

INSTITUTE OF CURRENT WORLD AFFAIRS

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Mr. Peter Bird Martin
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Dear Peter,

He stole from the rich. He gave nothing to the poor. But many people in South Korea insist on calling Cho Se-hyong "Robin Hood."

Cho became an overnight sensation in South Korea's press in April when police revealed that he had escaped a detention room in the Seoul court house by knocking out a fan and squeezing through a narrow ventilation shaft. Cho's five day flight for freedom was short-lived. But his popularity remains as a disturbing commentary on public cynicism about high-level corruption and inequality in Korea.

Many Korean's chuckled over each new detail of Cho's fantastic crimes. Lee Jin-hie, Minister of Culture and Information, however, was less amused. He has repeatedly criticized the public media for fanning social discord by engaging in cheap sensationalism.

The story of the "Great Thief," or "Daedo," as local papers dubbed him, followed a pattern set by several other recent scandals. A minor or major tragedy snowballs into a sordid tale of intrigue and corruption, revealing illegal and unethical behavior that, apparently, only accidentally slipped into the public's eye. The way the stories come to light undermines public confidence in the government's anti-corruption campaign. The stories reinforce widespread convictions that a small minority has benefited unfairly from Korea's remarkable economic achievements. They also show why a freer press might even benefit the government here, provided, that is, the government sincerely wants to stamp out corruption.

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On March 25, Kim Kun-jo, 45, director for accounting of the Hanil Synthetic Fiber Industrial Co., died in the Pusan National University Hospital from brain hemorrhage and multiple concussion in the chest and legs. A few days earlier, police had beaten him severely during interrogation.

Scandal number one was police brutality. The constitution prohibits arrest without warrant and prohibits torture. Yet the constitution did not protect Kim when police picked him up at his company office in Seoul, without a warrant, and escorted him to Pusan, Korea's southern industrial port city. There, in an inn, police stripped him to his underwear, and beat him so he would admit to rigging bids in a land purchase scam, scandal number two.

The police lieutenant who allegedly beat Kim was arrested, the national director of police resigned, and Minister of the Interior Roh Tae-wu vowed tough measures to eliminate police torture. (Mr. Roh, a close friend and political associate of the President, managed to dodge opposition calls for his resignation.) After Mr. Roh's statement and some phlegmatic questioning in the National Assembly, the public media has gone on to other topics. Perhaps firm anti-brutality measures have been taken, but who is to know?

The issue itself has not died however. Police brutality has become a centerpiece for student demonstrators who have rocked the campuses again this spring in their annual ritual. This year the rough way that plainclothesmen break up campus assemblies has become an issue unto itself.

Police brutality has a long history in Korea. The land scam, though, is a product of Korea's export-led growth strategy and rapid urbanization. To keep up a steady expansion of Korean exports, the government has supplied major exporters with subsidized loans guaranteed upon receipt of letters of credit. Smaller businesses had to fend for themselves in an unregulated private korb market where they paid very high interest rates, about 2.8% per month today. Many of the export companies in turn used their cheap money to speculate in land, where fast-rising prices insured a hefty profit. The land then provided collateral for further secured loans.

The rapid spiral of land and housing costs here, propelled by intense speculation, has become something of a scandal in itself. A thousand square-foot apartment in some of the newly-developed neighborhoods of Seoul can go for over one-hundred thousand dollars, putting it well beyond the reach of ordinary Koreans.

In 1980, the government began to investigate business groups that had more than about \$25 million of outstanding loans, and ordered overextended companies to sell any land not used for business purposes to the government-owned Korea Land Development Corporation (KDLC). In a later auction, however, many of the same businesses rigged bids and repurchased the land through relatives or third parties using fictitious names. The prices hovered suspiciously close to the minimum set by the government and many people suspected that employees of the KDLC must have received bribes.

Soon after the Hanil director died and the land repurchase scam became public, Prime Minister Kim Sang-hyup, a former President of Korea University respected for his integrity, publically set the government to work on uncovering all the details, "to completely dispell the public's suspicions." Investigators began by grinding away at their desks on Arbor Day, a national holiday. By May, twenty-one firms had voluntarily reported illegal repurchases, while investigators uncovered four other cases.

It is hard to know if the government's handling of the affair has quelled public doubts about its integrity. The Prosecutor General's Office does seem to have gotten to the bottom of this one, though it had little choice given all the publicity. But the case has not eased many people's suspicions that those at the top have vast sums of money at their disposal to play with at the expense of the ordinary man on the street.

Nothing crystalized those sentiments more clearly than public reaction to the Cho Se-hyong case. Not even Daedo himself ever claimed to have benefited anyone. Yet lying in his hospital bed, recovering from bullet wounds inflicted during his arrest, he received gifts of cash from anonomous sympathizers. One Korean man said, "It is very sad that he was shot. I feel sorry for his family." Newspapers reported that a crowd of onlookers witnessing the arrest urged police not to shoot.

Why such sympathy for a house burglar?

