Reading Material

The Korean Peninsula and International Relations in Northeast Asia

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The history of South Korea formally begins with the establishment of South Korea on 15 August 1948, although Syngman Rhee had declared the establishment in Seoul on 13 August.

In the aftermath of the Japanese occupation of Korea which ended with Japan's defeat in World War II in 1945, Korea was divided at the 38th parallel north in accordance with a United Nations arrangement, to be administered by the Soviet Union in the north and the United States in the south. The Soviets and Americans were unable to agree on the implementation of Joint Trusteeship over Korea. This led in 1948 to the establishment of two separate governments, each claiming to be the legitimate government of all of Korea. Eventually, following the Korean War, the two separate governments stabilized into the existing political entities of North and South Korea.

South Korea's subsequent history is marked by alternating periods of democratic and autocratic rule. Civilian governments are conventionally numbered from the First Republic of Syngman Rhee to the contemporary Sixth Republic. The First Republic, arguably democratic at its inception, became increasingly autocratic until its collapse in 1960. The Second Republic was strongly democratic, but was overthrown in less than a year and replaced by an autocratic military regime. The Third, Fourth, and Fifth Republics were nominally democratic, but are widely regarded as the continuation of military rule. With the Sixth Republic, the country has gradually stabilized into a liberal democracy.

Since its inception, South Korea has seen substantial development in education, economy, and culture. Since the 1960s, the country has developed from one of Asia's poorest to one of the world's wealthiest nations. Education, particularly at the tertiary level, has expanded dramatically. It is said to be one of the "Four Tigers" of rising Asian states along with Singapore, Taiwan and Hong Kong.

<U.S. Military administration>

After Japan's surrender to the Allied Powers, division at the 38th parallel marked the beginning of Soviet and U.S. trusteeship over the North and South, respectively. This division was meant to be temporary and was first intended to return a unified Korea back to its people



until the United States, United Kingdom, Soviet Union, and Republic of China could arrange a trusteeship administration. In February 1945, the issue of trusteeship for Korea was discussed at the Yalta Conference. U.S. forces landed at Incheon on September 8, 1945 and established a military government shortly thereafter. They were commanded by Lt. General John R. Hodge, who then took charge of the government. Faced with mounting popular discontent, in October 1945 Hodge established the Korean Advisory Council. A year later, an interim legislature and interim government were established, headed by Kim Kyu-shik and Syngman Rhee respectively. However, these interim bodies lacked any independent authority or de jure sovereignty, which was still held by the Provisional Government of the Republic of Korea, based in China, but U.S. leaders chose to ignore its legitimacy, partly due to the belief that it was communist-aligned.

The country in this period was plagued by political and economic chaos, which arose from a variety of causes. The aftereffects of the Japanese exploitation were still felt in the country, as in the North. In addition, the U.S. military was largely unprepared for the challenge of administering the country, arriving with no knowledge of the language, culture or political situation. Thus, many of their policies had unintended destabilizing effects. Waves of refugees from North Korea and returnees from abroad also helped to keep the country in turmoil.

In December 1945, a conference convened in Moscow to discuss the future of Korea. A 5-year trusteeship was discussed, and a US-Soviet joint commission was established. The commission met intermittently in Seoul but deadlocked over the issue of establishing a national government. In September 1947, with no solution in sight, the United States submitted the Korean question to the UN General Assembly.

The resolution from the UN General Assembly called for a UN-supervised general election in Korea, but with the North rejecting this proposition, a general election for a Constitutional Assembly was held in the South only, in May 1948. A constitution was adopted, setting forth a presidential form of government and specifying a four-year term for the presidency. According to the provisions of the Constitution, an indirect presidential election was held in July. Syngman Rhee, as head of the new assembly, assumed the presidency and proclaimed the Republic of Korea (South Korea) on August 15, 1948.

<First Republic>



On August 15, 1948, the Republic of Korea was formally established, with Syngman Rhee as the first president. With the establishment of Rhee's government, de jure sovereignty also passed into the new government. On September 9, 1948, a communist regime, the Democratic People's Republic of Korea (North Korea), was proclaimed under Kim Il Sung. However, on December 12, 1948, by its resolution 195 in the Third General Assembly, the United Nations recognized the Republic of

Korea as the sole legal government of Korea.

