Creating a Capable Bureaucracy With Loyalists: The Internal Dynamics of the South Korean Developmental State, 1948-1979

Yong-Chool Ha¹ and Myung-koo Kang²

Abstract
This study explores why South Korea’s top leadership combined a merit-based principle with region-based particularistic elements in the recruitment and promotion of career bureaucrats of the Ministry of Commerce and Industry (MCI) during its industrial takeoff in the 1960s and 1970s. It also investigates how this recruitment and promotion style was emulated by business sectors as a way of securing means to penetrate into the MCI. The authors argue that (a) South Korea’s top leadership utilized region-based particularistic elements to secure loyalty to the authoritarian leader and (b) state bureaucrats fell back on the readily available social resources of the time—informal social ties—to reduce the uncertainty innate to policy implementation and to achieve short-term policy goals, and this practice bred the organizational foundation that might undermine the bureaucratic character of the state—legalism and impersonalism—at the later stage of economic development.

¹University of Washington, Seattle, WA, USA
²Claremont McKenna College, Claremont, CA, USA

Corresponding Author:
Yong-Chool Ha, University of Washington, Henry Jackson School of International Studies, Box 353650, Seattle, WA 98195
Email: yongha5@u.washington.edu
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Introduction

Creating a capable bureaucracy has been pointed out repeatedly as one of essential institutional elements to achieve economic development in late industrializing countries (Amsden, 1989; Evans, 1995; Evans, Rueschemeyer, & Skocpol, 1985; Gerschenkron, 1962; Johnson, 1982; Kohli, 2004). Since Max Weber’s articulation on the key characteristics of modern bureaucratic organization, the relationship between organizational rationality of modern bureaucracy and the development of market economy has been a recurring theme of debates in political economy (Gouldner, 1954; Silberman, 1993; Weber, 1978). In particular, studies on East Asian economic growth have predominantly explored the role of the state, focusing on the rational aspects of state bureaucracies (Aoki, Kim, & Okuno-Fujiwara, 1997; Cheng, Haggard, & Kang, 1998; H.-K. Kim, Muramatsu, Pempel, & Yamamura, 1995; Woo-Cumings, 1999). These previous studies have greatly contributed to scholars’ understanding of the concrete roles of the state in achieving economic growth.

Many studies, however, have predominantly focused on the rational and formal aspects of state bureaucracies, not appropriately paying attention to the bounded nature of rationality and the linkage between formal and informal aspects of state bureaucracies (Dittmer, Fukui, & Lee, 2000; Hwang, 1996). For example, studies focused on the rational aspects of state bureaucracies have approached recruitment issues of state bureaucracy primarily in functional or technical aspects, and therefore they have failed to consider the historical and structural conditions of the industrial takeoff and the character of political regime that drives the economic development. However, various cases of late industrialization have demonstrated that different historical conditions have shaped different patterns of recruitment of the state bureaucracy (Dahrendorf, 1967; Rosenberg, 1958; Schneider, 1991, 1993; Silberman, 1993, 1995). All late industrializing countries and their leaders are different, and thus distinctive, in their modes of securing competent technocratic bureaucrats. In the end, this depends on their institutional and social traditions, the availability (or lack thereof) of ideology that can integrate the people, and regime character. Nonetheless, few systematic empirical studies have been undertaken on the origins of creating a capable bureaucracy by recruiting
competent personnel and making them loyal to the committed goal of economic development.

To fill this gap, this study explores the internal dynamics of South Korea’s (hereafter Korea) state bureaucracy—specifically the Ministry of Commerce and Industry (MCI)—from the late 1940s to the 1970s, focusing on the period of the industrial takeoff in the 1960s. It also investigates how this recruitment and promotion style was emulated by business sectors as a way of securing means to penetrate the MCI. We argue that (a) South Korea’s top leadership utilized region-based particularistic elements to secure loyalty to the authoritarian leader; (b) creating a loyal bureaucracy, dependent on the will of the top leader, was as significant as creating a capable bureaucracy by recruiting competent personnel based on merit-based principles; and (c) state bureaucrats fell back on the readily available social resources of the time—informal social ties—to reduce the uncertainty innate to policy implementation and to achieve short-term policy goals, and this practice incubated the organizational foundation that might undermine the bureaucratic character of the state—legalism and impersonalism—at the later stages of economic development.

