

Neoliberalism and the Gwangju Uprising

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Abstract

Drawing from US Embassy documents, World Bank statistics, and memoirs of former US Ambassador Gleysteen and Commanding General Wickham, US actions during Chun Doo Hwan's first months in power are examined. The Embassy's chief concern in this period was liberalization of the Korean economy and securing US bankers' continuing investments. Political liberalization was rejected as an appropriate goal, thereby strengthening Korean anti-Americanism. The timing of economic reforms and US support for Chun indicate that the suppression of the Gwangju Uprising made possible the rapid imposition of the neoliberal accumulation regime in the ROK. With the long-term success of increasing American returns on investments, serious strains are placed on the US/ROK alliance.

South Korean Anti-Americanism

Anti-Americanism in South Korea remains a significant problem, one that simply won't disappear. As late as 1980, the vast majority of South Koreans believed the United States was a great friend and would help them achieve democracy. During the Gwangju Uprising, the point of genesis of contemporary anti-Americanism, a rumor that was widely believed had the aircraft carrier USS *Coal Sea* entering Korean waters to aid the insurgents against Chun Doo Hwan and the new military dictatorship. Once it became apparent that the US had supported Chun and encouraged the new military authorities to suppress the uprising (even requesting that they delay the re-entry of troops into the city until after the *Coral Sea* had arrived), anti-Americanism in South Korea emerged with startling rapidity and unexpected longevity.

Within two years of the suppression of the Gwangju Uprising, arsonists attacked the USIS offices in Gwangju and Pusan; in September 1983, a bomb exploded in front of the American Cultural Center in Taegu; on May 23, 1985, the USIS library in Seoul was occupied for three days until all 73 students inside were arrested; the May 1986 riot in Inchon had distinct anti-American overtones; and during the massive June Uprising of 1987, US reporters complained that people screamed "Yankee Go Home!" when they tried to cover the demonstrations.

In Koreans' memory, many less-than-complimentary public statements by US officials fanned the flames of anti-American feelings both before and after Gwangju: on November 29, 1979, US Ambassador William H. Gleysteen, Jr. uttered his famous remark referring to Korea as a "...society of garlic and pepper eating combatants"; in 1982, US Ambassador Richard L. Walker told a reporter in South Carolina that students and intellectuals were "spoiled brats" for whom Korean workers had no sympathy; in the same year, General John A. Wickham, Jr., then serving as commander of US and UN forces in Korea, is believed to have made a speech in which he referred to Korean people as "lemmings" who would blindly follow any leader.

Despite obvious signs of hostility, Gaston Sigur, Assistant Secretary of State for East Asian and Pacific Affairs, in November 1986 publicly expressed his feeling of being puzzled by anti-Americanism during a visit to Seoul. At the level of official contacts between the US and the ROK, reluctance to broach this phenomenon is understandable and, prior to the end of the dictatorship, discussing it would have been illegal. Even in informal conversation today, Korean politeness often means refraining from open discussion of this issue with American guests. Confucian decorum notwithstanding, Donald Gregg, while US Ambassador to the ROK from 1989 to 1993, never made a publicized address at a Korean university because of expected protests. [\[1\]](#)

Many people hoped that anti-Americanism would gradually fade as South Korean democracy was consolidated. Yet in 2002, so serious was the threat of violence against Americans that President Kim Dae Jung decided to cancel his attendance at the World Cup game between the US and South Korea on June 10 in Taegu. As if things were not already bad enough, three days later, 14-year-olds Shim Mi-Son and Shin Hyon-Sun, two Korean schoolgirls on their way to a birthday party, were run over and killed by a US military vehicle. The soldiers responsible, after being anonymously sheltered at a nearby US base, were finally identified and brought to trial

in a US military court. To few people's surprise, they were found innocent on all charges; more shocking was their failure to express any remorse when they met reporters immediately after their acquittal.

Months of nightly candlelight vigils in Seoul and protests outside US military installations (regularly involving burning of American flags and scuffles with riot police), became so intense that President Bush issued a formal apology in November. As public awareness of rapes, burglaries, and other crimes committed by American soldiers grew, many Koreans questioned the viability of the Status of Forces Agreement, especially since it exempts US troops from local prosecution. Before this particular upsurge in anti-American sentiment had subsided, three US soldiers were attacked in the subway by Koreans whom they had offended. One of the soldiers was kidnapped and compelled to apologize in front of thousands of people at a rally in a nearby stadium. When the Korean police finally got involved, they charged the soldiers with assault and did nothing to those accused of kidnapping the Americans.

With the ROK currently providing the third largest contingent in support of the US in Iraq, one might suspect that Korean anti-Americanism is today a negligible phenomenon. A recent poll of 700 people conducted by the Korean firm KSOI on September 13, 2005 provides evidence to the contrary. When asked what respondents thought the government of South Korea should do in the event of a US attack on North Korea, nearly as many people responded that the ROK should help North Korea (40.9%) as felt their government should assist the US (41.3%).^[2] Similarly, nearly half the respondents felt the US military should withdraw from Korea (47.3%), while 51.6% thought the US presence should remain intact; and the country named as most opposed to Korean unification was the US (35.3%), followed by Japan (35.2%) and China (13.4%). Finally, more than half of those polled (53%) hold the US responsible for the division of Korea.

Most recently, conflicts about the relocation of the US base from Yongsan to an expanded Camp Humphreys in Pyeongtaek (about 50 miles south of Seoul) have involved weeks of continuing protests and hundreds of arrests and injuries. Moreover, in May 2006, major media reported the discovery of a 1950 letter from US Ambassador John J. Muccio to Assistant Secretary of State Dean Rusk detailing US policy that American soldiers would shoot refugees approaching their lines. After the No Gun Ri revelations in 1999, the Pentagon conducted a 16-month inquiry and ascertained that the killing of hundreds of civilians there was not part of any US policy. The revelation of Ambassador Muccio's letter will only exacerbate already severe US credibility problems.

Origins of South Korean Anti-Americanism

As already noted, contemporary South Korean anti-Americanism appears to begin with US actions during the Gwangju Uprising. Indeed, one of the first major items of business of the National Assembly once the military dictatorship had been overthrown in 1987 was to convene hearings on Gwangju. In 1989 representatives of the US, having been officially requested to testify in person, instead submitted written answers to a series of very specific questions related to the issue of whether or not the US had secretly collaborated with Chun Doo Hwan and the new military authorities in overthrowing the post-Park government and suppressing the Gwangju Uprising in 1980. The State Department's still-controversial White Paper on Gwangju,^[3] issued on June 19, 1989, claimed the US "had neither authority over nor prior knowledge of the movement of the Special Warfare Command units to Gwangju" and deflected any criticisms of American actions. Given the widespread feeling that the White Paper failed to acknowledge US responsibilities, it provoked renewed anti-American sentiment. Beyond the specific details, the issue to many Koreans is the clear historical fact of US support for the Chun regime from 1979 to 1987.