In 1946, the North implemented land reforms by confiscating private property, Japanese and pro-Japanese owned facilities and factories, and placed them under state ownership. Demand for land reform in the South grew strong; the land reform act was enacted in June 1949 whereby Koreans with large landholdings were obliged to divest most of their land. Approximately 40 percent of total farm households became small landowners. However, because preemptive rights were given to people who had ties with landowners before liberation, many pro-Japanese groups obtained or retained properties.

The country now divided, the relationship between the two Koreas turned more antagonistic as time passed. The Soviet forces having withdrawn in 1948, North Korea pressured the South to expel the United States forces but Rhee sought to align his government strongly with America, and against both North Korea and Japan. Although some talks towards normalization of relations with Japan took place, they achieved little. Meanwhile, the government took in vast sums of American aid, in amounts sometimes near the total size of the national budget. The nationalist government also continued many of the practices of the U.S. military government. In 1948, the Rhee government repressed military uprisings in Jeju, Suncheon and Yeosu.

The main policy of the First Republic on South Korea was anti-communism and "unification by expanding northward". The South's military was neither sufficiently equipped nor prepared, but the Rhee administration was determined to reunify Korea by military force with aid from the United States. However, in the second parliamentary elections held on May 30, 1950, the majority of seats went to independents, confirming the lack of support and the fragile state of the nation.

On June 25, 1950, North Korean forces invaded South Korea. Led by the U.S., a 16-member coalition undertook the first collective action under the United Nations Command (UNC). Oscillating battle lines inflicted a high number of civilian casualties and wrought immense destruction. With the People's Republic of China's entry on behalf of North Korea in 1951, the fighting came to a stalemate close to the original line of demarcation. Armistice negotiations, initiated in July 1951, finally concluded on July 27, 1953 at Panmunjeom, now in the Demilitarized Zone (DMZ). Following the armistice, the South Korean government returned to Seoul on the symbolic date of August 15, 1953.

After the armistice, South Korea experienced political turmoil under years of autocratic leadership of Syngman Rhee, which was ended by student revolt in 1960. Throughout his rule, Rhee sought to take additional steps to cement his control of government. These began in 1952, when the government was still based in Busan due to the ongoing war. In May of that year, Rhee pushed through constitutional amendments which made the presidency a directly-elected position. To do this, he declared martial law, arrested opposing members of parliament, demonstrators, and anti-government groups. Rhee was subsequently elected by a wide margin.

Rhee regained control of parliament in the 1954 elections, and thereupon fraudulently pushed through an

amendment to exempt himself from the eight-year term limit, and was once again re-elected in 1956. Soon after, Rhee's administration arrested members of the opposing party and executed the leader after accusing him of being a North Korean spy.

The administration became increasingly repressive while dominating the political arena and in 1958, sought to amend the National Security Law to tighten government control over all levels of administration, including the local units. These measures caused much outrage among the people, but despite the society's resentment, Rhee's administration rigged the March 15, 1960 presidential elections and won by a landslide.

On that Election Day, protests by students and citizens against the irregularities of the election burst out in the city of Masan. Initially these protests were quelled with force by local police, but when the body of a student was found floating in the harbor of Masan, the whole nation was enraged and protests spread nationwide. On April 19, students from various universities and schools rallied and marched in protest in the Seoul streets, in what would be called the April Revolution. The government declared martial law, called in the army, and suppressed the crowds with open fire. Subsequent protests throughout the country shook the government, and after an escalated protest with university professors taking to the streets on April 25, Rhee handed in his formal resignation on April 26.

<Second Republic>

After the student revolution, power was briefly held by an interim administration under the foreign minister Heo Jeong. A new parliamentary election was held on July 29, 1960. The Democratic Party, which had been in the opposition during the First Republic, easily gained power and the Second Republic was established. The revised constitution dictated the Second Republic to take the form of a parliamentary cabinet system where the President took only a nominal role. This was the first and the only instance South Korea turned to a parliamentary cabinet system instead of a presidential system. The assembly elected Yun Bo-seon as President and Chang Myon as the prime minister and head of government in August, 1960.

The Second Republic saw the proliferation of political activity which had been repressed under the Rhee regime. Much of this activity was from leftist and student groups, which had been instrumental in the overthrow of the First Republic. Union membership and activity grew rapidly during the later months of 1960, including the Teachers' Union, Journalists' Union, and the Federation of Korean Trade Union. Around 2,000 demonstrations were held during the eight months of the Second Republic.