**Literature Review: The Korean Developmental State**

*Bureaucratic autonomy.* The developmental state model assumes the autonomy of the state and bureaucracy as a necessary condition to achieve long-term profits by strategic intervention (Johnson, 1982). Following this claim, with respect to the Korean case, scholars who have supported the positive roles of the developmental state in economic growth have often described the Korean bureaucracy as being a unitary and internally cohesive actor that commands, manipulates, and disciplines the business sector in line with clearly defined objectives and preferences (Amsden, 1989; Chang, 1994; B.-S. Choi, 1991; Jones & SaKong, 1980; E. M. Kim, 1997; Woo, 1991).

We should note, however, that the historical reference of Johnson’s formulation on the autonomy of state and bureaucracy is based on Japanese history. Although Korea’s late industrialization was much influenced by colonial rule (1910-1945), the colonial imprint was not the determining factor of creating a capable bureaucracy and the industrial takeoff in the 1960s. In the Japanese case, the autonomy of state bureaucracy was created through the turbulent and uncertain political environment of the Meiji period, especially from 1868 to the early 1880s (Silberman, 1967, 1970; Spaulding, 1967). During this period, Meiji leaders had to define the new role of the emperor as the symbol and embodiment of public interest while dealing with the nascent party
oppositions. Under the circumstances, the Meiji leaders tried to resolve the publicness “by avoiding a bureaucratic role that depended for its legitimacy on the personal will of an emperor or its accountability to a popularly elected body of officials” (Silberman, 1995, p. 159), and education was selected as an objective merit-based criterion to avoid charges of patronage and self-interest (Spaulding, 1967).

In contrast, in the Korean case, top leadership was a critical factor in securing bureaucratic autonomy from the influence by politicians and business elite, and it constructed a leader-dependent bureaucratic structure. Therefore, bureaucratic autonomy could be heavily constrained by the personal will of a top leader, and bureaucratic accountability to the public could be swayed from the top-down political influence through the top leadership. Moreover, as we will see in a later section, from the initial period of industrial takeoff, the Korean government was dependent on the business sector. Nonetheless, few studies have been conducted that show how such an internal cohesiveness and autonomy can be created and trace the historical dynamic change of the bureaucratic cohesiveness and autonomy.

**Embedded autonomy.** Bureaucratic autonomy is not sufficient for successful policy implementation. A developmental state should secure a high level of policy autonomy from the special interests of various economic and political actors in the decision-making process, but for effective policy implementation, it should be well connected with socioeconomic actors through both formal and informal social networks. Focusing on this aspect, Peter Evans (1995) argued that the autonomy of the developmental state should be “embedded in a concrete set of social ties that binds the state to society and provides institutionalized channels for the continual negotiation and renegotiation of goals and policies” (p. 12). In practice, however, it is an elusive task to maintain both policy autonomy and close ties with private actors. Like two sides of the same coin, a close government–business relationship can decrease the transaction costs of economic and social activities resulting from market uncertainty, but it can be developed into clientelism as well (Maxfield & Schneider, 1997). Therefore, a key issue for analysis is not whether there existed an embedded relationship but what kind of embedded relationship has been institutionalized in the course of economic growth.

With respect to the Korean case, a close government–business relationship has been repeatedly pointed out as one of the core institutional configurations that contributed to economic growth (Deyo, 1987; Lim, 1981). Much of the literature has focused on the role of the state in relation to economic efficiency and the effectiveness of certain industrial policies, and some recent studies have suggested that this asymmetric relationship has shifted since the early
1980s, as chaebols’ economic size increased (Chwa, 2002; Haggard & Moon, 1990; Kang, 1996; E. M. Kim, 1997).