This is not the place to ascertain the guilt or innocence of US officials in the killings in Gwangju in 1980.^[4] For people there, the answer is already clear—as is its opposite for the State Department. A 1996 survey^[5] found that 82.5% of Gwangju people believe the US was involved (50.8% for the rest of South Koreans). In the same poll, 44.5% of Gwangju residents expressed the need for a US apology and 21.8% thought the US should pay reparations. On May 18, 2002, a televised and well-attended Peoples' Tribunal found former President Jimmy Carter and seven other US officials guilty of "crimes against humanity" for violation of the civil rights of the people of Gwangju. A few months later, on October 11, 2002, Carter was awarded a Nobel Peace Prize. The Nobel Committee praised Carter's decades of "untiring effort to find peaceful solutions to international conflicts,

to advance democracy and human rights, and to promote economic and social development.” Clearly, contradictory notions of “human rights” prevail.

My focus here is not with the micro-network connections between the new military authorities and US officials between Chun’s coup of December 12, 1979 and his ascension to the presidency, but on US economic motivations for underwriting his regime, notably the specific coordination of US government and business leaders during those critical months of 1980. My primary sources are official US cables and communications, thousands of pages of which were released to the city of Gwangju under the auspices of the Freedom of Information Act. [6] These documents make clear, at least in the view of US officials, that there was little or no North Korean threat to peace during the Gwangju Uprising. Indeed, Gleysteen wryly noted that the dearth of accurate information in the South Korean media turned many people into regular listeners of Radio Pyongyang: “The Gwangju incident has increased the ability of the North to gain listeners for its propaganda broadcasting.... In light of the paucity of information in the ROK media, the North became the sole source for many here of news from that area. These new listeners may well continue to tune their radios to Pyongyang in the privacy of their rooms after midnight.” [7] Frustrated US communiqués note that the ROK/DPRK dialogue “refuses to die.” In its weekly status report on September 13, the State Department cabled the US Embassy in Seoul that “North Korea continues to signal a desire to expand contacts with us...to ‘build a rainbow bridge’ between the U.S. and North Korea, which ‘spans the past troubled relations to a future of good friendly relations.’” [8]

Buried beneath decades of public tensions between the US and the DPRK, the successful imposition of US economic interests on a subordinate ROK is often overlooked as a factor in US support for Chun—and in the sustenance of South Korean anti-Americanism. The ROK has “miraculously” jumped from being one of the world’s poorest countries in 1953 to its tenth largest economy. For reasons I discuss below, however, divergent economic interests are nonetheless an increasing source of strain in the ROK/US alliance. In the final section of this article, I dramatize the different perceptions of economic interests by contrasting US understanding of its proper role in the ROK with those of *minjung* (grassroots people) activist groups. The comparison is striking. US officials clearly articulated their goal of acting in the best interests of US investors and corporations; the more they succeeded in this endeavor, even at the expense of South Korean citizens’ human rights and economic interests, the greater became subsequent anti-American sentiment.

The rationale for US support for the suppression of the Gwangju Uprising is commonly posited as a question of national security—whether of avoiding a “second Iran” (where American hostages and the US Embassy were still held by radicals in May 1980), of preventing the debacle of “another Vietnam” (which had “fallen” only five short years earlier), of repelling a possible North Korean threat, of responding to the Soviet invasion of Afghanistan on December 25, 1979, or of stopping the threatened nationwide uprising against the military that loomed in 1980. My reading of the US documents clarifies that the chief perceived threat articulated by the staff of the Embassy in 1980 was of a capital flight by US investors who worried that the ROK government might prove unreliable. Moreover, the documents reveal a close degree of coordination between US officials and businessmen, particularly in August 1980, when this collaboration approached surprising synchronicity. [9]

Embassy officials were acutely aware of the need to demonstrate regime stability in South Korea in 1980; regime stability left the US with little choice but to endorse Chun’s rule and to agree in advance with his suppression of the Gwangju Uprising. In this respect, US subordination of its own professed concerns for human rights to other considerations, especially the economic interests of American corporations, was perceived as a betrayal by South Koreans.

The Economic Transition

South Koreans desperately felt the need for liberalization of the country’s political system (which many perceived as under the control of the US) at the same time as the US government fastidiously sought liberalization of the Korean economy (which they believed was subject to the dictates of bureaucratic remnants of Park Chung-hee’s national developmental state). Sometimes overlooked in the constellation of world events leading to US policymaking in Korea in 1980, the economy was quite a significant factor. In the words of then-US Ambassador Gleysteen: “...in our pre-occupation with the security relationship, we should not forget that

economic and commercial ties have taken on an enormous importance over the years. In 1979, Korea was our 13th largest trading partner, absorbing about 4.2 billion dollars in US exports, while accounting for 4.1 billion dollars in US imports. Exposure of US banks in Korea runs into many billions of dollars, and direct US equity investment in this country amounts to over 300 million dollars.”^[10]

As the recession of 1979 intensified, setting interest rates above 20% amidst double-digit inflation in the US, Korea, and much the rest of the world, a new economic situation emerged—stagflation—that required different economic policies to contain it. Once Ronald Reagan took office, phrases like “Reaganomics” and “trickle-down” or “supply-side” economics were used for these new policies; in retrospect, these were early formulations for what is today regarded as neoliberalism. Beginning in 1983, Ronald Reagan launched a “crusade” to “foster free market democracies” through the “magic of the marketplace.”

As early as September 11, 1979, Gleysteen had come to the conclusion that some kind of transition was urgently needed: “The present predicament of the Korean economy suggests that 12 and 16 percent growth rates to which we have gotten used in Korea overstrained the capacity of even this hard-working society and resulted in a number of structural imbalances. As the focus shifts to expensive capital-intensive industry, and the competitive advantage of labor-intensive industry passes to other countries, Korea will need to pay more attention to economic and financial soundness than to growth for growth [sic] sake. ...Korea would be well advised to seek cooperative relationships with American and other foreign firms...”^[11]

US estimates were that the Korean economy had seen two decades of “spectacular economic growth during which real increases in GNP averaged about 9.5% annually,” although slowing to 7.1% in 1979,^[12] and experiencing a real negative growth rate of 1.7% in the first quarter of 1980^[13] when the price of oil-based products rose over 59%, electricity rates by 39%, and a host of other products, from sugar to noodles, by similar amounts. The government’s Economic Planning Board estimated that the consumer price index could rise by as much as 30% by the end of the year.^[14]

So troubling was the economy that on May 30, three days after the army bloodily retook control of Gwangju, Gleysteen had already prepared a major policy statement on it. Upheavals like the Gwangju People’s Uprising simultaneously reveal essential social dynamics and accelerate them with startling intensity. As Gleysteen brought his thoughts to paper, he was no doubt greatly affected by events in Gwangju. Contained in a telegram to Washington, his article for the June issue of *Nation’s Business*, the national magazine of the US Chamber of Commerce, spelled out a very specific understanding of the US liberalization agenda: “Economically, the country is going through a massive shifting of gears, from the almost frenetic growth of the past two decades to a more moderate, stable, and market-oriented growth better suited to the economy’s present stage of development... The next crucial step in the country’s economic development—*liberalization of the economy from tight central control to a greater reliance on market forces*—is one which has been accepted in principle and is being pursued as conditions permit.” (my emphasis).

