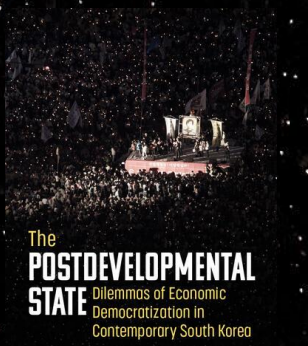




The Postdevelopmental State

Dilemmas of Economic Democratization in Contemporary South Korea



Jamie Doucette

Turbulent times

- At the forefront of pro-impeachment protests have been women, workers, and various social minorities
- They warned that addressing the situation requires more than retribution, but also broad social reform



The next Korean government, which is likely to be formed by the Democratic party, has to break out of the shackles of cold war politics and implement more egalitarian policies, including the expansion of the welfare state, the extension of worker rights and radical reform of the education system. Otherwise, Korea will fall back into the familiar cycle of popular democratic activism deposing a conservative government, only for the latter to return because of the inability of a “progressive” administration to deliver.

Ha Joon Chang, Financial Times, Dec. 16th, 2024

Candlelight democracy



- Korea's candlelight revolution (2016-17) was provoked by collusion, corruption, regulatory failure, and growing inequality.
- Moon pledged to eradicate 'deep-rooted evils' (*jeokpye cheongsan*) and create a society in which 'opportunities are equal, processes are fair, and outcomes are just'

A 20 year reign?

- o A chance for progressives to institutionalize their ideas about the nature of the Korean economy and democracy and secure a '20-year reign'
- o To do so, Moon appointed economic reformers long associated with the idea of 'economic democracy' and cognate ideas about social change to target inequality

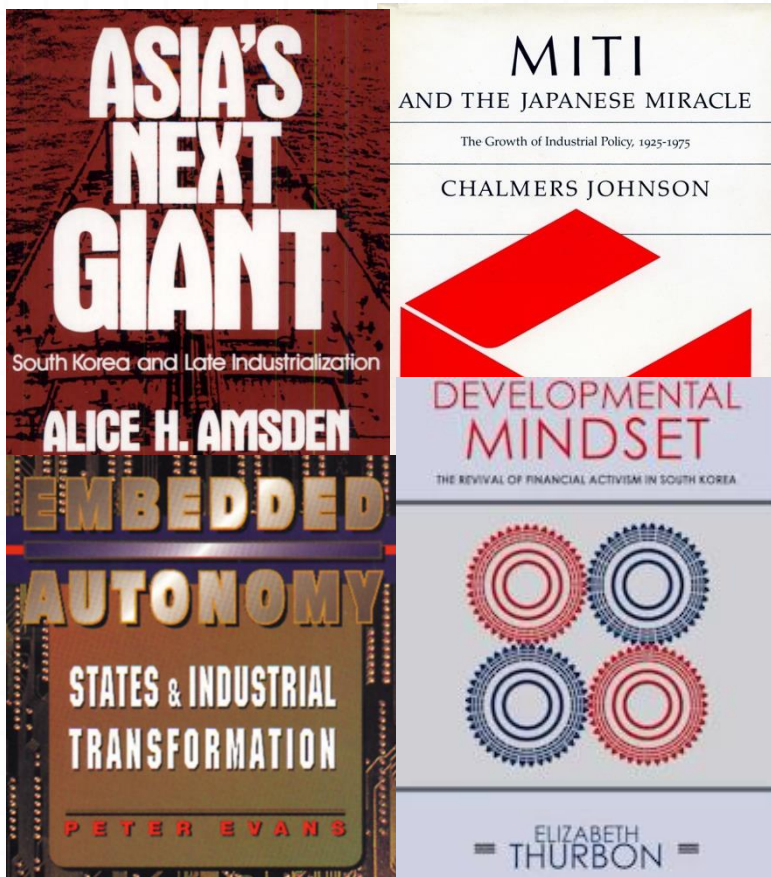


Over in five

- But after 5 years, *chaebol* were stronger than ever, labour discontented, housing unaffordable, the conservative party in power, and democratic party in disarray
- Contemporary Korean politics took a step back, with a politicized prosecution frustrating progressive politicians, media, and labour groups.
- And finally, a 'self-coup' in the form of the declaration of martial law by the incumbent President



A conceptual problem



- The dominant perspective in Korean political economy cannot help us account for these challenges
- Narrowly focused on 'state autonomy' as source of East Asian growth, and continual rediscovery of it to explain almost any form of state intervention
- Explicitly rejects a focus on 'legitimation' much less hegemony as explanations
- Inversion of an orientalist ideal type?