Despite their contribution to understanding some of peculiar aspects of government–business relations in Korea, we can find some weaknesses in previous studies. First, previous studies have exaggerated state capacity. From the initial period of industrial takeoff in the early 1960s—particularly in the course of transition to adopting the export-oriented development strategy (Haggard, Kim, & Moon, 1991)—the state needed support from business actors, and likewise business actors needed government support. The state was in a commanding position, but it was dependent on business actors to implement various industrial policies—we call this relationship a “commanding dependency.” In contrast to some previous studies claiming that the government–business relationship turned into a “mutual hostage” situation later (Haggard & Moon, 1990), we claim that the mutual dependence originated from the industrial takeoff in the early 1960s, and it was consolidated during the 1970s.

Second, previous studies have failed to provide analyses of intricate and organic interactions between the state and the business sector in the course of industrialization. In particular, they have disregarded the impacts of a strong state on the organizational form of the business sector. The economic success of business was very much dependent on the resources from the state, but the success of the political regime was also dependent on the economic performance of the business sector. Under such a commanding dependency relationship, business actors have tried to maximize their interests by being selected to undertake the strategic industries that received various government subsidies and economic incentives. For that purpose, they have tried to emulate the organizational structure of the government and its recruitment style. This article demonstrates, in the following sections, that given the lack of available formal resources, the state elite fell back on the readily available social resources of the time—informal social ties—to reduce the uncertainty innate to policy implementation. In turn, the coercive influence from the state sector promoted the isomorphic organizational change in the business sector.

**Data and Method**

We have selected the case of MCI for empirical analysis to investigate the internal dynamics of the Korean bureaucracy. The selection of the case was based on two reasons. First, the MCI was the primary ministry that undertook the “export-first” policy, and it developed and implemented most strategic
industry development programs, which greatly contributed to the rapid export growth during the 1960s and 1970s. Second, the MCI was heavily involved in interactions with business actors in the course of implementing its export-promoting industrial policies, in contrast to the Economic Planning Board, which played a role in economic planning and coordination as a pilot agency. Thus, the MCI case provides a good window through which to observe the dynamics of the changing patterns of the state as a consequence of constant interactions with socioeconomic actors.

We have collected the personnel files of 915 retired bureaucrats who worked in the MCI between 1948 and 1979. Our data cover all personnel of MCI during the period. Based on these personnel files, we created a data set that is organized in terms of name, year of birth, region of origin, educational background—including high school, college, and higher level—and appointment history. We gathered the appointment records of those who served above the section chief level from the Korean government’s gazette from January 1963 through December 1979, and the information on their personal background from Hankook yearbook, Habdong yearbook, and Dong-A yearbook. The personnel database of Chosun Daily and other Internet sources were used as well.

We have distinguished career bureaucrats who served as officials above the section chief level from noncareerists below the section chief level. There were 443 careerists and 472 noncareerists. To analyze the recruitment pattern of careerists, we categorized four different routes of recruitment for careerist bureaucrats: (a) higher civil service examination, (b) ex–military officers, (c) transfer from other government ministries, and (d) special recruitment. Then, we analyzed the historical pattern of regional distribution and school origins of these careerist bureaucrats. We analyzed the noncareerists in the same way. However, as there were no distinctive recruitment patterns for noncareerists, we analyzed only the distribution of regional origins and school backgrounds.

This data set shows the overall historical evolution pattern of recruitment to the MCI. However, the quantitative analysis of the data set is not sufficient to show the concrete process of promotion and internal informal grouping within the MCI. To overcome this weakness, we conducted extensive interviews with bureaucrats of the MCI, especially those who were in charge of personnel policy. In addition, we conducted interviews with executive-level businesspersons to examine the interaction pattern between MCI bureaucrats and businesspersons in the course of policy implementation.
Analysis Results: Increasing Regionalism and School Ties