Under pressure from the left, the Chang government carried out a series of purges of military and police officials who had been involved in anti-democratic activities or corruption. A Special Law to this effect was passed on October 31, 1960. 40,000 people were placed under investigation; of these, more than 2,200 government officials and 4,000 police officers were purged. In addition, the government considered reducing the size of the army by 100,000, although this plan was shelved.

In economic terms as well, the government was faced with mounting instability. The government formulated a five-year economic development plan, although it was unable to act on it prior to being overthrown. The Second Republic saw the Hwan lose half of its value against the dollar between fall 1960 and spring 1961.

Although the government had been established with support of the people, it had failed to implement effective reforms which brought about endless social unrest, political turmoil and ultimately, the 5.16 coup d'état.

<Military rule>

The May 16 coup, led by Major General Park Chung-hee on May 16, 1961, put an effective end to the Second Republic. Park was one of a group of military leaders who had been pushing for the de-politicization of the military. Dissatisfied with the cleanup measures undertaken by the Second Republic and convinced that the current disoriented state would collapse into communism, they chose to take matters into their own hands.

The National Assembly was dissolved and military officers replaced the civilian officials. In May 1961, the junta declared "Pledges of the Revolution": anticommunism was to be the nation's main policy; friendly relations would be strengthened with allies of the free world, notably the United States; all corruption and government misdeed would be disposed and "fresh and clean morality" would be introduced; the reconstruction of a self-reliant economy would be priority; the nation's ability would be nurtured to fight against communism and achieve reunification; and that government would be returned to a democratic civilian government within two years.

As a means to check the opposition, the military authority created the Korean Central Intelligence Agency (KCIA) in June 1961, with Kim Jong-pil, a relative of Park, as its first director. In December 1962, a referendum was held on returning to a presidential system of rule, which was allegedly passed with a 78% majority. Park and the other military leaders pledged not to run for office in the next elections. However, Park became presidential candidate of the new Democratic Republican Party (DRP), which consisted of mainly KCIA officials, ran for president and won the election of 1963 by a narrow margin.

<Third Republic>

Park's administration started the Third Republic by announcing the Five Year Economic



development Plan, an export-oriented industrialization policy. Top priority was placed on the growth of a self-reliant economy and modernization; "Development First, Unification Later" became the slogan of the times and the economy grew rapidly with vast improvement in industrial structure, especially in the basic and heavy chemical industries. Capital was needed for such development, so

the Park regime used the influx of foreign aid from Japan and the United States to provide loans to export businesses, with preferential treatment in obtaining low-interest bank loans and tax benefits. Cooperating with the government, these businesses would later become the Chaebol.

Relations with Japan were normalized by the Korea-Japan treaty ratified in June 1965. This treaty brought Japanese funds in the form of loans and compensation for the damages suffered during the colonial era without an official apology from the Japanese government, sparking much protest across the nation.

The government also kept close ties with the United States, and continued to receive large amounts of aid. A status of forces agreement was concluded in 1966, clarifying the legal situation of the US forces stationed there. Soon thereafter, Korea joined the Vietnam War, eventually sending a total of 300,000 soldiers to fight alongside US and South Vietnamese troops.

Economic and technological growth during this period improved the standard for living, which expanded opportunities for education. Workers with higher education were absorbed by the rapidly growing industrial and commercial sectors, and urban population surged. Construction of the Gyeongbu Expressway was completed and linked Seoul to the nation's southeastern region and the port cities of Incheon and Busan. Despite the immense economic growth, however, the standard of living for city laborers and farmers was still low. Laborers were working with low wages to increase the price competitiveness for the export-oriented economy plan, and farmers were in near poverty as the government controlled prices. As the rural economy steadily lost ground and caused dissent among the farmers, however, the government decided to implement measures to increase farm productivity and income by instituting the Saemauel Movement ("New Village Movement") in 1971. The movement's goal was to improve the quality of rural life, modernize both rural and urban societies and narrow the income gap between them.

Park ran again in the election of 1967, taking 51.4% of the vote. At the time the presidency was constitutionally limited to two terms, but a constitutional amendment was forced through the National Assembly in 1969 to allow him to seek a third term. Major protests and demonstrations against the constitutional amendment broke out, with large support gaining for the opposition leader Kim Dae-jung, but Park was again re-elected in the 1971 presidential election.