Gleysteen’s language explicitly names the need for a shift from “central control” to “market forces” (i.e., to neoliberalism). This transition is often placed later, either during Kim Young-sam government’s 1994 *segyehwa* reforms or in 1997, when the IMF crisis struck East Asia.^[15] By linking the onset of “cooperative relationships” with foreign firms, “liberalization,” and “reliance on market forces” to 1980, a whole new understanding of the meaning of the suppression of the Gwangju Uprising emerges: it marked the bloody imposition of the neoliberal accumulation regime in Korea.

The transmutation of Fordism into a post-Fordist production mode in the core countries is synchronous with the transformation in the Korean economy that Gleysteen moved to implement in 1980. Clearly this historical watershed (also theorized by cultural critics as the advent of postmodernism) needs to be conceptualized in global terms; yet Korea is a semi-peripheral country and categories derived from the history of Europe and the US cannot mechanically be applied to it, especially since the Korean national developmental state was what was being transcended in 1980.

Whether or not American policymakers intended the global market to have a “magical” effect on democratic reform in Korea, they turned their backs on political liberalization and elevated US economic interests to the center of American policy. At the White House meeting at 4 p.m. on May 22, 1980, suppression of the Gwangju Uprising was approved,^[16] but so was the June visit to Seoul by John Moore, president of the US Export-Import Bank, to arrange for US financing of mammoth ROK purchases like US nuclear power plants and expansion of the Seoul subway system. Since economic and security issues were resolved at the same meeting, one can only conclude they were strongly related to each other. A few hours later, i.e., on May 23 in Seoul, Gleysteen advised Korean Prime Minister Park Choong-hoon to take “firm anti-riot measures.” On May 23 in Washington, State Department spokesperson Hodding Carter announced that the Carter administration “has decided to support the restoration of security and order in South Korea while deferring pressure for political liberalization.” Hodding Carter’s remarks clarified that when the choice between human rights and more prosaic concerns had to be made, the US would sacrifice human rights.^[17] President Carter was even more explicit: he told a CNN interviewer on May 31 that security interests must sometimes override human rights concerns. Clearly the Carter administration opposed the political liberalization demanded by Gwangju activists, and in retrospect, equally as clear is their surreptitious plan for liberalization of the economy.

Like today in Iraq, US economic interests are seldom in the public spotlight but often buried beneath security concerns; nor are American stakes simply those of transnational capital in general. The interests of US corporations are not identical with those based in France, Germany, or Japan. In 1980, the expression of an “export-subsidy war with Europe and Japan” was heard recurrently; in the case of South Korea, France was in close pursuit of the nuclear power contracts for plants 9 and 10,^[18] and the US Embassy worried that the contracts for these multi-billion dollar projects might go to the French—as they subsequently did. Gleysteen also called for attention to German (Siemens) pressure on a looming telecommunications contract for which, “The American job potential for this job alone is close to 30,000 man-years.”^[19]

Financing the huge capital expenditures for nuclear power plants was what Moore’s June visit was intended to facilitate. The burgeoning and militant anti-nuclear-power movement in the US had curtailed all new orders for domestic plants, and South Korea became a convenient solution to the problem of Westinghouse’s surplus production capacity. Already, the ROK was Exim’s biggest borrower. Bechtel had written Korea Electric Company’s loan applications to Eximbank;^[20] and Westinghouse and the nuclear industry stood to gain tens of billions of dollars in contracts for nuclear power plants 7 and 8 alone. Thus, less than a week after the slaughter in Gwangju, Eximbank president John Moore went to Seoul to lobby for Westinghouse. In their June 3 meeting with Prime Minister Park, Moore and Gleysteen assured the PM that although non-competitive “Korea had received the best product at the best price from the US.”^[21]

In this same period of time, California and Gulf Coast agribusiness wanted to unload their surplus of medium grain rice to Korea—imports the ROK desperately needed because of the terrible harvest in 1980. Just before the sale of 644,000 tons went through, California farmers raised the price by \$100/ton, netting them an extra \$64 million. Korea needed at least a million more tons of rice, and the US embassy did its best to convince them to accept disliked Gulf rice.^[22] The Rice Millers Association evidently tried but failed to convince Embassy officials to help raise the price even more than the \$100/ton above the record price of that time.^[23] In this same period, Embassy documents note that the American Home Insurance Group and Pan American Airlines were also lobbying hard for access to Korean markets.

Investor Panic and Chun’s Rising Star

On June 3, the same day that Moore and Gleysteen huddled with the prime minister, General Chun Doo Hwan forced the national mineworkers’ union president, Choi Chong Sop, to resign. Choi was known to the US embassy as “one of the FKTU’s (Federation of Korean Trade Unions—the legal, government-sanctioned network of trade unions) more independently minded national union leaders.” The reason given for Choi’s dismissal was his embezzling money on overseas trips, but he had also supported a dissident union faction of the

Sobuk miners who had militantly and successfully defied company and government in April. The US encouraged Chun to provide stability for business reasons, and Chun's "purification" program was quickly implemented. Of the 21 leaders of national unions, 17 were eventually dismissed. In June, the first month of years of this program, thousands of government workers, including at least 230 economic officials at the rank of director-general or above, were summarily fired, as were more than 90 high-ranking police officials whose loyalty was uncertain. Soon, the new military authorities dismissed 1,819 employees in state-owned enterprises, including 39 presidents or vice-presidents, 128 members of boards of directors (an astonishing 22.5% of the nationwide total), [24] and an additional 431 officials from Korea's banking sector.

On June 6, Gleysteen assessed the public mood in Korea, telegramming Washington that "The current situation is very analogous to Mount St. Helens. There have been two serious eruptions, the students in Seoul and the citizens in Gwangju, and a thin lava dome composed of strong military control, extreme caution, and a degree of emotional exhaustion has been formed. How long this will hold, given the continued subterranean rumblings in the society, is by no means certain." [25] He went on to add, "US businessmen are cautious over the long-term stability of the ROK but less concerned over democratic development. If the military leadership can develop an apparently stable structure and reinvigorate the economy, then US business and banking circles will be prepared to go back to business as usual." [26] To help allay investor fears, Chun dined on June 13 with leaders of the American Chamber of Commerce in Korea, including the president of 3-M and representatives of Bank of America, Dow Chemical, and Gulf Oil.

In comparison to Park Chung-hee, who had often been a thorn in the side of the US, Chun quickly became an American lapdog. Park had a strategic vision for Korea and had bucked the US on numerous occasions. At one point he moved precipitously toward reunification; in the early 1970s, he embarked upon a secret program to develop his own nuclear weapons. [27] So estranged was President Carter when he came into office that he scheduled the complete withdrawal of US troops from Korea. The contrast with Chun is immediately evident. Chun gored himself at the ox of Korea's economy, amassing a family fortune that approached (some say surpassed) a billion dollars. As he did so, he compliantly implemented suggested US economic policies; whenever questioned, he exaggerated the North Korean threat and increased repression.