Increasing Signs of Regionalism

The single most significant phenomenon in recruitment is the increase of regionalism at all ranks. Before 1961 we cannot find any regional preferences from the analysis of the regional origins of those who were recruited. The proportion of career bureaucrats (who served above section chief level) and noncareerists (who served below the section chief level) from the southeastern region (SE) visibly increased after 1961. The proportion of MCI officials from the SE region was less than 20% before 1961, but it more than doubled during the 1960s and 1970s. In particular, during the 1970s, about 40% of officials were recruited from the SE region. This SE-favoring regional bias becomes clearer when compared to that of officials from the southwestern (SW) region (see Table 1).12

Before 1961, the ratio of newly recruited officials from the SE region to the SW region was 1.2:1 (46:28). This roughly corresponded to the ratio of the population size of the two regions (1.36:1; see Table 2). However, the gap greatly widened during the 1960s and 1970s, when the industrial takeoff occurred. In particular, the gap widened dramatically during the 1970s. As we can see in Table 1, during the 1960s, 37 careerists and 48 noncareerists were recruited from the SE region, whereas 18 careerists and 31 noncareerists were recruited from the SW region. However, in the 1970s, only 15 careerists and 9 noncareerists were recruited from the SW region, whereas 58 careerists and 34 noncareerists came from the SE region. The ratio of the total number of the recruits from the SE region to those from the SW region was 3.77:1 from 1971 to 1979. This is twice the actual population ratio of 1.88:1 in 1980. This shows that regionalism operated at all ranks, contradicting the conventional observation that regional bias was weak at lower ranks (Chung, 1994).

Here, a notable phenomenon is that the regional bias toward the SE region was more salient at high ranks.13 This part needs further concrete analysis.

Regional Bias at High Rank Levels

Overall trend. From 1948 to 1979, a total of 443 bureaucrats served in the MCI as officials above the section chief level. Of these careerists, 35 officials were recruited before 1948 and 29 bureaucrats served as either the minister or the vice minister of the MCI. The single most interesting pattern of these 64 officials was that Seoul origins were the highest: 14 out of those 35 officials
<table>
<thead>
<tr>
<th>Years</th>
<th>Ranking</th>
<th>Seoul/ Kyonggi</th>
<th>SouthEastern</th>
<th>SouthWestern</th>
<th>Choong-chung</th>
<th>Other regions</th>
<th>Subtotal</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>n</td>
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<tr>
<td>1948-1960</td>
<td>Above 5th level</td>
<td>23</td>
<td>27.7</td>
<td>13</td>
<td>15.7</td>
<td>10</td>
<td>12.0</td>
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<tr>
<td></td>
<td>Below 5th level</td>
<td>66</td>
<td>39.8</td>
<td>33</td>
<td>19.9</td>
<td>18</td>
<td>10.8</td>
</tr>
<tr>
<td>1961-1970</td>
<td>Above 5th level</td>
<td>61</td>
<td>44.2</td>
<td>37</td>
<td>26.8</td>
<td>18</td>
<td>13.0</td>
</tr>
<tr>
<td></td>
<td>Below 5th level</td>
<td>94</td>
<td>42.3</td>
<td>48</td>
<td>21.6</td>
<td>31</td>
<td>14.0</td>
</tr>
<tr>
<td>1971-1979</td>
<td>Above 5th level</td>
<td>45</td>
<td>28.5</td>
<td>58</td>
<td>36.7</td>
<td>15</td>
<td>9.5</td>
</tr>
<tr>
<td></td>
<td>Below 5th level</td>
<td>25</td>
<td>29.8</td>
<td>34</td>
<td>40.5</td>
<td>9</td>
<td>10.7</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>314</td>
<td>36.9</td>
<td>223</td>
<td>26.2</td>
<td>101</td>
<td>11.9</td>
</tr>
</tbody>
</table>

a. The ranking of the first appointment
recruited before 1948 and 13 out of 29 ministers or vice ministers were from Seoul. Except for these 64 officials, 379 officials were recruited through four different routes: 14 (a) 135 (35.6%) of them were recruited through higher civil service examinations, (b) 37 officials (9.8%) were ex-military officers, (c) 90 officials (23.7%) transferred from other ministries, and (d) 116 officials (30.6%) were recruited through special recruitments. 15