Parliamentary elections followed shortly after the presidential election where the opposition party garnered most of the seats, giving them the power to pass constitutional amendments. Park, feeling threatened, declared a state of national emergency on December 6, 1971 In the midst of this domestic insecurity, the Nixon Doctrine had eased tensions among the world superpowers on the international scene, which caused a dilemma for Park, who had justified his regime based on the state policy of anti-communism. In a sudden gesture, the government proclaimed a joint communiqué for reunification with North Korea on July 4, 1972, and held Red Cross talks in Seoul and Pyongyang. However, there was no change in government policy regarding reunification, and on October 17, 1972, Park declared martial law, dissolving the National Assembly and suspending the constitution.

<Fourth Republic>

The Fourth Republic began with the adoption of the Yusin Constitution on November 21, 1972. This new constitution gave Park effective control over the parliament and the possibility of permanent presidency. The president would be elected through indirect election by an elected body, and the term of presidency was extended to six years with no restrictions on reappointment. The legislature and judiciary were controlled by the government, and educational guideline was under direct surveillance as well. Textbooks supporting the ideology of the military government were authorized by the government, diminishing the responsibilities of the Ministry of Education.

Despite social and political unrest, the economy continued to flourish under the authoritarian rule with the export-based industrialization policy. The first two five-year economic development plans were successful, and the 3rd and 4th five-year plans focused on expanding the heavy and chemical industries, raising the capability for steel production and oil refining. However, large conglomerate chaebols were continuously receiving preferential treatment and soon came to dominate the domestic market. As most of the development had come from foreign capital, most of the profit went back to repaying the loans and interest.

Students and activists for democracy continued their demonstrations and protests for the abolition of the Yushin system and in the face of continuing popular unrest, Park's administration promulgated emergency decrees in 1974 and 1975, which led to the jailing of hundreds of dissidents. The protests grew larger and stronger, with politicians, intellectuals, religious leaders, laborers and farmers all joining in the movement for democracy. In 1978, Park was elected to another term by indirect election, which was met with more demonstrations and protests. The government retaliated by removing the opposition leader Kim Young-sam from the assembly and suppressing the activists with violent means. In 1979, mass anti-government demonstrations occurred nationwide, in the midst of this political turmoil, Park Chung-hee was assassinated by the director of the KCIA, Kim Jae-kyu, thus bringing the 18-year rule of military regime to an end.

<Interregnum>

After the assassination of Park Chung-hee, prime minister Choi Kyu-hah took the president's role only to be usurped 6 days later by Major General Chun Doo-hwan's 1979 Coup d'état of December Twelfth. In May of the following year, a vocal civil society composed primarily of university students and labor unions led strong protests against authoritarian rule all over the country. Chun Doo-hwan declared martial law on May 17, 1980, and protests escalated. Political opponents Kim Dae-jung and Kim Jong-pil were arrested, and Kim Young-sam was confined to house arrest.

On May 18, 1980, a confrontation broke out in the city of Gwangju between protesting students of Chonnam National University and the armed forces dispatched by the Martial Law Command. The incident turned into a citywide protest that lasted nine days until May 27 and

resulted in the Gwangju Massacre. Immediate estimates of the civilian death toll ranged from a few dozen to 2000, with a later full investigation by the civilian government finding nearly 200 deaths and 850 injured. In June 1980, Chun ordered the National Assembly to be dissolved. He subsequently created the National Defense Emergency Policy Committee, and installed himself as a member. On 17 July, he resigned his position of KCIA Director, and then held only the position of committee member. In September 1980, President Choi Kyu-ha was forced to resign from president to give way to the new military leader, Chun Doo-hwan.

<Fifth Republic>

In September 1980, Chun was elected president by indirect election and inaugurated in March of the following year, officially starting the 5th Republic. A new Constitution was established with notable changes; maintaining the presidential system but limiting to a single 7 year term, strengthening the authority of the National Assembly, and conferring the responsibilities of appointing judiciary to the Chief Justice of the Supreme Court. However, the system of indirect election of president stayed and many military persons were appointed to highly ranked government positions, keeping the remnants of the Yushin era.

The government promised a new era of economic growth and democratic justice. Tight monetary laws and low interest rates contributed to price stability and helped boom the economy with notable growth in the electronics, semi-conductor, and automobile industries. The country opened up to foreign investments and GDP rose as Korean exports increased. The rapid economic growth, however, widened the gap between the rich and the poor, the urban and rural regions, and also inter-regional conflicts. These dissensions, added to the hardline measures taken against opposition against the government, gave rise to intense rural and student movement, which had continued since the beginning of the republic.