When initially faced with Chun's new military authorities, international investors' indecision, far from being a flash in the pan, lasted for months. On June 21, Deputy Secretary of State Warren Christopher wrote to Richard Holbrooke (then Assistant Secretary of State for East Asian and Pacific Affairs) that Chun needs "implementation of sensible economic policies." On July 11, Christopher cabled Seoul that US bankers were in a titter about Korean political dynamics: "We have been informed by one of the large US banks that during the visit of Bank of Korea Governor Shin this week Shin was given a blunt message. Shin was informed by the U.S. bankers that if Korea did not get its political house in order swiftly then it would be exceedingly difficult to get necessary funding beyond this year." [28] Nine days later, the press reported that 431 officials from Korea's banking sector had been fired.

On August 2, the largest US banks (Bank of America, Chase Manhattan Bankers Trust, Chemical Bank, Hanover and Citibank) hesitated on future medium- and short-term loans. Korea Electrical Company could not obtain commercial loans for nuclear power plants 7 and 8. [29] Chun again moved even more harshly against his opponents. The same day that these bankers equivocated, the State Department noted in a classified telegram: "Having already purged the KCIA, arrested major political figures and fired more than 5,000 senior and middle grade officials South Korean military authorities turned their attention to other areas this week." Businesses, unions, the media, universities, and especially the streets were targeted in a series of comprehensive "cleansings." More than 10% of the members of the National Assembly were arrested or forced to resign. An additional 835 people were barred from politics. Political parties were abolished and new guidelines for them created. Even the Korean Traders Association was hard hit, with 61 executives and employees compelled to submit their resignations. Gleysteen noted with equanimity that import "associations contain their share of deadwood, and as with other sectors the purge could therefore have its beneficial aspects." [30] The "deadwood" Gleysteen referred to was the leftover bureaucracy of Park Chung-hee's national developmental state.

When Chun's trimming of the "deadwood" was not enough to placate American investors' doubts, Chun moved to some heavy pruning, shutting down 172 periodicals by canceling their registrations.^[31] Every remaining newspaper, radio and television station, and wire service was assigned a Chief Emergency Planning Officer, and about 2,000 journalists were required to attend three-day "reorientation" programs. Even after all this, newspapers and mass-media companies were consolidated and banned from advertising. The Christian Broadcasting System was particularly hard hit, having already accepted more than \$100,000 for ads, which the government decreed could not be aired—thereby nearly bankrupting the company.

In his zeal to guarantee the stability demanded by US businessmen and Embassy officials, Chun ordered some 46,000 "hooligans and gangsters" to be rounded up, more than half of whom were either sent to reeducation camps ("Samcheong Concentration Camps"), the front lines, or jail. The number to be arrested was allocated in advance for each region, so police simply rounded people up, including persons with tattoos, until the official total reached 67,055.^[32] Some 7,500 were sentenced to two years' imprisonment even though they had not been convicted of any crime. At least 52 people died in these camps; hundreds more died early deaths due to the brutality they suffered in them; and 2,763 reported physical disabilities due to their harsh treatment.

In public places, police summarily cut the hair of men found with long hair, and more than 14,900 such cases were referred to courts; the courts themselves were purged, with Chun replacing five Supreme Court justices who inexplicably resigned on August 9.^[33] Hundreds of professors were detained and interrogated, and the embassy guessed 100-150 would be forced to resign. (The actual number was many times that guess.) Previously reinstated students and professors were all expelled. College presidents and deans were not excepted. All 109 regional offices of the FKTU were shut down, over 4,000 regional branch offices abolished, and hundreds of officials driven out; "self-purification" committees were created in religious organizations; over 3,000 employees of state-owned industries and banks were fired; and more than 400 journalists and 600 elementary and high school teachers lost their jobs.

Choreographing Regime Change

On August 8, the Embassy noted that ROK would probably get the international credit it needed if "the streets and campuses stay quiet."^[34] Noting that one smaller US bank president said "he wanted to eliminate all exposure in this country as soon as possible," the Embassy repeated the essential condition that the government must keep the "streets and campuses quiet." *Early that same morning*, Wickham had breakfast with Chun, after which he had arranged to be interviewed by *Associated Press* correspondent Terry Anderson and *Los Angeles Times* reporter Sam Jameson. In what he later claimed was supposed to be attributed to a "high-ranking source of the US forces in Korea," Wickham indicated that President Choi might soon be replaced by Chun and that the US "would have little choice but to support Chun" if he were to become president.^[35] Within 24 hours, banner headlines in Seoul and lead articles around the world blared the story of the US Commanding General having endorsed a Chun presidency—precisely the kind of reassurance US investors needed to hear.

Both Wickham and Gleysteen were conveniently absent from Korea when the ensuing uproar peaked, the former to attend a meeting of the worldwide US commander-in-chiefs in Virginia, the latter to participate in the first Aspen Institute seminar on Korea "with a spectrum of highly articulate businessmen" (including Warren Christopher's law partner). After Wickham's public endorsement of Chun, he was ordered to wait in Hawaii before returning to Korea. Gleysteen kept busy providing New York bankers with a "reassuring long-term view of Korean developments." On August 21, President Carter told a press conference that: "We would like to have a complete democracy with full and open debate, free press and elected leaders. The Koreans are not ready for that..."^[36]

Sometimes history takes pity on analysts seeking clarity amidst the muddle and confusion of rapidly changing events. In the case of Korea in 1980, with all its upheaval and turmoil, massacre and resistance, the month of August stands out as a decisive moment. Chun Doo Hwan has been called a gangster by many people for a variety of reasons—and not only for his vast repressive measures or the hundreds of millions of dollars he

embezzled while running the country. As I brought together my research notes dealing with this time period, I came to the conclusion that the unfolding scenario of Chun's assumption of his new hegemonic position was so closely coordinated and synchronized that his choreographer must have watched the movie *The Godfather* and borrowed from it the elaborate orchestration of Michael Corleone's killing of all his family enemies while he was in church.

At the beginning of the month, with constitutionally-sanctioned President Choi Kyu-ha in the Blue House, Wickham audaciously endorsed Chun and left Korea the next day. While both Gleysteen and Wickham were out of the country, Chun took care of all his business that month, putting Kim Dae Jung on trial beginning on August 14, getting Acting President Choi to resign on August 16, and, after getting himself promoted to four-star general, quitting the military—so he could be elected president as a civilian by the electoral college on August 27. President Carter's congratulatory letter to President-Elect Chun couldn't have put it better: "As you assume your responsibilities as president of the Republic of Korea, I want personally to assure you of our desire to maintain the basic economic and security interests of both of our nations." The next day, Gleysteen returned, and, with Richard Holbrooke's personal approval, Wickham was also permitted back. Business as usual was the order of the day.

Far from being a hotheaded dictator whose brutality was randomly dished out according to whim or fancy, there was a method to Chun's madness. At the same time as he ordered tens of thousands of people arrested and thousands more careers ended, he implemented "liberalization" measures, pushing through legislation for privatization of banks and government industries with the active guidance of a set of technocrats and advisors, including his closest American associate, CIA station chief Robert G. Brewster. Gleysteen huddled with Chun two days after his inauguration, seeking to rein in the government's attempt to execute Kim Dae Jung lest international investors again panic because of Chun's impulsive behavior.