We observe three interesting findings. First, special recruitment was heavily used before 1965. Higher civil service examinations were in place since 1948, but they were rarely used as a channel of recruitment. Before 1961, only five careerist officials were recruited to the MCI through civil service examinations. Instead, between 1948 and 1960, the majority of MCI officials were hired from the pool of various sources—usually PhDs, journalists, and ruling political party staff—through simple interviews. Another important source of recruitment during this period was the pool of former administrative staff from the colonial period (1910-1945). However, most of them retired before 1961. This implies that the new modern form of administration came to be in place in the early 1960s, when the military government of Park Chung Hee replaced the old political and administrative elite.

Second, in contrast to the conventional static argument that Korean bureaucrats were mostly recruited on the exam-based merit principle, only 35.6% of career officials were recruited through the higher civil service examinations during this period. In addition, as Table 3 shows, about 40% of them (54 officials) were recruited between 1971 and 1975, when the government prepared

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**Table 2. Regional Distribution of Population (1960–1980)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Population</th>
<th>Seoul/Kyonggi</th>
<th>Southeastern (SE)</th>
<th>Southwestern (SW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>24,989,241</td>
<td>5,194,167</td>
<td>8,070,646</td>
<td>5,948,265</td>
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<tr>
<td>1970</td>
<td>31,435,252</td>
<td>8,878,534</td>
<td>9,947,037</td>
<td>6,436,724</td>
</tr>
<tr>
<td>1980</td>
<td>37,406,815</td>
<td>13,280,951</td>
<td>11,429,489</td>
<td>6,065,497</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ratio of SE to SW</th>
<th>1960</th>
<th>1970</th>
<th>1980</th>
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<tr>
<td></td>
<td>1.36:1</td>
<td>1.55:1</td>
<td>1.88:1</td>
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</tbody>
</table>

Table 3. Overall Trend of Recruiting Career Bureaucrats (Above Section Chief Level)

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<td>n</td>
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<tr>
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<td>1</td>
<td>1.4</td>
<td>4</td>
<td>28.6</td>
<td>18</td>
<td>20.0</td>
<td>22</td>
<td>45.8</td>
<td>54</td>
<td>60.7</td>
<td>36</td>
<td>52.2</td>
<td>135</td>
</tr>
<tr>
<td>Ex–military officers</td>
<td>1</td>
<td>1.4</td>
<td>—</td>
<td>—</td>
<td>19</td>
<td>21.1</td>
<td>3</td>
<td>6.3</td>
<td>2</td>
<td>2.2</td>
<td>12</td>
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<td>37</td>
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<tr>
<td>Transfer</td>
<td>30</td>
<td>43.5</td>
<td>1</td>
<td>7.1</td>
<td>16</td>
<td>17.8</td>
<td>11</td>
<td>22.9</td>
<td>18</td>
<td>20.2</td>
<td>14</td>
<td>20.3</td>
<td>90</td>
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<tr>
<td>Special recruits</td>
<td>36</td>
<td>52.2</td>
<td>9</td>
<td>64.3</td>
<td>37</td>
<td>41.1</td>
<td>12</td>
<td>25.0</td>
<td>15</td>
<td>16.9</td>
<td>7</td>
<td>10.1</td>
<td>116</td>
</tr>
<tr>
<td>Total</td>
<td>69</td>
<td>100.0</td>
<td>14</td>
<td>100.0</td>
<td>90</td>
<td>100.0</td>
<td>48</td>
<td>100.0</td>
<td>89</td>
<td>100.0</td>
<td>69</td>
<td>100.0</td>
<td>378</td>
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</table>
and launched the heavy chemical industrialization strategy. During the entire decade of the 1960s, only 40 officials were recruited through the higher civil service examinations. This implies that during the initial period of industrial takeoff, the merit-based recruitment pattern was not fully institutionalized.