Cho did not steal from just anyone. With the aid of a screwdriver, Cho pryed open doors into homes of some of Korea's wealthiest and most prominent families, including a former assemblyman, the presidents of several large corporations, and even the Deputy Prime Minister, Kim Joon Sung.

What's more, many victims did not report their losses to the police. They preferred to sacrifice their wealth in silence rather than let on publically that they had massed a collection

of precious stones and gold. The Deputy Prime Minister did report the loss of 7.4 million won of jewelry at the time of the theft. He neglected, however, to mention another 500 million won (over \$600,000) of negotiable securities that Cho had run off with.

Many Koreans wonder how anyone can legally accumulate such wealth. Some reports indicate that Mr. Kim, a former banker, earned his riches legitimately. But many people seem unconvinced. As one man said, "Cho just stole what those people shouldn't have had to begin with." The Korea Herald, a conservative paper that normally strays little from the government viewpoint, editorially chastised Cho's wealthy victims for their "extravagant" living. They should have put their money in the bank, or invested it productively, the editorial said. Assemblymen have questioned whether Korea's import control laws could have permitted legal entry of such luxuries. No one could say whether the owners had paid proper customs duty, and the Minister of Justice has refused to investigate the question.

During his five days at large, while Cho slept in empty stairwells and vacant homes, stealing his meals and clothing, and wandering about the city, newspapers ran long articles detailing his escape and his crimes. Readers feasted their eyes on photographs of glittering diamonds and rubies from Cho's cache.

Tipped off by a tailor's cutter, police ended Cho's flight in a dramatic chase through back alleys, with Cho scaling walls and jumping from roof to roof, just like a circus acrobat, as one witness put it, to evade capture. Police finally cornered him in the bathroom of a house where, wielding a knife, he had taken a college student hostage. Police shot Cho in the chest, they said, to protect the student, although the explanation did not satisfy some assemblymen who criticized the police for using excessive force. They pointed out that Cho had never hurt anyone. Cho's capture took up a full twenty minutes of a half-hour evening news broadcast.

Korea's Culture-Information Minister, Lee Jin-hie, has complained several times of the way the newspapers handle these stories. They seemed to have more bad words for Cho's victims than the thief himself, more suspicion about the KLDC than the crooked businessmen. In a frank admission, Mr. Lee suggested people ought to get used to the fact that inequality is inevitable in a capitalist society. (He might also have pointed out that some socialist countries have not done much better.) He criticized the news media for sensationalism and their indiscreet way of reporting major news stories.

It is hard to disagree with Minister Lee. The hijacking of a Chinese domestic airliner here several weeks ago set off another orgy of intensive coverage in the press. No paper neglected to report in exhaustive detail what the hijacked passengers ate, where they went, or what nuance lay behind each grin or grimace. One enterprising reporter managed to interview a maid who worked in the hotel where the passengers stayed. One passenger's underwear, hanging out to dry in the bathroom, she observed, was made of shoddy cloth. This sort of shrewd sociological tidbit dominated the back pages.

Minister Lee may be right that some of this coverage exceeds the bounds of good taste. On the other hand, if bad taste has found fertile ground in Korea's mass media, why curse the inevitable? On the contrary, Korea's leaders ought to applaud this latest sign that Korea is hurtling toward its long-vaunted goal of becoming an "advanced nation." After all, nothing so pervades the advanced nations as simple bad taste, and millions of people have learned to live with it.

President Chun Doo Hwan came to power vowing an end to corruption and abuse of power. Few pledges could have so pleased the Korean people. There is no reason to doubt the President's sincerity here. But he obviously has failed to convince the public that his campaign has had much effect.

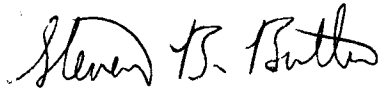
In fact the way the news about corruption comes to light only encourages people to think that the government has something to hide. If not for the accidental death of the Hanil director, or the police need for public cooperation in the rearrest of Cho, it seems, the public would never know the tales of corruption and privilege that lay behind these stories.

An impression has grown abroad that in very recent years South Korea has achieved a modicum of political stability. The widespread knowledge that many Koreans oppose the government has not affected that impression.

But the bizarre turning of a jewel thief into a popular hero spotlights with unusual clarity the intense dissatisfaction that brews beneath the surface. Few societies would have turned Cho Se-hyong into something other than what he is: a common, if daring, crook. In part, it is the circuitous and stilted way of reporting most news of importance that makes these scandalous bits of color stand out so sharply. Government restrictions on what newspapers print encourage public cynicism. They do not allay it.

The government might tarnish the appearance of stability if it encouraged journalists to report more regularly and graphically about corruption, privilege, and wealth in this rapidly changing society. But perhaps people would not suspect so much that the government wants to hide the truth. Envigorated muckraking, however sensational and tasteless, might benefit the government if it sincerely wants to earn the people's trust by cracking down on corruption and abuse of power. For many Koreans, though, this is a big if.

Best,

A handwritten signature in cursive script that reads "Steven B. Butler". The signature is written in dark ink and is positioned above the typed name.

Steven B. Butler

Received in Hanover 6/20/83