises could survive. The ruins of the Korean War prevented classes from disintegrating, and left everyone no choice but to start their living anew in poverty. In the first half of the twentieth century, South Korea’s modern society, in fact, did not allow any upper classes and their culture to develop, because everyone was equally poor. In the latter half of the twentieth century in South Korea, the upper classes emerged through material accumulation over the past fifty years, and the middle classes increased after the
1980s. However, they did not have enough time to build their own cultural identity. As by not forming their own cultural tastes by storing up their cultural experience, they could only differentiate themselves from other classes through appearance and material possession such as size of apartment, displacement of car, and avaricious expenditure for display. Compared to other South Koreans, these upper and middle classes plunged themselves into struggles to possess and spend on material goods because the mere accumulation of material goods could make them enter the upper levels of society.

The cultural identity of the upper classes could be reached by anyone merely through materialistic ostentation, without any cultural sophistication that would require a long period of time and education. It meant paradoxically that whoever had money could become the upper class. The upper classes were thus not held in awe, and any respect and difference in status were not granted to them. Having degenerated into this morbid pursuit, materialism gave rise to lucky fortune-by-one-crime, anti-humanitarian crime, and a large number of tragic deaths. The idea was widespread in society that materialistic success could not be achieved through normal and legitimate means, and the mistrust that successful enterprise could not have piled up their wealth without illegal measures was the general perception. Thirdly, abnormal individuals and groups were singled out as pointing to an identity change
of South Koreans. Rapid development of South Korea had prevented desirable individual and group models from being seen as prominent. Thus, as egoism prevailed over individualism, groups revealed themselves in a form of collective egoism. Likewise, the society composed of egoistic individuals and groups, existed as a form of egoistic civil society, and left as its legacy negative phenomena such as connection culture and an absence of public consciousness. Civil society, called the driving force of democracy, came to hold conservative characteristics in gear with the development strategies pursued by the nation and enterprises. There was a campaign to extend and democratize civil society in 1987. However, as the middle classes took a sudden turn back to conservatism early in the 1990s, democratization of many social sectors was delayed. This postponement was related to the characteristics of conservatism.

South Korean individualism is characterized by a strong self-defensive propensity, as research shows that individualism in South Korea is egoistic or disqualified. When the principles fitted to one’s own life and the behavioral patterns as a community member have been internalized, idealistic individualism takes shape. However, in reality self-centered individualism, not idealistic individualism prevailed. The collective egoism of South Koreans can be viewed as a combination of traditional collectivism and disqualified
individualism, or as a closed “pseudo-family-ism.” In regard to historical background to such egoistic individualism, Yim Hŭisŏp pointed to the absence of civil community, self-defensive life style (colonization, war), and individualism that had yet to be established as desirable values.

Collective egoism as “pseudo-family-ism” also can be said to reveal itself as a mode of “South Korean immoral family-ism.” The evils of pseudo-family-ism include ills from relationships, preference for group action (rather than rational discussion), weakened consciousness regarding public order and ethics, and blockage of reasonable public opinions. These evils lead to an “egoistic” civil society. As a result, South Korean civil society was reproduced into a form overlapped by a tradition of nation-centered history, the experience of Japanese colonization and the division of the Korean peninsula, state-and-conglomerate-led-development strategies, and social splits brought on by regional differentiation.

Civil society came to bear the character of grass roots conservatism, which established its inborn conservatism as a national trend. Hence, the South Korean family could not develop the mode of coexisting with its neighbor community, and settled down as an alienated social
organization that pursued exclusively its own family’s material accumulation and composure. Finally, closed nationalism and internalized colonialism attributable to South Koreans are inherent to the identity change of South Koreans. South Koreans are not aware of others reasonably because they have imbibed their unitary nation as a matter of national pride. Japanese colonization made South Koreans adopt an exclusive attitude towards foreigners as a matter of course, and South Korean nationalism has not been doubted since the Korean peninsula was divided. The nation was accepted as a category of transcendental life. Nation-led modernization led to a misconception of recognizing state-centered nationalism and national sentiment in the same category, and has been internalized by most South Koreans. A good example is that rejection of war and of joining the army was accepted not as pacifism, but as an anti-national crime.

At the same time, in the process of condensed modernization, by introducing Western systems and products into South Korea, the US was not only a blood ally who protected South Korea from communist revolutions, but also a model that South Korea should pursue in all sectors. The US was the other person that South Korea was truly anxious to be, but Eastern Europe was merely the other person in the proverb that let his failure be a lesson to all. America was a model that South Korea should seek to resemble in all sectors, including
politics, society, economy and culture. South Koreans were sensitive to the discrimination against themselves in the US and in Japan, even though they were unperturbed by discrimination against other peoples in the South East Asia and by infringements on them. However, South Koreans’ duplicity like this was not seen as strange at all to them. South Koreans’ longing and inclination for America were not an imperialistic demand but the result of internalized colonialism, because this attitude had not been forced on them, but was voluntary. As we have seen briefly in the previous sections, developmentalist mentalités, which emerges in social systems such as bureaucrats, businesses, and family, is probably an aspect of the identity of South Koreans that has been Westernized. Also, this mentalités will appear in a similar form in churches, educational institutions, the army, and local communities in regions.