The democratic deficit



“A serene disregard of their sufferings as some ‘collateral damage’ in any march of modernization not only would be infuriating to those who had suffered, but will in all probability negatively affect the quality of the scholarly work in question” (Paik Nak-chung 2011)

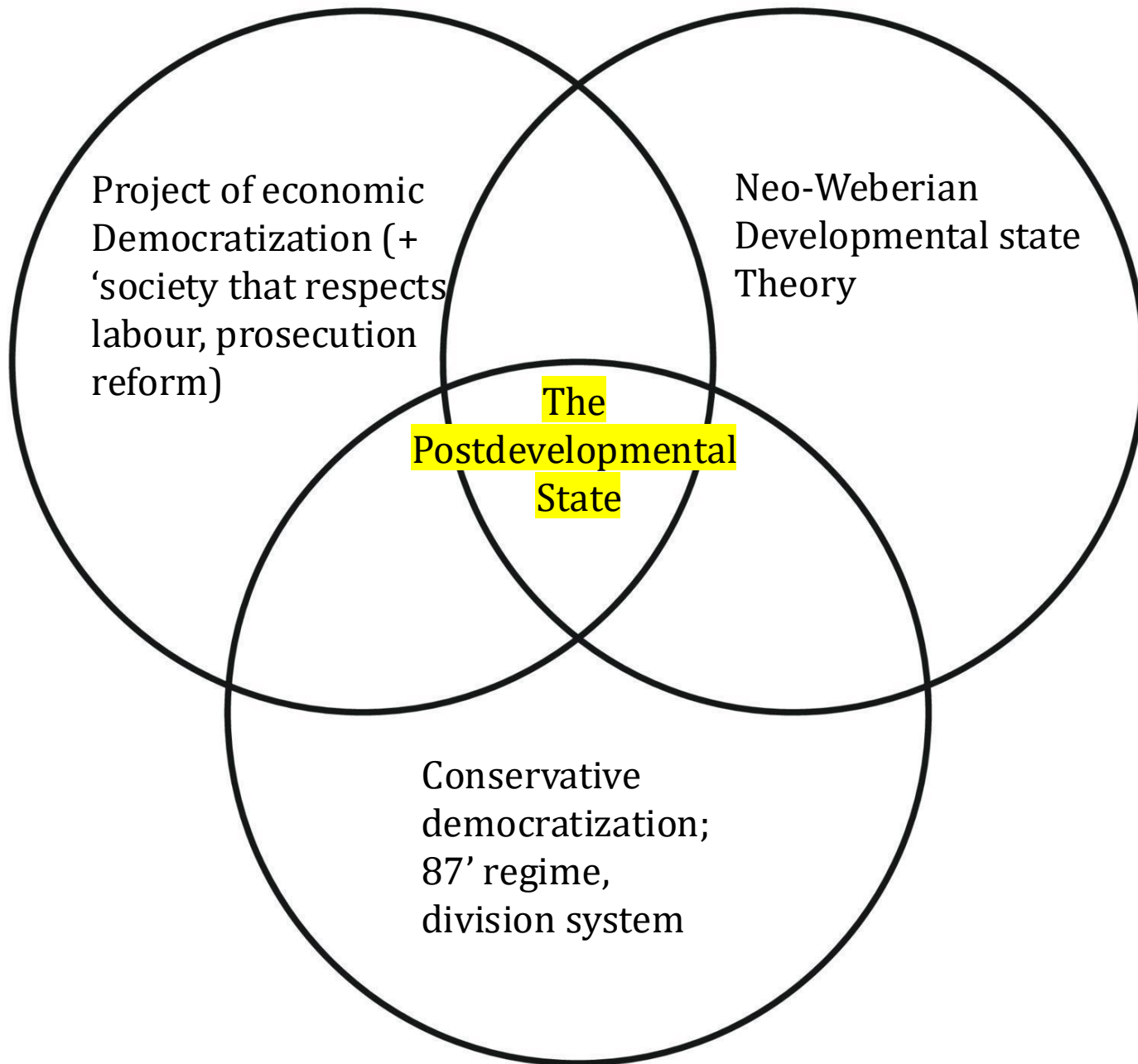
A Gramscian approach



- (1) Permits a more relational and processual view of the 'integral state' (political + civil society; politics + economics; multi-scale)
- (2) Promotes a 'politics of knowledge' that engages with actually-existing reform projects, ideologies, and imaginaries'
- (3) Such 'interested interaction' can help better situate uneven institutional development not as ideal types but through a close reading of political sequences