In foreign policy, ties with Japan were strengthened by state visits by both Chun to Japan and Japanese Prime Minister Nakasone Yasuhiro to Korea. U.S. President Ronald Reagan also paid a visit, and relations with the Soviet Union and China improved. The relationship with North Korea was strained at the beginning, when in 1983 a terrorist bomb attack in Burma killed 17 high-ranking officials attending memorial ceremonies and North Korea was alleged to be behind the attacks. However, in 1980 North Korea had submitted a "one nation, two system" reunification proposal which was met with a suggestion from the South to meet and prepare a unification constitution and government through a referendum. The humanitarian issue of reuniting separated families was dealt with first, and in September 1985, families from both sides of the border made cross visits to Seoul and Pyongyang in a historic event.

The government made many efforts for cultural development: the National Museum of Korea, Seoul Arts Center, National Museum of Contemporary Art were all constructed during this time. The 1986 Asian Games were held successfully, and the bid for the 1988 Summer Olympics in Seoul was successful as well.

Despite the economic growth and results in diplomacy, the government, having gained power by coup d'etat, was essentially a military regime. Public support and trust was low when the promises for democratic justice never materialized. In the 1985 National Assembly elections,

opposition parties together won more votes than the government party, clearly indicating that the public wanted a change. Many started to sympathize with the protesting students. The Gwangju Massacre was never forgotten and in January 1987, when a protesting Seoul National University student died under police interrogation, public fury was immense. In April 1987, President Chun made a declaration in an attempt to overpower the opposition that measures would be taken to protect the current constitution at the end of his term, instead of contemplating constitutional reform that would call for direct election of the president. This announcement consolidated the people, with more than a million students and citizens participating in anti-government protests all over the nation in June 1987 in the June Democracy Movement.

On June 29, 1987, the government's presidential nominee Roh Tae-woo succumbed to the demands and announced the Declaration of Political Reforms which called for the holding of direct presidential elections and restoration of civil rights. In October 1987 a revised Constitution was approved by national referendum and direct elections for a new president were carried out in December, bringing the 5th Republic to a close.

<Sixth Republic>



The Sixth Republic began in 1987 and remains the current republic of South Korea (2012). It started with the election of Roh Tae-woo as president for the 13th presidential term in the first direct presidential election in 16 years. Although Roh was from a military background and one of the leaders of Chun's coup d'etat, the inability of the opposition leaders Kim Dae Jung and Kim Young Sam to agree on a unified candidacy led to his being elected.

Roh was officially inaugurated in February 1988. The government set out to eliminate past vestiges of authoritarian rule, by revising laws and decrees to fit democratic provisions. Freedom of press was expanded, university autonomy recognized, and restrictions on overseas travels were lifted. However, the growth of the economy had slowed down compared to the 80s, with strong labor unions and higher wages reducing the competitiveness of Korean products on the international market, resulting in stagnant exports, while commodity prices kept on rising.

Shortly after Roh's inauguration, the Seoul Olympics took place, raising South Korea's international recognition and also greatly influencing foreign policy. Roh's government announced the official unification plan, Nordpolitik, established diplomatic ties with the Soviet Union, China, and countries in East Europe.

An historic event was held in 1990 when North Korea accepted the proposal for exchange between the two Koreas, resulting in high-level talks, cultural and sports exchange. In 1991, a joint communique on denuclearization agreed upon, and the two Koreas simultaneously became members of the UN .

When Roh's tenure was over, Kim Young-sam was elected president in the 1992 elections. He was the country's first civilian president in 30 years and he promised to build a "New Korea". The government set out to correct the mistakes of the previous administrations. Local government elections were held in 1995, and parliamentary elections in 1996. Adhering to popular demand, former presidents Chun and Roh were both indicted on charges linked to bribery, illegal funds, and in the case of Chun, responsibility for the incident in Gwangju. They were tried and sentenced to prison in December, 1996.