Third, the proportion of ex-military officers was relatively small and concentrated in terms of the recruitment period, but they occupied the higher ranks in general. Less than 10% of career officials were recruited from among former military officers. In particular, this recruitment pattern was concentrated during the periods of 1961-1965 and 1977-1979. Out of a total of 37 officials who were former military officers, 19 of them were recruited between 1961 and 1965 and 12 of them between 1977 and 1979. In particular, 14 military officers were recruited to the MCI in 1961 and 1962, when the military junta government tried to reshuffle government organizations. These ex-military officers usually occupied higher positions than those officials who were recruited through civil service examinations. These former military officers tried to enhance the organizational discipline of civilian bureaucracy by incorporating “modern administrative practices” found within the military sector. This pattern implicates that the military government intended to secure bureaucratic loyalty to the leader, Park Chung Hee, using the ex-military officers.

This trend appeared again in the late 1970s, when President Park’s dictatorship was challenged. In 1977, the government proclaimed the new policy of recruitment that enabled military academy graduates to be hired into government organizations. It was justified under the rubric of “use of military academy graduates for the state.” Each year, 100 military academy graduates were hired at the section chief level in various positions of government bureaucracies. Those 12 ex-military officials were recruited to the MCI under this context between 1977 and 1979.

**Regional bias.** Another important source of securing loyalty from the MCI was to recruit more people from the SE region, from where President Park came. As Table 4 shows, in every channel of recruitment, regional preference toward the SE region—or, by contrast, against the SW region—was strengthened since 1961. For example, out of 130 total officials recruited by higher service exams since 1961, 48 officials (37%) were from the SE region, whereas only 16 officials were from the SW region.

More importantly, however, in the category of recruitments through the higher civil service exams, regional bias was increased far more during the 1970s. Out of the total number of careerists recruited through the higher civil service exams from 1961 to 1979, 48 officials (36%) were from the SE region. But from 1971 to 1975, 23 officials (43%), and 14 officials (39%) during the
Table 4. Regional Distribution of Career Bureaucrats

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</thead>
<tbody>
<tr>
<td>Civil service exams</td>
<td>Southeastern</td>
<td>—</td>
<td>—</td>
<td>5</td>
<td>6</td>
<td>23</td>
<td>14</td>
<td>48</td>
</tr>
<tr>
<td>Civil service exams</td>
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<td>1²</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>5</td>
<td>5</td>
<td>19</td>
</tr>
<tr>
<td>Civil service exams</td>
<td>Seoul/Kyonggi</td>
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<td>1</td>
<td>8</td>
<td>11</td>
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<td>12</td>
<td>45</td>
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<tr>
<td>Civil service exams</td>
<td>Choong-chung</td>
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<td>1</td>
<td>—</td>
<td>3</td>
<td>11</td>
<td>3</td>
<td>18</td>
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<tr>
<td>Civil service exams</td>
<td>Other regions ²</td>
<td>—</td>
<td>—</td>
<td>1</td>
<td>—</td>
<td>2</td>
<td>2</td>
<td>5</td>
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<tr>
<td>Ex–military officers</td>
<td>Southeastern</td>
<td>—</td>
<td>—</td>
<td>3</td>
<td>1</td>
<td>—</td>
<td>5</td>
<td>9</td>
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<tr>
<td>Ex–military officers</td>
<td>Southwestern</td>
<td>—</td>
<td>—</td>
<td>1</td>
<td>—</td>
<td>—</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Ex–military officers</td>
<td>Seoul/Kyonggi</td>
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<td>—</td>
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<td>1</td>
<td>1</td>
<td>3</td>
<td>15</td>
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<tr>
<td>Ex–military officers</td>
<td>Choong-chung</td>
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<td>—</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>4</td>
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<td>—</td>
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<td>1</td>
<td>6</td>
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<td>Transfer ³</td>
<td>Southeastern</td>
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<td>1</td>
<td>7</td>
<td>8</td>
<td>3</td>
<td>23</td>
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<tr>
<td>Transfer ³</td>
<td>Southwestern</td>
<td>4</td>
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<td>5</td>
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<td>2</td>
<td>11</td>
</tr>
<tr>
<td>Transfer ³</td>
<td>Seoul/Kyonggi</td>
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<tr>
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<td>1</td>
<td>3</td>
<td>5</td>
<td>15</td>
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<tr>
<td>Transfer ³</td>
<td>Other regions ³</td>
<td>8</td>
<td>1</td>
<td>2</td>
<td>—</td>
<td>4</td>
<td>1</td>
<td>16</td>
</tr>
<tr>
<td>Special recruits ⁴</td>
<td>Southeastern</td>
<td>5</td>
<td>4</td>
<td>9</td>
<td>5</td>
<td>5</td>
<td>—</td>
<td>28</td>
</tr>
<tr>
<td>Special recruits ⁴</td>
<td>Southwestern</td>
<td>3</td>
<td>—</td>
<td>5</td>
<td>1</td>
<td>—</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Special recruits ⁴</td>
<td>Seoul/Kyonggi</td>
<td>10</td>
<td>2</td>
<td>15</td>
<td>6</td>
<td>6</td>
<td>4</td>
<td>43</td>
</tr>
<tr>
<td>Special recruits ⁴</td>
<td>Choong-chung</td>
<td>4</td>
<td>2</td>
<td>5</td>
<td>—</td>
<td>3</td>
<td>1</td>
<td>15</td>
</tr>
<tr>
<td>Special recruits ⁴</td>
<td>Other regions ⁴</td>
<td>14</td>
<td>1</td>
<td>3</td>
<td>—</td>
<td>1</td>
<td>1</td>
<td>20</td>
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<th>90</th>
<th>48</th>
<th>89</th>
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<tr>
<td></td>
<td>%</td>
<td>18.0</td>
<td>3.7</td>
<td>23.8</td>
<td>12.7</td>
<td>23.5</td>
<td>18.3</td>
<td>100.0</td>
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</table>