On September 2, Gleysteen happily noted, "The new line-up should tend to reassure international business interests."^[37] Four days later, Secretary Muskie telegraphed that a "steady stream of businessmen and bankers continues to flow," concerned about Korea's stability.^[38] As the embassy hustled through loan approvals, Westinghouse Board Chairman Robert Kirby visited Seoul and described "recent Korean developments and Westinghouse's prospects in euphoric terms."^[39] The centerpiece of investor approval of the new president for which everyone had been waiting came on September 22, when the *New York Times* ran a photo of David Rockefeller shaking hands with a smiling Chun. Three days later, the government announced new policies relaxing foreign investments, including 100% foreign ownership of companies, 100% repatriation of funds invested from abroad, and foreigners' ownership of land.^[40]

Christopher noted with glee that "The embassy has been making every effort to protect the interests of US investors" and to "protect Korea's reputation as a favorable business climate." With Chun firmly ensconced in power, the US ratcheted up the pressure on the ROK—not to liberalize the political system (as the citizenry desperately needed)—but to open up its markets and banks. When Chun's Finance Minister visited the US in early October, he was pressured to provide greater access to the Korean market by American insurance companies. In a secret telegram from the State Department to the Embassy in Seoul dated October 17, "...the nation's hard headed economic managers appear to have retained the capacity to address difficult economic issues in a rational manner. The far-reaching industrial reorganization program initiated this summer initially disconcerted foreign investors but was an essential step to prepare for long-term growth."^[41]

Despite the change in the US administration after the elections in November, the White House continued its close monitoring of Korean events. Within a 48-hour period, Chun commuted Kim Dae Jung's death sentence, lifted martial law, and was invited to visit Nancy and Ronald Reagan. As the first foreign head of state in Reagan's White House, Chun was greeted in an elaborate and highly visible endorsement of his presidency that worked "miracles" for market forces—even though he had not yet been elected president under the country's new constitution. As Gleysteen had anticipated, the country returned to "normal"—i.e., bank loans came

through. Although scattered protests against Chun occurred, Koreans had little choice but to accept his regime as a *fait accompli*—at least until the dam broke in June 1987.

By making the country's economic recovery contingent upon short-term foreign loans and an increasingly internationalized capital market, Chun and his advisors set a course that led straight into the IMF crisis of 1997. In the first four years of his government, the country's foreign debt more than doubled, giving South Korea the dubious distinction of fourth place among the world's debtor nations behind Argentina, Brazil and Mexico.^[42] Capital markets were liberalized, as were regulations governing banks and trade. In 1983, Chun's government revised the Foreign Capital Inducement Law, removing nearly all restrictions on profit-taking and capital flow out of the country.^[43] Foreign investment in Korea, a little more than half a billion dollars in the five years from 1977-1981, jumped to that much *every year* by 1985.^[44] As the World Bank happily noted: "Overall, the liberalization of the Korea's external sector is proceeding smoothly and deliberately.... The Korean Government's intervention in the financial sector seems to have been quite distortive, especially in the latter half of the 1970s.... The financial liberalization efforts since 1980 have greatly improved various aspects of financial allocation."^[45] Published in March 1987, the report also noted that wages for Korean production workers were about one-tenth of those in the US. That same year, the Christian Institute for the Study of Justice and Development published statistics asserting that more than 80% of Korean workers received less than their government's own minimum cost of living,^[46] a clear indication of the storm brewing in the factories that would hit with full fury in August and September of that year.

To be sure, there were conflicts between Chun and the Carter administration, but these were relatively minor and meant as much for show as for substance. The new military authorities sent armed soldiers inside US information centers in Kwangju, Taegu, and Pusan and organized a letter-writing campaign to the US Embassy protesting US interference in South Korea's internal affairs.^[47] For their part, both the Carter and Reagan administrations occasionally delayed funds and pressured Chun not to execute Kim Dae Jung. Congress restrained US military and economic aid for Korea and wrote letters of protest, while the military delayed the annual consultative meeting. These surface conflicts in no way interfered with the Embassy's single-mindedly making "every effort to protect the interests of US investors" and to clear out the "distortive deadwood"—i.e., the remnants of Park Chung-hee's national developmental state. When we contrast American actions with those of Korean civil-society groups in this same time frame, the discrepancy between Korean and American priorities offers some explanation for the appearance and proliferation of anti-Americanism.

Wisdom of the Minjung

Marginalized from the Korean economic development by Park Chung-hee, South Cholla province was in crisis long before the 1980 uprising. Income was less than three-quarters of the meager earnings in the rest of the country, and imports of surplus agricultural products from the US flooded the market, ruining the future of small farmers.^[48] By 1980, the situation was so severe that nearly a million residents had migrated to Seoul—a fact reported by Gleysteen in his musings about the possibility of the democracy movement spreading after the uprising had been suppressed.^[49] Hundreds of thousands of others had moved to Pusan and elsewhere in Korea.

Well aware of the economic problems afflicting Honam, the US nonetheless aggressively pursued its material interests without paying attention to the basic needs of Cholla residents—to say nothing of their aspirations for democratic liberties and national reunification. Since most observers have framed their movement solely within the boundaries of political reform, Gwangju citizens' movements' concern for economic well-being and fairness are noteworthy. During the uprising, economic issues were part of the spectrum of demands raised, and afterwards economic concerns remained centrally positioned. In a manifesto released by "Residents of Chonnam Province" on the first anniversary of the uprising, the group called for the truth about the massacre to be known and punishment of those responsible (it would take another 15 years before Chun and Roh would be brought to justice)—but also for better prices for farmers' produce, free trade unions, and a free press. The statement went

on: “Foreign businesses continue to expand their market share with the help of the military regime. The economic occupation of the Korean market, as well as unreasonable foreign investment, should be stopped in order for the Korean economy to be less dependent on foreign influences.”^[50]

The United Family Members of the Defendants in the Kwangju Hearings bitterly named a specific American family: “...we remember the actions of Secretary Haig and others, including David Rockefeller, head of one of the most influential families in the United States, who, acting before the blood had even dried in Kwangju, was the first American business leader to visit President Chun.”^[51] On March 10, 1982, the Korean Catholic Justice and Peace Commission decried “indiscriminate introduction of foreign produce” and the “country’s drop in self-sufficiency for farm produce.”^[52] A few months later, on the uprising’s second anniversary, the Gwangju Citizens Movement for Democracy published a pamphlet, “What Should We Learn From the Gwangju Uprising?” Decrying the “conglomerates selling out the wealth of the nation,” the group criticized their own lack of leadership; it called on students to “continue to stage demonstrations as an avant-garde of change” and workers to continue to organize unions.

The wisdom of these ad hoc groups and their concern for the welfare of ordinary citizens contrasts sharply with the powerful US Embassy “making every effort to protect the interests of US investors.” While their economic concerns were evident, political acumen was not lacking in these activists groups’ discourse: the Families of the Imprisoned enunciated a sophisticated understanding of international politics: “When they experience resistance from students, the government should not intimidate the people with talk of the fall of Vietnam nor brag about having the support of the US government. The fall of Vietnam was caused by the absence of democracy and the corruption of the system.”^[53]

These feelings seemed to grow in sophistication with time. On the uprising’s sixth anniversary, the Manifesto of the Chonnam Branch of the National Council for Democratization noted that the US government is “more concerned with its own interests than with the interests of the people of Korea.” The group concluded: “The Gwangju Uprising taught us that only united people power can win in the end.”^[54] They vowed to continue to fight for direct presidential elections—and, as is now legendary in Korea, Gwangju inspired the June Uprising the next year, when 19 consecutive days of massive and militant demonstrations compelled the US to give up its proposal for an “orderly” transition and forced Chun to step down, change the constitution, permit direct presidential elections, and expand democratic liberties.