Relations with the North improved and a summit meeting was planned, but was postponed indefinitely with the death of Kim Il Sung. Tensions varied between the two Koreas thereafter, with cycle of small military skirmishes and apologies. The government also carried out substantial financial and economic reforms, joined the OECD in 1996, but met crisis with political and financial scandals. The country also faced various catastrophes at the time; train collision and ship sinking in 1993, Seoul's Seongsu Bridge and Sampoong Department Store collapsing in 1994. These incidents, which claimed many lives, were a blow to the civilian government.

In 1997, the nation suffered a severe financial crisis and the government had to approach the International Monetary Fund for relief funds. This was the limit to what the nation could bear and led to the opposition leader Kim Dae-jung winning the presidency in the same year.

Kim Dae-jung was officially inaugurated in February, 1998. South Korea had maintained its commitment to democratize its political processes and this was the first transfer of the government between parties by peaceful means. Kim's government faced the daunting task of overcoming the economic crisis, but with the joint efforts of the government's aggressive pursuit of foreign investment, industry's cooperation and the citizen's gold-collecting campaign, the country was able to come out of the crisis in a relatively short period of time.

Industrial reconstruction of the big conglomerate chaebols were pursued, a national pension system was established in 1998, educational reforms were carried out, government support for the IT field was increased, and notable cultural properties were registered as UNESCO Cultural Heritage sites. The 2002 FIFA World Cup, co-hosted with Japan, brought upon a new culture where millions of supporters gather to cheer in public places.

In diplomacy, Kim Dae-jung pursued the "Sunshine Policy", a series of efforts to reconcile with North Korea. This culminated in reunions of the separated families of the Korean War, and the summit talk with North Korean leader Kim Jong-il. For these efforts, Kim Dae-jung was awarded the Nobel Peace Prize in 2000. However, as North Korea did not cooperate for a peaceful coexistence and with the terrorist attacks on the United States on September 11, 2001 changing the US's view on North Korea, the efficacy of the Sunshine Policy was brought into question. With the added allegations of corruption, support waned in the later years of the administration.

Roh Moo-hyun was elected to the presidency in December 2002 by direct election. His victory came with much support from the younger generation and civic groups who had hopes of a participatory democracy, and Roh's administration consequently launched with the motto of "participation government". Unlike the previous governments, the administration decided

to take a long-term view and execute market-based reforms at a gradual pace. This approach did not please the public, however, and by the end of 2003, approval ratings were falling.

The Roh administration succeeded in overcoming regionalism in South Korean politics, diluting the collusive ties between politics and business, empowering the civil society, settling the Korea-United States FTA issue, continuing summit talks with North Korea, and launching the high-speed train system, KTX. But despite a boom in the stock market, youth unemployment rates were high, real estate prices skyrocketed and the economy lagged.

In March 2004, the National Assembly voted to impeach Roh on charges of breach of election laws and corruption. This motion rallied his supporters and affected the outcome of the parliamentary election held in April, with the ruling party becoming the majority. Roh was reinstated in May by the Constitutional Court, who had overturned the verdict. However, the ruling party then lost its majority in by-elections in 2005, as discontinued reform plans, continual labor unrest, Roh's personal feuds with the media, diplomatic friction with the United States and Japan, caused criticism of the government's incompetence of political, socioeconomically issues and foreign affairs.

Roh Moo-hyun and his family members were investigated for bribery and corruption in April 2009. Roh denied the charges, but subsequently committed suicide by jumping into a ravine on May 23, 2009.

Roh's successor, Lee Myung-bak, was inaugurated in February, 2008. Stating "creative pragmatism" as a guiding principle, Lee's administration set out to revitalize the flagging economy, re-energize diplomatic ties, stabilize social welfare, and meet the challenges of globalization. In April 2008, the ruling party secured a majority the National Assembly elections. Also that month, summit talks with the United States helped ease the tension between the two countries caused by the previous administrations' policy towards North Korea, and the Korea-US Free Trade Agreement was discussed. Lee agreed to lift the ban on US beef imports, which caused massive protests and demonstrations in the months that followed, as paranoia of potential mad cow disease gripped the country.

Many issues plagued the government in the beginning of the administration: controversies regarding appointment of high-ranking government officials, rampant political conflicts, accusations of oppression of media and strained diplomatic relationships with North Korea and Japan. The economy turned for worse as the global recession hit the country; the worst economic crisis since 1997. The Lee administration tackled these issues by actively issuing statements, timely reshuffling



the cabinet, and implementing administrative and industrial reforms.