a. The percentage of the region is the ratio of each category of each time period.
b. Other regions include Kangwon, Jeju, and North Korean provinces.
c. Transfer means those who were transferred from other government ministries to the Ministry of Commerce and Industry.
d. Those who were recruited not by higher civil service exams, military background, or transfer.
period of 1976 to 1979, were recruited from the SE region, surpassing the average population ratio of the SE region. This implies that the increasing regional bias could be undetected under the increasing trend of merit-based exam recruitment.

It is, of course, true that the examination itself does not produce a regional bias. However, the influence of the regional factor was more visible in the process of assigning posts and promotion. The blending of regionalism and the merit-based principle started as early as at the stage of ministerial assignments of the newly recruited officials. Usually, newly recruited bureaucrats from the SE region were assigned to the more prominent posts from the beginning. Moreover, people from the SE were more frequently promoted to important positions.

The process worked as follows: During a typical promotion practice, five section chief candidates were recommended to form a promotion pool and competed for one department head position. They had to be qualified in terms of length of service and work experience for a given post, and in most cases candidates for promotion usually passed the higher civil service examination. It was perfectly legal for higher officials who made the promotion decision to choose any one of the five qualified candidates. It was only natural to expect that higher officials from the SE region would prefer those with the same regional origins. This meant that regional backgrounds served as the deciding factor for promotion among the strictly merit-based candidate pool, subtly combining merit with regionalism. Given this mode of promotion, it was technically difficult to register any formal complaints against the final decisions. A former ministry official in charge of personnel matters reflected:

More often than not, those who were recruited into the MCI either took the higher civil service examination or were graduates of the law faculty of Seoul National University. While we were formally committed to merit system, in reality regionalism was a determinant. When section chiefs were promoted, those from the SE were selected even when they were not ranked first in standing. It was possible because most people at the higher level were from the same region. The beneficial cycle goes like this: those from the SE were assigned to important posts and could thereby demonstrate their work abilities better than others could. This provided them with good standing and a better chance for getting promoted. Although technically it does not seem unfair, regionalism is intricately linked to the promotion process.16
Most bureaucrats sensed the unfairness embedded in this process. People from the SE region were in charge of important posts; they were more visible and had already gotten more recognition, and thus they were in a more advantageous position for promotion.