The postdevelopmental state

- *The postdevelopmental state* names not an idealized model of growth, but rather (1) a complex structural situation characterized by growing inequality, faltering growth, financial expansion, and neoliberal reform alongside residual 'developmentalist' institutions such as the chaebol, subordination of labour, and exportist economy
- (2) a political dilemma concerning the *lack* of a substantive alternative to neoliberalism or developmentalism, and a gradual exhaustion of 'economic democracy' as a progressive imaginary for *egalitarian* economic system



“My own view is that concepts like that of ‘hegemony’ (the family or level of abstraction to which Authoritarian Populism [AP] also belongs) are of necessity somewhat ‘descriptive’, historically more specific, time-bound, concrete in their reference because they attempt to conceptualize what Marx himself said of ‘the concrete’: that it is the ‘product of many determinations’. So I have to confess that it was not an error or oversight which determined the level of concreteness at which AP operates. It was quite deliberately and self-consciously *not* pitched at that level of ‘pure’ theoretical-analytic operation at which Jessop *et al* seem to assume *all* concepts must be produced.”



Stuart Hall,
A Reply to Jessop... (1985)

Key cases

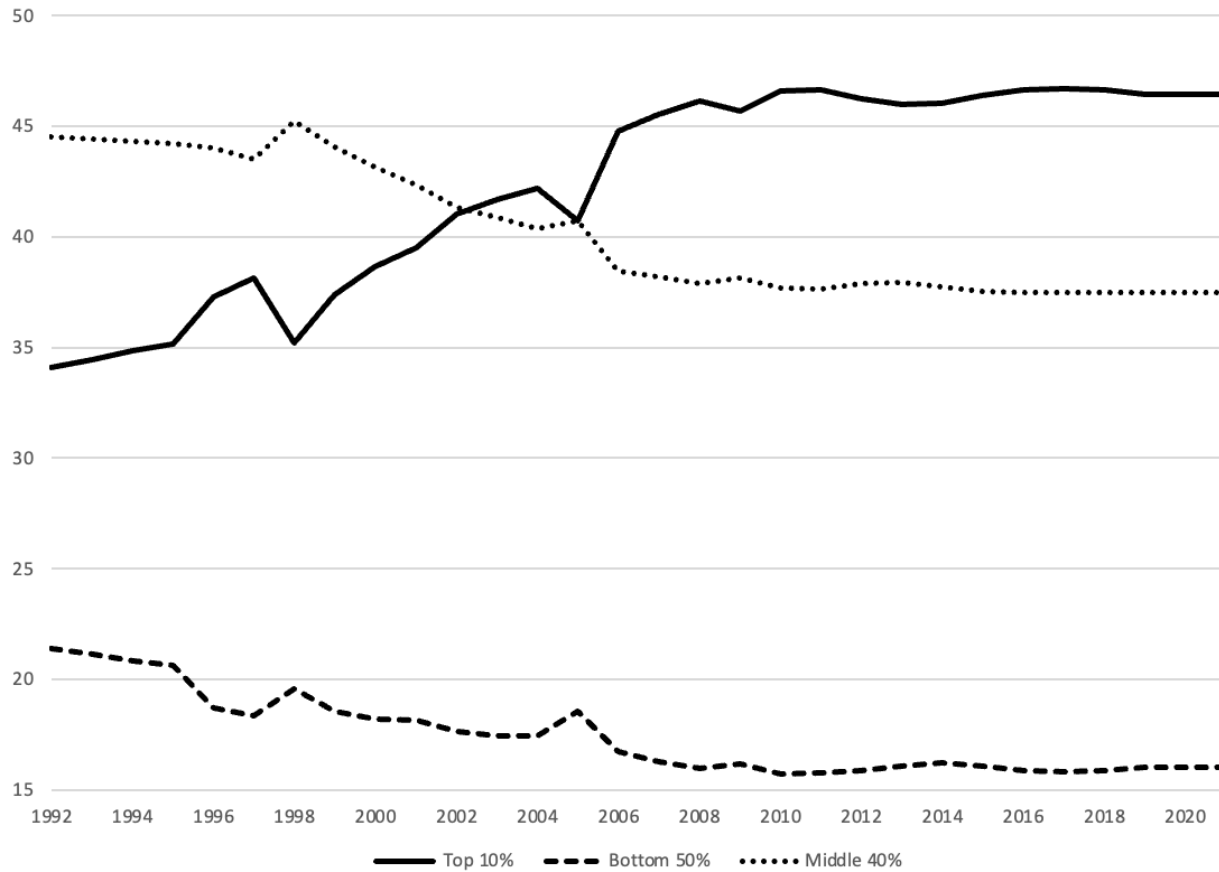
From the perspective of the 'integral state,' three interlinked dilemmas can be seen as limiting the project of economic democratization (all wrapped up in a problematic politics of legitimation):