After regulatory and economic reforms, the economy has bounced back, with the country's economy marking growth and apparently recovering from the global recession. The

administration has also pursued to improve diplomatic relations with active summit talks: the United States; Korea-China-Japan Summits; and the ASEAN-ROK Commemorative Summit to strengthen ties with other Asian countries. The 2010 G20 summit was held in Seoul, where issues regarding the global economic crisis were discussed.

<Executive Branch>



The President

The President of the Republic of Korea, elected by a nationwide, popular vote, stands at the apex of the executive branch.

The President serves a single five-year term, with no additional terms being allowed. This single-term provision is a safeguard for preventing

any individual from holding the reins of government power for a protracted period of time. In the event of presidential disability or death, the Prime Minister or members of the Cabinet will temporarily serve as the President as determined by law.

Under the current political system, the President plays five major roles. First, the President is head of state, symbolizing and representing the entire nation both in the governmental system and in foreign relations. He receives foreign diplomats, awards decorations and other honors, and grants pardons. He has the duty to safeguard the independence, territorial integrity, and continuity of the state and to uphold the Constitution, in addition to the unique task of pursuing the peaceful reunification of Korea.

Second, the President is the chief administrator and thus enforces the laws passed by the legislature while issuing orders and decrees for the enforcement of laws. The President has full power to direct the Cabinet and a varying number of advisory organs and executive agencies. He is authorized to appoint public officials, including the Prime Minister and heads of executive agencies.

Third, the President is commander-in-chief of the armed forces. He has extensive authority over military policy, including the power to declare war.

Fourth, the President is the nation's top diplomat and foreign policy maker. He accredits or dispatches diplomatic envoys and signs treaties with foreign nations.

Finally, the President is chief policy maker and a key lawmaker. He may propose legislative bills to the National Assembly or express his views to the legislature in person or in writing. The President cannot dissolve the National Assembly, but the Assembly can hold the President ultimately accountable to the Constitution by means of an impeachment process.

Cabinet

Under Korea's presidential system, the President performs his executive functions through a Cabinet made up of 15 to 30 members and presided over by the President, who is solely responsible for deciding all important government policies. The Prime Minister is appointed by the President and approved by the National Assembly. As the principal executive assistant to the President, the Prime



Minister supervises the administrative ministries and manages the Office for Government Policy Coordination under the direction of the President. The Prime Minister also has the power to deliberate major national policies and to attend the meetings of the National Assembly.

Members of the Cabinet are appointed by the President upon recommendation by the Prime Minister. They have the right to lead and supervise their administrative ministries, deliberate major state affairs, act on behalf of the President and appear at the National Assembly and express their opinions. Members of the Cabinet are collectively and individually accountable to the President only.

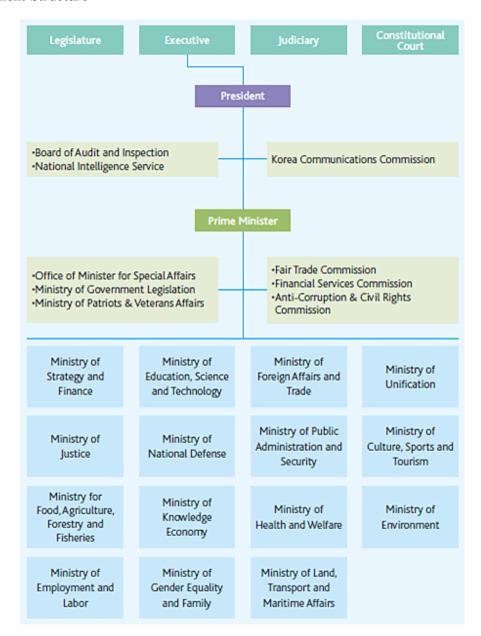
In addition to the Cabinet, the President has several agencies under his direct control to formulate and carry out national policies: the Board of Audit and Inspection of Korea, the National Intelligence Service, and the Korea Communications Commission. The heads of these organizations are appointed by the President, but the presidential appointment of the Chairman of the Board of Audit and Inspection is subject to the approval of the National Assembly. The Board of Audit and Inspection has the authority to audit the financial accounts of central and local government agencies, government corporations and related organizations.

The board is also vested with the power to inspect abuses of public authority or misconduct by public officials in their official duties. The results of audits are reported to the President and the National Assembly, although the board is responsible only to the chief executive.