**BEYOND DEVELOMENTALIST MENTALITÉS**

In the previous sections, we have brushed up on mentalités that emerged in such areas as bureaucracies, enterprises, and individual and collective identity, as South Korean society went through condensed modernization. Arranged are several common characteristics among these four spheres. First, a culture of authoritative and centralized organization is
exhibited conspicuously in the degree of dispersed power and decision-making processes when bureaucratic organizations, business groups, and the family system are examined. Most researchers point out that academic and regional relations have a strong influence on the way human relations and networks are built inside these organizations. Many researchers indicate that the South Korean family, which has experienced condensed modernization, shows clearly the distorted behavior and value inclination of a family system that chases only its own interests exclusively on account of uncertain living conditions and excessive competition.

Although modern bureaucracy and business operating systems have been introduced from western countries into South Korea, in reality South Korean bureaucracy and business operating systems and rules are based on totally different principles and culture. Many studies indicate that fixed organization culture, rather than developing the structure and operating principles unique to the South Korean environment, did not firmly establish or inappropriately operated modern systems. In order to make its members agree to the use of power and to following the rules, either a bureaucratic or business organization needs their trust that their organization is performing to a level of accountability that corresponds to the exercise of that power. Even though ruling classes exist, mistrust and resistance to a
dominant order bring about a political burden and a cost to the overall society. Systematic change in such bureaucracies, businesses and family structures display several characteristics in the individual and collective identity of who I am. Value inclinations such as materialism, an authoritative value system, and family collectivism are remarkable features, and the absence of civic moral virtues is regarded as especially important.

Why we should live well and how we should live well were not worth asking of individuals and groups in South Korea. The other person in the sentence of “Let’s live well” was western developed countries, our neighbor Japan, the upper classes and middle classes.

Behavior patterns that comprise developmentalism were competitive spirit, achievement-centered behavioral modes, and desire for ascent. However, there was no room for civic virtues like moral senses, civil consciousness, and accountability. Developmentalist mentalités regarded only results as important and pursued only self-centered understanding.

In this mentalism, rational individualism or association founded on right and duty could not develop. Rather, South Koreans have chosen strategies of investing in connection networks and in emotional human relations to survive uncertain situations where all systems and rules are discredited.
A behavioral mode has been generalized on which we could manage ourselves and survive within an organization by becoming a good-natured person instead of improving our competence. This has resulted in the absence of local and ideal communities, and at the same time produced a myriad of organizations rooted in regional and academic relations as well as many pseudo-family groups rooted in a connection network. The organization culture, based only on the exercise of power but with no responsibilities, and the absence of civic moral virtues and a sense of community, were extended into the daily world. As South Korean metropolises, including Seoul, did not attain the development of modern cities whose features include urban rules and order, and a city community through the voluntary participation of civilians, they tumbled down into an object for speculation, finally becoming a jungle of low class capitalism.

A real estate bubble economy, which started from apartment speculation in the early 1990s, reduced the housing supply to less than 50% of demand, and the government created the hot fashion of a speculation economy in Pundang and Ilsan. Housing supply rates had soared up to more than 80% by the end of the 1990s, but for the past 40 years land and buildings in Seoul and the Capital area did not provide sufficient space for human living and for the city community, falling victim to real estate speculation. Good evidence to this social
phenomenon is that not a local community, but networks in large-scale apartment complexes have been built to exchange information for speculation. In 2006, the crisis of real estate speculation, especially in the Kangnam area, epitomizes the social polarization in Korean society.

South Korean spending culture grew on the hot wind of urbanization, which was produced by the developmentalist mentalités I have discussed. Without a doubt, developmentalism led South Korean spending culture to avaricious consumerism beyond ostentatious consumption. Going beyond the general consumerism of confirming their identity through expenditure and satisfying their own desire, they had avaricious personalities that they should possess and spend more than others, or at least as much.

Coming into existence around Seoul, avaricious consumerism was combined with developmentalist mentalités. Then, beyond this developmentalist mentalités, how should we set up behavioral modes, life style, and the identity that South Koreans should adopt in order to meet the new century? To respond to this question, we should be able to draw a picture of how South Koreans should live in the world as a member of the modern nation-state of South Korea. Of course, this paper is not enough to provide you with much to
answer this question. In our society, on the whole, we can find a large number of criticisms, reflections, and cause analyses on developmentalist *mentalités*.

However, it is hard to discover discussions on how to transcend developmentalist *mentalités*. Many people criticize in despair of corrupt systems, scanty systems, operational systems, the absence of civil moral virtues and of a universal spirit, and the offensive and competitive temperament for survival. Despite this, they do not find the answers to how to overcome this, and their efforts are not prominent either. This is similar to a situation where, while despairing of our politics, and agreeing to reform, no one believes that politics will be renovated in a short period of time. The reason for the unpredictable prospect of conquering this *mentalités*, and the want of reflection on the alternative, is that developmentalist *mentalités* is deeply rooted as a natural worldview in the government, enterprises, public organizations and family sectors. Since we are obsessed with the idea of how to live better than others, and of how my family and I can live better than others, we do not step forward asserting that we should think of others and ourselves.
NOTES


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*Figure 1* Economic Growth Rate of Korea and other major countries
<Figure 2> Trade Growth Rate in Korea

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<Figure 3> Important factors for civil servant
1. Creativity 2. Contribution to the Development of the Nation 3. Loyalty to Superiors


Cited from Yi (1998) p. 26