- o 1. A gradual detaching of chaebol reform from demands for social and industrial democracy,
- o 2. Poor coordination with labour despite efforts to reinvigorate social dialogue
- o 3. The resilient power of the conservative bloc and a problematic 'politics of personality' used to promote prosecution reform

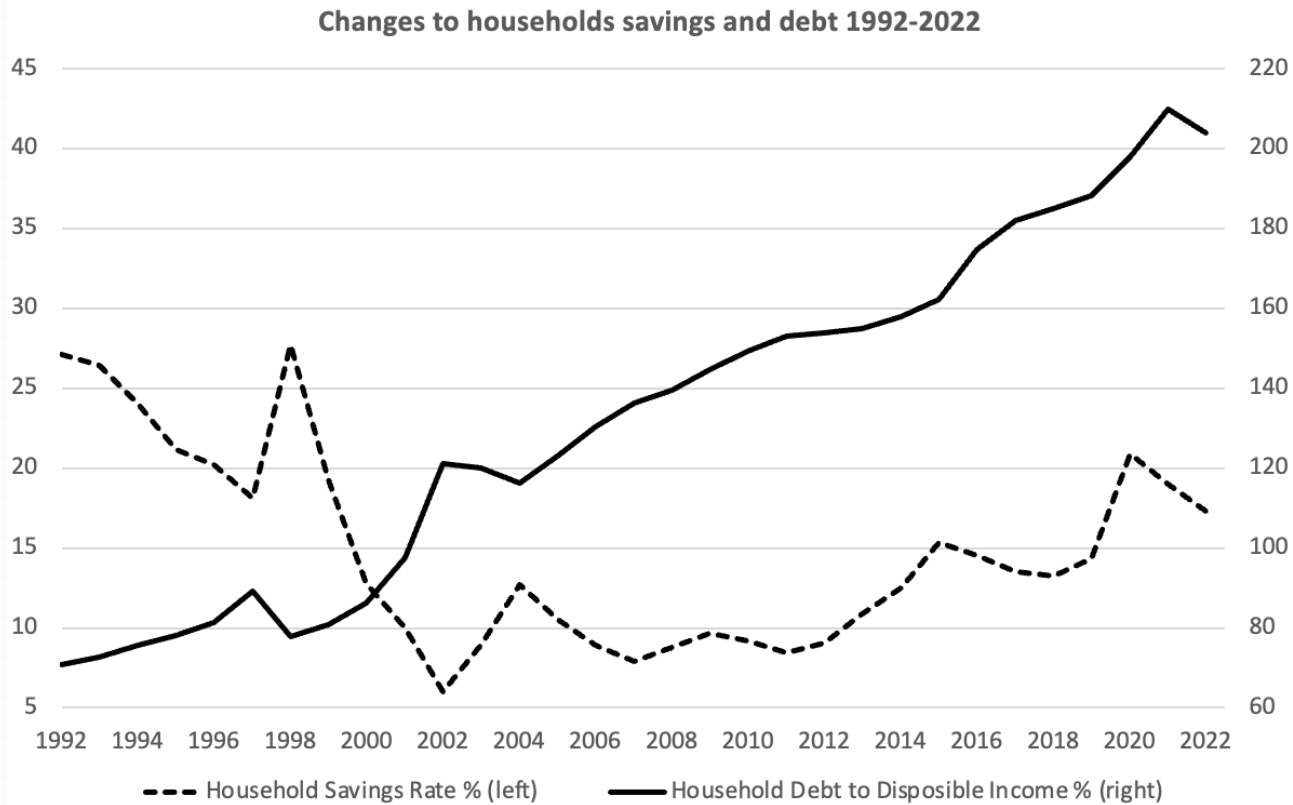


Growing inequality

Shares of Pre-Tax National Income 1992-2021 (%)