The relationship between politics and economics is so complicated and historically changing that no one has yet been able to formulate laws or equations that have the consistency and accuracy of the laws of physics. The best we can do is to understand specific contexts and provisionally attempt to project into the future on a very limited basis. After the Gwangju Uprising, Gleysteen attempted his own prognosticating: he continued to believe that many Koreans “will opt for order over liberalization if order is accompanied by economic rewards.”^[55] Koreans had a very different set of priorities:

A poll conducted before the June Uprising indicated that the vast majority of self-identified Korean middle-class citizens (an astonishing 85.7%) supported the idea that: “We should promote human rights even if it delays economic growth.”^[56]

Concluding Observations

The suppression of the Gwangju Uprising marked the bloody imposition of a neoliberal accumulation regime on Korea. Although often dated to the 1990s, evidence from US Embassy documents and World Bank data suggests that neoliberalism arrived in Korea in the early 1980s. This finding is significant for at least two reasons. First, it casts doubt on the conventional wisdom, which holds that the reason why the US supported military intervention during the uprising in 1980 and not in 1987 is because Washington policymakers “learned something” from the outbreak of anti-Americanism after the Gwangju massacre. Once it is understood that a neoliberal agenda was firmly implemented under Chun’s Fifth Republic, then it becomes clear that military intervention of the sort sanctioned by the US in 1980 would have threatened the very investments of New York banks and American

financiers which had accumulated in Korea by 1987. When the June Uprising broke out, Chun had outlived his usefulness to the US, and although they had tried to persuade the opposition to permit an “orderly” transition and hold back on constitutional revision, once the minjung uprising erupted, the US preferred for Chun to exit than for US investments to be threatened. In the second place, understanding the consolidation of neoliberalism in the early 1980s implies that the US Embassy was far ahead of many Korean economists in comprehending the trajectory of the Korean economy. As late as 1999, respected Korean economist Lee Chan-keun indicated he still was pondering this transition: “If the late President Park Chung-hee’s development model has lost its utility, then it is certainly time for the country to reach for a new model for its future economic development...Korea can certainly no longer ignore the interlinked international economy...The days of double-digit economic growth are over, and...there is no clear vision of ensuring a promising future.”^[57] Nineteen years earlier, the US Embassy had already enunciated almost exactly these same views—except US policymakers did have a clear vision for the future.

In the space of two short decades after Korea’s economy was subjected to American-led neoliberal imperatives, billions of dollars of US investors’ moneys flowed into the country. The country’s indebtedness and dependence upon international currency transactions were major factors in the IMF crisis of 1997, when practically overnight, the won lost more than half its value,^[58] two million workers lost their jobs, 30,000 homeless appeared on the streets,^[59] and the country went bankrupt. The IMF demanded structural adjustments, which resulted in the income of the highest brackets rising, while that of the lowest 20% decreased by 17.2%;^[60] small farmers’ ability to be economically viable was further undermined and previously unacceptable levels of unemployment resulted in dozens of “IMF suicides”; and the majority of people employed could only find part-time work—all features of the Americanization of Korea.

Unlike millions of hard-working Korean workers and farmers, the men who ordered the bloody suppression of Gwangju were rewarded: although convicted of treason and imprisoned briefly, Chun kept hundreds of millions of dollars he had embezzled; Holbrooke made a fortune as an advisor to Hyundai and US banks before being named US ambassador to the UN; and Carter won a Nobel Peace Prize. Simultaneously, the US Embassy’s long-term focus “to protect the interests of US investors” paid off handsomely. The IMF crisis and concomitant devaluation of the Korean won allowed investors like the Carlyle group to acquire Korean capital assets at bargain basement prices.

For some observers, the Bush dynasty is on its way to becoming the greatest in American history. With three victorious presidential elections already under its belt, the family has also amassed a fortune. For years, Bush Sr. chaired the annual meeting of Carlyle’s Asian Advisory Board. In 2000, when the IMF warned of dire consequences if South Korea did not “shore up financial institutions burdened with bad loans,”^[61] Bush met with Kim Dae Jung’s prime minister and other government and business leaders, and soon thereafter, Carlyle’s \$145 million bid won control of KorAm Bank. A few short years later, when KorAm was sold in what *Business Week* described as “the single-largest private-equity exit in Asia to date,” Carlyle netted a profit of \$675 million on that single transaction.^[62]

Other US-based private equity funds have done even better: Newbridge Capital “earned” more than \$1.2 billion in five short years by buying and selling Korea First Bank; Lone Star Fund flipped a 45-story building in Seoul making a \$240 million profit, and its \$1.2 billion stake in Korea Exchange Bank, which it acquired in 2003, was reportedly worth more than triple that when sold off in early 2006.^[63] In the blunt and prophetic words of Ray Hood, State Street Bank’s director of Asian investments, “In Asia, investment returns will be a complete steal.”^[64] According to ROK government statistics, foreign funds’ assessed stock investment gains totaled \$100 billion between 1998 and 2003; by May of 2005, foreigners held 47% of the shares of the top 10 *chaebol* and 42% of the entire stock market (up from 9.1% in 1997).^[65]

Lone Star’s attitude toward Korean workers is embodied for many people in the story of Jang Wha Sik, one of 160 workers at Korea Exchange Bank Credit Service (then under the control of Lone Star) who received a text

message on February 27, 2004 at 3:20 a.m. announcing that he would be laid off the following day in a cost-cutting measure. In Jang's words: "They are siphoning astronomical amounts of national wealth out of the country. What did they do in return? They laid off workers. Talk about injustice!"^[66] But Lone Star Fund was not finished with its demonstration of American friendliness: they balked at paying even a "trifling" amount in taxes since their investments were made through paper companies registered in tax havens.^[67]

The conflict between Asian and Western values exists at many levels; for my purposes here, none is more important than that of economic transactions. According to Confucian tradition, a successful bargain occurs when both buyer and seller are satisfied that a fair exchange for each has been achieved. Since both China and Korea shared these values, they were able to maintain friendly relations for centuries, because as Bruce Cumings explained, "China gave more than it received."^[68] If someone sells cheap products at a very high price, hoodwinking unsuspecting buyers, it is actually the seller who has lost face—fairness and ethical behavior being more valuable than making money. In the West, and increasingly everywhere today, the person who bargains "successfully" is someone who buys low and sells high—no matter who is hurt in the process.

Divergent understandings of the norms of fairness and ethical transactions are a material basis for sustained anti-Americanism. The gap between US and Korean perspectives, readily apparent in statements of US officials and the voices of activist groups in Gwangju, has widened in the epoch of the neoliberal accumulation regime, when the preponderant role of finance capital dwarfs other areas of economic activity. In this new accumulation regime the role of the IMF and World Bank are vital to countries' economic development. Unlike decades past, when values such as Korean hard work, sacrifice, and national solidarity (so evident in the IMF crisis when millions of housewives donated their wedding rings to the government) played a primary role, in contemporary society national treasuries can be emptied overnight by the financial wizards of international speculation and corporate domination.

