

A System On Trial: South Korean Political Reform Requires Evidence, Not Stagecraft

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"Come at the king, you best not miss."

Omar Little, The Wire

Following the American Revolution, the Founding Fathers believed they could reduce corruption by replacing an unaccountable king with three branches of government to check and balance one another. Replacing one King George with another would not have made any long-term difference.

One of the problems with the South Korean economy, as it bravely tries to enact its own longterm democratic reforms, is that its corporate fieldoms (*chaebols*) are too interwoven with the Korean government. Samsung, LG, Hyundai, and SK drive the lion's share of Korea's exportdriven economy. As The Atlantic put it bluntly a few years ago: "<u>Whoa: Samsung Is</u> <u>Responsible for 20% of South Korea's Economy</u>." This system helped develop some of the largest and most innovative companies in the world, but not without a cost as their cozy relationship with government make the chaebols particularly vulnerable to corruption.

Thus, when the courts indicted former President Park Geun-hye for bribery, along with Samsung heir Lee Jae-yong, people became hopeful at the prospect of real reform. Humbling the archetypical power-elites could finally break the scandalous bond South Korean politicians and business interests have enjoyed for generations.

However, only naïve observers regard the image of a former president and heir to Korea's largest corporation in prison garb as proof that the country will finally see meaningful political reform. Lee's conviction and sentencing is not a triumph for the rule of law but in reality it appears to largely be a piece of political stagecraft.

Following Park's removal from office, Korea elected Moon Jae-in president earlier this year. With his background as a liberal human rights lawyer and activist, reformers touted his election as a symbolic victory over the government-*chaebol* cabal. However, the legal drama playing out in Park and Lee's trials demonstrates how entrenched the old order is and how difficult it will be to accomplish real reforms.

Imagine the political tumult if Park were exonerated: The legitimacy of Moon's presidency and his progressive agenda depended not on a fair trial and a thorough evaluation of factual evidence, but on a conviction of his predecessor, and Lee's conviction was a prerequisite to Park's conviction, since bribery requires at least two culpable parties.

Politics, rather than the rule of law, played an outsized role in the outcome of these legal proceedings.

In Korea's legal system, judges rise through the ranks of a system that has the appearance of a meritocracy, but is overshadowed by politics. However bright and earnest judges may seem in rendering judgments, they are far more than technicians applying specific statutory provisions to discrete pieces of evidence. They are politicians who must be ever-mindful of their stakeholders' priorities just as much as a member of the U.S. Congress.

If that were not the case, Lee could have been acquitted. His trial revealed that the evidence against him was rich with speculation but lacking in hard evidence that Lee indeed provided funds to Park in return for a specific purpose, which is the definition of bribery. But deposing presidents or corporate chiefs is not the sort of endeavor politicians leave to mere facts, and the judges who operate under the gaze of nervous politicians know this.

South Korea is entering what may be its most challenging time since the war ended. On the security front, Kim Jong-un appears to be "practically begging for war," as U.S. Ambassador Nikki Haley asserted, while President Trump is pondering changing--or ending--the Korea-U.S. Free Trade Agreement.

Companies like Samsung, in whatever form, are integral to Korea's long-term economic success. The current uncertainty and leadership void hanging over Korea's corporate system is arriving at a bad time.

President Park's father, Park Chung-hee, began transforming Korea with an iron fist over 50 years ago, and the country's unique form of state-sponsored capitalism was built on a "public-private partnership" – a model that originally benefited Korea but no longer makes sense. As Korea navigates the transition from its corruption-tainted past through the perilous present and into an uncertain future, many will see Lee's jailing as the beginning of the end of a broken system.

But it will soon become apparent that the trials' outcome is actually a manifestation of a politicized judicial process that must be reformed before any substantive economic reforms can be accomplished. What might appear to be a political victory for Moon could soon present itself as another mountain for the reformist movement to climb.

(with Jared Whitley)

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