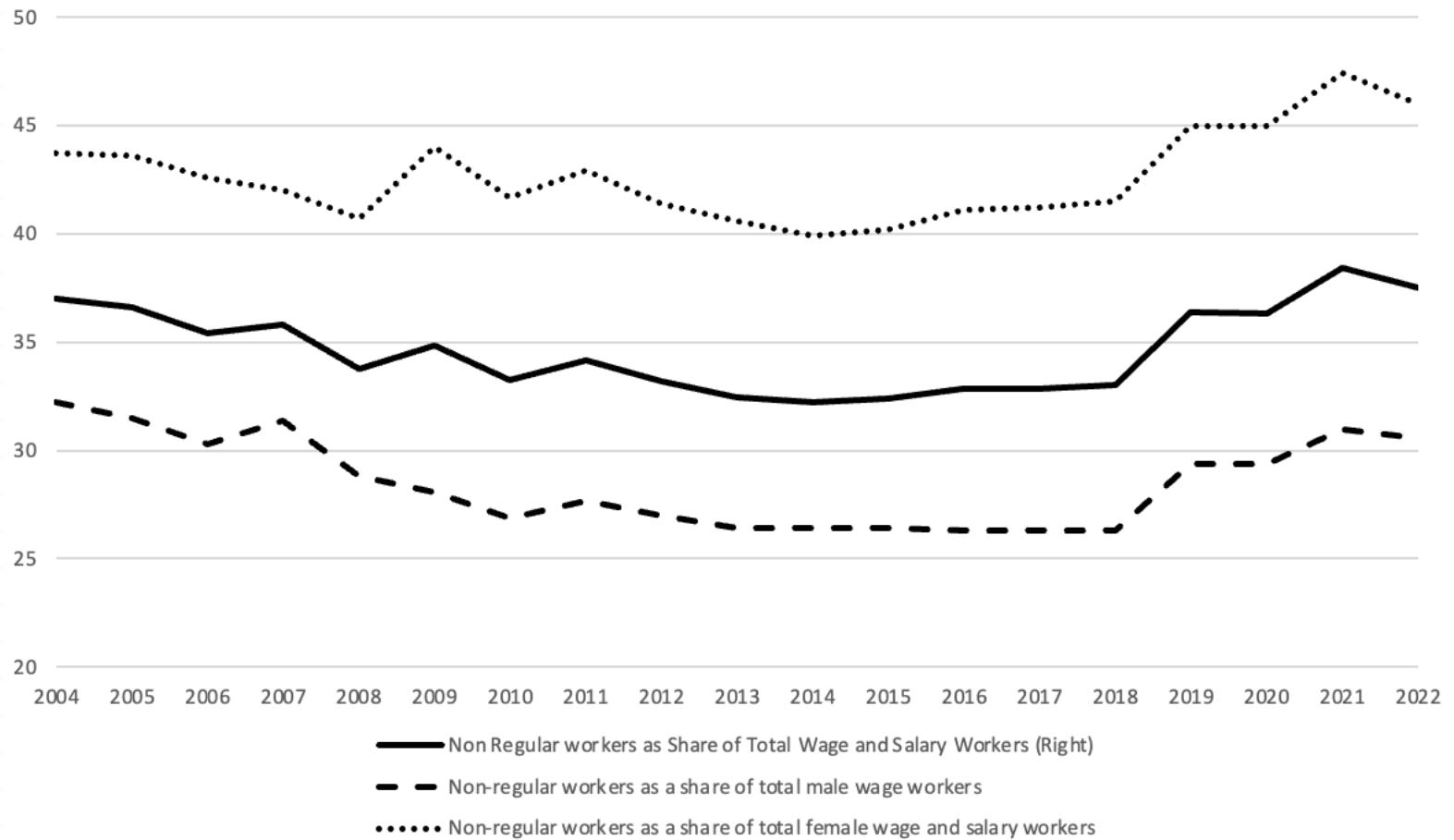


The great debt swap

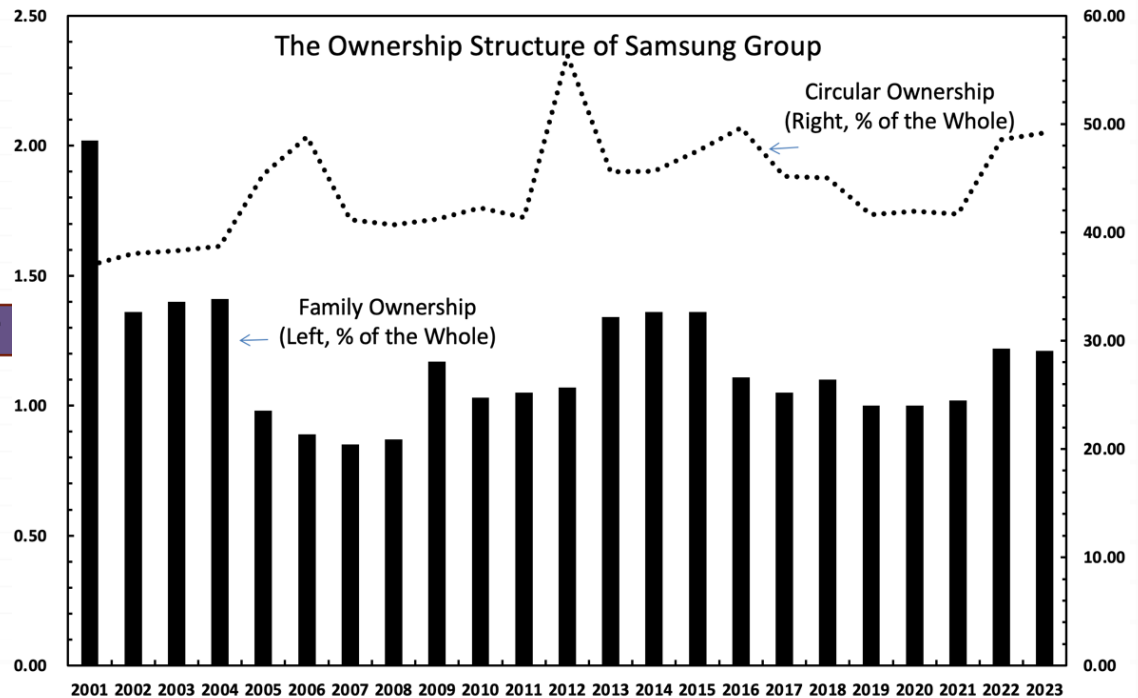
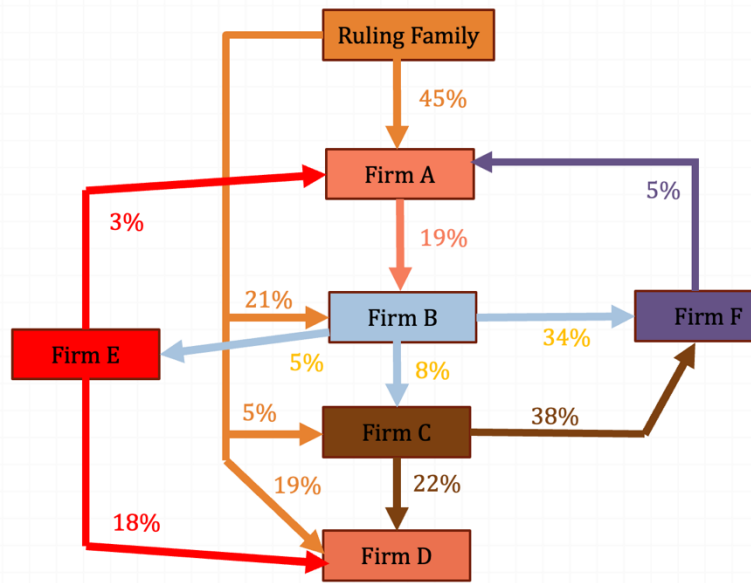


Rise of irregular work

Non-Regular Work: Total and By Gender 2004-2022



Family control



A: The chaebol problem

- Despite passionate origins (*Sogang-Hakyeon*, social formation debates, and emergent civil society) the two dominant camps have come to regard economic democratization in a simplistic pro- and anti-chaebol register
- One side prefers to force the chaebol to respect shareholder value to professionalize management
- The other seeks to protect the chaebol's management rights from 'speculative finance'



Limits to economic-democracy-as-chaebol-reform

- o Both propose strategies that prioritize *intra-class* conflicts among capital owners to the neglect of *inter-class* relations (industrial democracy): e.g. KCGF/Samsung
- o Consequently, the conservative party easily appropriated 'economic democracy' as their own slogan in 2012 (and abandoned it after the election)
- o 2017: Moon vacillates, pursues mild reform of Chaebol cross-shareholding, but eventually paroles Lee Jae-young in name of addressing 'economic emergency.'