In the current architecture of the world economy, it is only "natural" that nations and individuals single-mindedly seek to maximize their market positions. Although often rationalized as the "invisible hand" of Adam Smith, he had only contempt for the "vile maxim of the masters of mankind, all for ourselves, and nothing for the people."^[69] To many Koreans, it appears that the "ugly American" has returned: As Lee Chan-keun expressed it: "In his *Analecets*, Confucius writes that a man of virtue neither pushes others to follow him nor blindly follows another's lead...Seen from Confucius' viewpoint, the United States seems to fit the description of the lowly man. Washington demands that other countries adopt its ways and practices."^[70]

It is at this point that the very success of US officials' making "every effort to protect the interests of US investors" stokes the embers of anti-Americanism in South Korea and undermines the strategic alliance between the ROK and the US. Koreans are outraged as foreign investors systematically loot their national wealth, while they become the 20/80 society (where only 20% of the workforce enjoys stable employment). Will Korea continue down the path of Americanization? Or will it face toward the EU, perhaps Scandinavia,^[71] or, as is more likely, China?

Within the neoliberal accumulation regime with its capacity for financial boondoggles, we seem caught in a peculiar dynamic where the more successful American investors are, the more anti-Americanism increases in the ROK. There may be more visible issues driving US-Korea relations, but under the surface, US officials single-mindedly pursuing the interests of American investors—no matter what the cost to Koreans—may well mean the long-term undoing of the US/ROK alliance.

[1] See his article, "The United States and South Korea: An Alliance Under Stress—A Reassessment," *Korea Policy Review*, Volume 1 (2005) pp. 35-44. Gregg cites a "shocking" poll that revealed widespread anti-Americanism in 2003.

[2] http://news.naver.com/news/read.php?mode=LOD&office_id=121&article_id=0000001865

[3] <http://seoul.usembassy.gov/kwangju.html>

- [4] For discussion of the details of US involvement in the suppression of the Gwangju Uprising, one could begin with Tim Shorrock's articles, especially "Debate in Kwangju: Were Washington's cables read as a green light for the 1980 Korean massacre?" *The Nation*, December 9, 1996, available at http://base21.jinbo.net/show/show.php?p_docnbr=20896 and the longer version available at <http://www.kimsoft.com/korea/kwangju3.htm>, as well as Chung Sangyong, Rhyu Simin, et al., *Memories of May 1980: A Documentary History of the Gwangju Uprising* (Seoul: Korea Democracy Foundation, 2003) pp. 268-277.
- [5] See Gi-Wook Shin and Kyung Moon Hwang (editors), *Contentious Kwangju: The May 18 Uprising in Korea's Past and Present* (Lanham: Roman and Littlefield, 2003) p. xxx.
- [6] The US documents were published as part of a multi-volume set entitled *May 18 Gwangju Democratization Movement Materials*, hereafter GDMM, Gwangju City May 18 Historical Materials Compilation Committee (광주광역시 5-18사료 편찬위원회, 5-18 광주 민주화운동자료총서), December 17, 1997. These 3,601 pages of documents were made available to me by Prof. Na Kahn-chaе and the May 18 Institute at Chonnam National University. After the citation in the books, I have provided the US document identification numbers. In addition to these US primary sources, Gleysteen and Wickham's memoirs were also helpful, as were World Bank reports. See John A. Wickham Jr., *Korea on the Brink: A Memoir of Political Intrigue and Military Crisis* (Washington D.C.: Brassey's, 2000) and William H. Gleysteen Jr., *Massive Entanglement, Marginal Influence: Carter and Korean in Crisis* (Washington D.C.: Brookings Institution Press, 1999).
- [7] GDMM IX: 355: 80Seoul 007266.
- [8] GDMM X: 401: 80State 244450.
- [9] Tim Shorrock's groundbreaking articles in 1996 were based on documents he obtained individually known as the Cherokee Files. The more than 3,000 pages of documents obtained by the city of Gwangju provide an even more detailed understanding of US policymakers' actions and thinking in this period.
- [10] GDMM IX: 304-5: 80Seoul 006921. According to US Ambassador Alexander Vershbow, South Korea is currently the world's 10th largest economy, the US's 7th largest trading partner (\$72 billion/year), 2nd largest exporter to the US after China, 2nd largest importer from the US after Japan, and with 86,000 Korean students in the US, the largest provider of foreign students. (Address at Harvard University, May 11, 2006).
- [11] GDMM VII:206: 79Seoul 013832.
- [12] GDMM IX:578: 80Seoul 008917.
- [13] GDMM IX:336: 80Seoul 007261.
- [14] Chung Sangyong, et al., op. cit. p. 43.
- [15] In December, 1994, President Kim Young-sam announced the first "Segyehwa" (globalization) reforms, and his administration's market liberalization and globalization measures are sometimes understood as the conversion period. See Davis B. Bobrow and James J. Na, "Korea's Affair with Globalization: Deconstructing Segyehwa," in Chung-in Moon and Jongryn Mo (editors), *Democratization and Globalization in Korea: Assessments and Prospects* (Seoul: Yonsei University Press, 1999) pp. 182-3. In the same year, Meredith Woo-Cumings observed that, "...there are those who thought the developmental state paradigm was the old wave, a period piece, a historical artifact describing the Japan of twenty years ago or even the South Korea of ten years past but no longer relevant in the 1990s." See *The Developmental State* (Ithaca: Cornell University Press, 1999) p. 28.
- [16] Also approved at this meeting was the prior release of the 20th Division from Combined Forces Command Seoul. At this meeting, "...there was general agreement that the first priority was the restoration of order in Gwangju..." See Gleysteen, op. cit., p. 135.
- [17] The Carter administration's priorities were other than human rights concerns not only in Korea, but in other countries, including Cambodia (where the US supported UN recognition of Pol Pot's ousted Khmer Rouge government for fear of alienating China—despite Khmer Rouge responsibility for millions of deaths); Iran (where Carter approved the Shah's request for crowd-control equipment, including tear gas); and Argentina (where Carter announced an end to the arms embargo on the military dictatorship). Although there were notable forces advocating a consistent application of human rights criteria to US decisions (notably Patricia Derian, then Assistant Secretary of State for Human Rights Affairs), Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs, held sway. In his view, the difference between Derian and himself "was that she was myopically fixed on human rights as the only plank in American foreign policy while he had to be concerned about America's security and economic interests." See Victor S. Kaufman, "The Bureau Of Human Rights During The Carter Administration," *The Historian*, 9/22/1998. <http://www.highbeam.com/library/docfree.asp?DOCID=1G1:53461483&ctrlInfo=Round20%3AMode20b%3ADocG%3AResult&ao>= Ronald Reagan nominated Elliott Abrams to replace Derian as Assistant Secretary of State for Human Rights and Humanitarian Affairs.
- [18] GDMM VII: 634: 79State 297698; VIII: 430: 80Seoul 001900.
- [19] GDMM VII:308: 79State 255196; GDMM VII:320: 79State 260763.
- [20] Peter Hayes and Tim Shorrock, "Dumping Reactors in Asia: The U.S. Export-Import Bank and Nuclear Power in South Korea, Part 2," *Ampo* Vol. 14 No. 2 (1982) pp. 16-23.
- [21] GDMM IX:341: 80Seoul 007261.