The National Intelligence Service is authorized to collect strategic intelligence of internal as well as external origin and information on subversive and international criminal activities. It also plans and coordinates the intelligence and security activities of the government.

The Korea Communications Commission comprises five standing members who run the committee on a consensus-basis. It is the highest-level agency that governs broadcasting, telecommunications and real-time Internet television services or IPTV.

<Government Structure>



<Legislature>

Legislative power is vested in the National Assembly, a unicameral legislature. The Assembly is composed of 299 members serving four-year terms.

Out of 299 members, 245 are elected by popular vote from local constituencies, while the remaining 54 members obtain their seats through a proportional representation system in which seats are allocated to each political party that has



gained 3 percent or more of all valid votes or five or more seats in the local constituency election. The system is aimed at reflecting the voices of people from different walks of life while enhancing the expertise of the Assembly.

To be eligible for election, a candidate must be at least 25 years of age. One candidate from each electoral district is selected by majority vote. An Assembly member is not held responsible outside the Assembly for any opinions expressed or votes cast in the legislative chamber. During a session of the Assembly, no Assembly member may be arrested or detained without consent of the Assembly except in the case of a flagrant criminal act.

In case of apprehension or detention of an Assembly member prior to the opening of a session, the member must be released during the session upon the request of the Assembly.

Two types of legislative sessions are provided for: regular and special. The regular session is convened once a year from September through December and special sessions may be



convened upon the request of the President or one-quarter or more of the members of the Assembly. The period of a regular session is limited to 100 days and to 30 days for special sessions. If the President requests the convening of a special session, he must clearly specify the period of the session and the reasons for the request.

Unless otherwise provided in the Constitution or law, the attendance of more than half of all

Assembly members, and the concurrent vote of more than half of the Assembly members present, are necessary to make the decisions of the National Assembly binding. In the case of a tied vote, the matter is considered to be rejected by the Assembly. Legislative meetings are open to the public, but this rule may be waived with the approval of more than one half of the members present or when the Speaker deems it necessary to do so in the interest of national security.

The National Assembly is vested with a number of functions under the Constitution, the foremost of which is making laws. Other functions of the Assembly include approval of the national budget, matters related to foreign policy, declaration of war, the stationing of Korean troops abroad or of foreign forces within the country, and inspecting or investigating specific matters of state affairs and impeachment.

An impeachment motion against an appointed official can come to a vote if approved by at least a third of the Assembly. The impeachment passes if it receives the backing of a majority of the Assembly members. A motion of impeachment against the President requires a majority vote from the Assembly to proceed. The motion passes only if two-thirds or more of the entire Assembly approves.

The Assembly elects one Speaker and two Vice Speakers, who serve for two-year terms. The Speaker presides over plenary sessions and represents the legislature while supervising its administration. In the absence of the Speaker, the Vice Speakers shall act for the Speaker.

<Judiciary>

The Judiciary of Korea consists of the Supreme Court, High Courts, District Courts, Patent Court, Family Court, Administrative and Local Courts. The courts exercise jurisdiction over civil, criminal, administrative, electoral, and other judicial matters, while also overseeing affairs related to real estate registrations, family registrations, financial holdings, and court officials.

The Supreme Court is the highest judicial tribunal. It hears appeals on cases rendered by lower courts. The Chief Justice of the Supreme Court is appointed by the President with the consent of the National Assembly. Other justices are appointed by the President upon the recommendation of the Chief Justice. The term of office for the Chief Justice is six years and is not renewable. The Chief Justice must retire from office at the age of 70. The term for other justices is six years. Though they may be re-appointed in accordance with legal provisions, they must retire from office when they reach the age of 65.

The High Courts hear civil, criminal and administrative appeals cases rendered by district, administrative and family courts and try special cases designated by law. The Patent Court reviews decisions rendered by the Patent Office. The Supreme Court is the final tribunal over patent disputes. District Courts are located in Seoul and in the following 13 cities: Incheon, Uijeongbu, Suwon, Chuncheon, Daejeon, Cheongju, Daegu, Busan, Changwon, Ulsan, Gwangju, Jeonju and Jeju. The Family Court is empowered to hear all cases involving matrimonial, juvenile or other domestic matters. The Administrative Court handles administrative cases only.

District Courts outside of Seoul also perform the functions of the Administrative Court in their respective districts. In addition to these courts, there are military tribunals which exercise jurisdiction over offenses committed by members of the Armed Forces and their civilian employees.