B: Social democracy without labour?

- While Moon's chaebol reforms neglected industrial democracy, the 'society that respects labour' seemed potentially more progressive
 - Raising of minimum wage
 - Regularization of non-standard workers
 - Reduction of working hours
 - Ratification of ILO core conventions on freedom of association
 - A revived social dialogue body with novel public interests
 - Expanding employee representation
- Appoints a range of progressive reformers (KLSI, ex-KCTU, KDLP) to lead the Economic, Social, Labour Council



노동존중사회:
21세기 한국의 노동과 사회발전

Difficulties for social dialogue

- KCTU joins provisional meetings but branch delegates refuse to endorse participation due to 'traumatic' experience during 1997 crisis
- Attempt to use the ESLC to address backlash to minimum wage increase and 52 hour work week through an agreement on flexible working time and to bargain over ratification core labour rights (ILO/TULRAA)
- Regularization mostly carried out external to dialogue/collective bargaining = regularization through subsidiarization



(Translation: Boss: You must pay for damages caused to my company. Police Officer: You must pay compensation for the use of my nightstick and shield. Rocks (top to bottom): Damage claims and provisional seizure; Dismissal and disciplinary action; Arrest. Worker's Headband: Strike!)

C: The politics of personality

- By late 2019, many reformers felt that they had become 'wallpaper'
- Their presence had helped to *legitimize* Moon's pro-democratic credentials, but policy agenda felt stalled
- While some came to critique the administration, others played a more complicated role...



Prosecution reform

- Moon appoints charismatic legal reformer Cho Kuk as Justice Minister to spearhead reform,
- After a minor influence peddling scandal involving his family leads to opposition, Moon supporters double down on support for Cho as a 'personality' that represents democracy
- But this obscured the content of prosecution reform itself (e.g. No progress on anti-discrimination law, TULRAA revision, revision of commercial code, etc..)



Exhaustion of a sequence



- o The Cho affair divided most progressive groups and progressive parties, and allowed the right wing to appropriate the discourse of fairness
- o Yoon couples 'fairness' to misogyny, generational politics, and anti-labour policies, depicting the liberal-left as new 'vested interests'



o “The Candlelight Citizens' Coalition was irrevocably divided as it went through the controversy surrounding Justice Minister Cho Kuk. One side emphasized that 'prosecution reform' was the most urgent task and tried to cover up Minister Cho's problems, while the other side viewed 'prosecution reform' with a skeptical eye, saying that the problems of Korean society (such as the habits and hypocrisy of the upper middle class) revealed by Minister Cho were more serious. The gap between the two positions deepened over time, and the Yoon Seok-yeol government was born based on this division in the Candlelight Citizens' Coalition.”

Chang Sok-jun Pressian, December 12, 2024

Conclusion: What's next?



- The lack of a substantive vision of economic democracy as social and industrial democracy undermined efforts to address chaebol, labour, and public security state
- There is talk of a 7th Republic, but what vision will this look like? What forces will shape it? Can it solve the problem? Will there be another name for the dilemmas explored here?
- Regardless, there is a need to move conceptually away from 'ideal-type' method to a more reflexive 'politics of knowledge' (politico-gnoseology) that emphasizes alignment with existing standpoints, and a more solidaristic scholarly practice.

Thank You!



“How did we end up giving birth to a ‘government of insurrection’ after experiencing the so-called ‘candlelight revolution’?”

Chang Sok-jun, *Pressian*, December 2024

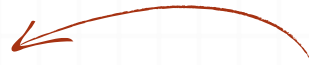
What does it mean to make a 'strategic characterization of a set of social forces'?

Bob Jessop

Stuart Hall

- A 'global' or 'general theory': abstraction at the level of the mode of production
- Assumption that concepts can easily be transferred across levels of abstraction
- Systematizing

- A 'tactical' 'characterization of certain strategic shifts in the political/ideological conjuncture)
- Not all concepts operate at the same level of abstraction
- Strategic



Debt ratio of manufacturing firms 1970-2021 (%)