- [22] GDMM X: 536: 80State 276967.
- [23] GDMM X:805: 80State 329118.
- [24] GDMM IX:632: 80Seoul 009434.
- [25] GDMM IX:346: 80Seoul 007266.
- [26] GDMM IX:348: 80Seoul 007266.
- [27] Gleysteen, op. cit., p. 14.
- [28] GDMM IX: 583: Department of State telegram, 11July80 State 182038; also quoted in the sidebar to Tim Shorrocks, “Kim Dae Jung and the American Challenge,” originally in *Hankyoreh Shinmun*, January 1, 1998.
- [29] GDMM, X:30: 80State 204864.
- [30] GDMM IX: 681: 80Seoul 009828.
- [31] GDMM X: 30-1: 80State 204864.
- [32] Presidential Truth Commission on Suspicious Deaths of the Republic of Korea, *A Hard Journey to Justice* (Seoul: Samin Books, 2004) p. 221.
- [33] Jerome A. Cohen and Edward J. Baker, “U.S. Foreign Policy and Human Rights in South Korea,” in *Human Rights in Korea: Historical and Policy Perspectives*, edited by William Shaw (Cambridge: Harvard Council on East Asian Studies, 1991) pp. 211-12.
- [34] GDMM X:65: 80Seoul 010189.
- [35] Wickham, op. cit. p. 156. Gleysteen’s book, written in close collaboration with Wickham after the two had been summoned to the ROK’s National Assembly, incorrectly has the date of the breakfast a day earlier. For the best account of Wickham’s endorsement of Chun, see Henry Scott-Stokes and Lee Jae-eui, editors, *The Kwangju Uprising: Eyewitness press Accounts of Korea’s Tiananmen* (Armonk: M.E. Sharpe, 2000).
- [36] Wickham, op. cit., p. 163.
- [37] GDMM X:326: 80Seoul 011457.
- [38] GDMM X:360: 80State 237970.
- [39] GDMM X:438: 80State 250900.
- [40] Christian Institute for Social Justice and Democracy, *The Power of Transnational Corporations in Korea* (Seoul: Christian Institute, 1981) p. 13.
- [41] GDMM X:538: 80State 276967.
- [42] *Korea: Managing the Industrial Transition* (Washington, D.C.: The World Bank, 1987) Vol. 1, p. 164. Also see Songok Han Thornton, “The ‘Miracle’ Revisited,” *New Political Science*, Vol. 27 No. 2 (June 2005) p. 166.
- [43] *Ibid.*, Vol. 2, p. 205.
- [44] *Korea: Managing the Industrial Transition*, op. cit., p. 169.
- [45] *Ibid.*, Vol. 2, pp. 81, 105, 107.
- [46] Christian Institute for the Study of Justice and Development, *Social Justice Indicators in Korea*, (Seoul: 1987) Second Edition, p. 55.
- [47] For discussion, see Sun-won Park, *The Dynamics of Triangular Intra-Alliance Politics: Political Interventions of the United States and Japan Towards South Korea in Regime Transition 1979-1980* (University of Warwick, unpublished doctoral dissertation, 2000) p. 143.
- [48] In 1980, the average annual income per person in Gwangju was 461,451 won as compared to 619,037 nationally. *Hard Journey*, op. cit. p 209. Also see 5-18관련 논문과 작품 영역 및 저술 사업: 2001. 5-18 20주년 기념 학술연구사업 연구소위 전남대학교 5-18 연구소 (hereafter Essays), p. 61.
- [49] GDMM IX:352: 80Seoul 007266.
- [50] May 18 Research Institute, “Manifestos and Declarations” in *Materials Related to the Gwangju Uprising* (Gwangju: Chonnam National University, 1998) p. 2-126. (hereafter Materials.)
- [51] United Family Members of the Defendants in the Kwangju Hearings, “A Letter to President Reagan,” in *A Declaration of Conscience: The Catholic Church and Human Rights* (edited by the Japanese Catholic Council for Justice and Peace, Maryknoll: Orbis Books, 1983) p. 131.
- [52] *Ibid.*, p. 364.
- [53] Materials, op. cit., p. 2-129.

- [54] Materials, op. cit., p 2-139.
- [55] GDMM IX:352: 80Seoul 007266.
- [56] Published in June 1987 in *Hanguk Ilbo*. See James Cotton (editor), *Korea Under Roh Tae-Woo: Democratisation, Northern Policy and Inter-Korean Relations* (Canberra: Allen and Unwin, 1993) p. 88.
- [57] Lee Chan-keun “Korean Economy in Era of Globalization,” *Korea Focus*, March-April 1999, pp. 92-3.
- [58] Irma Adelman and Song Byung Nak, “The Korean Financial Crisis of 1997-98,” http://72.14.207.104/search?q=cache:AcRsVU4f_LcJ:are.berkeley.edu/~adelman/crisis.pdf+1997+Korean+currency+devaluation&hl=en&gl=us&ct=clnk&cd=2.
- [59] Su-Dol Kang, “Labour Relations in Korea Between Crisis Management and Living Solidarity,” *Inter-Asia Cultural Studies*, Vol. 1, No. 3, 2000, p. 396.
- [60] National Statistics Office as quoted in Economic, Social, and Cultural Rights in the Republic of Korea, *Korea NGO Report to the United Nations*, April 2001, p. 10.
- [61] Don Kirk, “Bad Loans Imperil South Korean Growth, IMF Warns,” *International Herald-Tribune*, November 16, 2000, p. 19.
- [62] “Carlyle Group’s Asian Invasion,” *Business Week Online*, February 14, 2005.
- [63] William Sim and Michele Batchelor, “Lone Star to sell its stake in Korea Exchange Bank,” *International Herald-Tribune*, January 13, 2006, <http://www.iht.com/articles/2006/01/12/business/bxlone.php>.
- [64] Tim Shorrock, “Crony Capitalism Goes Global,” *The Nation*, April 1, 2002. Carlyle’s Asia advisory board also includes former Philippine President Fidel Ramos, former US national security advisor Frank Carlucci and former Korean Prime Minister Park Tae Joon.
- [65] Choe Sang-Hun, “Seoul Grows Wary of Foreign Investors,” *International Herald-Tribune*, May 12, 2005, p. 18.
- [66] Ibid.
- [67] See the *Korea Times*, September 30, 2005, “Will Lone Star, Other Foreign Funds Hit Back?”
- [68] Bruce Cumings, *Korea’s Place in the Sun: A Modern History* (New York: Norton, 1997) p. 91.
- [69] Noam Chomsky, “Democracy and Education,” Mellon Lecture, Loyola University, Chicago, October 19, 1994; available at www.zmag.org/chomsky/talks/9410-education.html.
- [70] Lee Chan-keun, op. cit., p. 94.
- [71] Kuk Cho posed this question with great eloquence in our conversation in Cambridge, Massachusetts in May 2006.

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