As for political positions, such as minister, vice minister, and assistant minister, where external influences are visible, those from the SE were absolutely dominant. Among the 11 who were promoted to the level higher than the first rank between 1965 and 1975, 7 were from the SE region. This overrepresentation of the SE region continued throughout Park’s regime, and the tendency increased over time, regardless of the levels and modes of entry.

**Increasing signs of school concentration.** The increasing regional bias toward the SE is not the whole story. What is significant is that it was intricately related to regional high school and college ties. Regional and high school ties formed in the formative years of individuals were preserved when they entered colleges in Seoul. For example, out of total 379 careerists, a quarter of officials graduated from regionally famous high schools, and except for those famous high schools in Seoul, the majority of them graduated from the locally famous high schools in the SE region.17

Meanwhile, more than 40% of career bureaucrats of the MCI graduated from Seoul National University (SNU) during the entire period of 1948 to 1979. Regardless of regional backgrounds, graduates of SNU were the absolute majority. But if we look at the trend since 1961, the proportion of SNU graduates increased greatly: Roughly 50% of officials (149) were graduates of SNU, and among them 45 officials (30%) graduated from the law faculty of SNU. Meanwhile, 27 officials (9%) were graduates from Korea University and 16 officials (6%) were from Yonsei University. In short, between 1961 and 1979, about 65% of newly recruited careerists were graduates of these three schools.

More specifically, only eight graduates of SNU were recruited to the MCI before 1961, but the number greatly increased from the early 1960s. In particular, between 1966 and 1975, more than 55% of newly recruited careerists were SNU graduates (see Table 5). However, more interestingly, we can observe the increasing regional bias among those SNU graduates as well. The overall proportion of SNU graduates from the Seoul/Kyonggi area was slightly higher than the SE region. In particular, in the 1960s, SNU graduates from the Seoul/Kyonggi region were much more overrepresented than the population size of the region. But if we look at the trend during the 1970s, SNU graduates from the SE region surpassed the total number of officials from the Seoul/Kyonggi region (31 to 25). Meanwhile, SNU graduates from
Table 5. Regional Distribution of SNU Graduates

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<td>n</td>
<td>%</td>
<td>n</td>
<td>%</td>
<td>n</td>
<td>%</td>
<td>n</td>
</tr>
<tr>
<td>Total recruits(^a)</td>
<td>69</td>
<td>14</td>
<td>90</td>
<td>48</td>
<td>89</td>
<td>69</td>
<td>378</td>
</tr>
<tr>
<td>SNU graduates(^b)</td>
<td>3</td>
<td>4.3</td>
<td>5</td>
<td>35.7</td>
<td>28</td>
<td>58.3</td>
<td>28</td>
</tr>
<tr>
<td>SNU + southeastern(^c)</td>
<td>1</td>
<td>33.3</td>
<td>2</td>
<td>40.0</td>
<td>12</td>
<td>27.9</td>
<td>8</td>
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<td>SNU + southwestern</td>
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<td>33.3</td>
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<td>20.0</td>
<td>7</td>
<td>16.3</td>
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<td>SNU + Seoul/Kyonggi</td>
<td>1</td>
<td>33.3</td>
<td>—</td>
<td>—</td>
<td>18</td>
<td>41.9</td>
<td>14</td>
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<tr>
<td>SNU + Choong-chung</td>
<td>—</td>
<td>—</td>
<td>2</td>
<td>40.0</td>
<td>3</td>
<td>6.8</td>
<td>4</td>
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<tr>
<td>SNU + other regions</td>
<td>—</td>
<td>—</td>
<td>3</td>
<td>25.0</td>
<td>—</td>
<td>—</td>
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\(^a\) Number of officials recruited above the section chief level of the period.
\(^b\) Percentage of the graduates from Seoul National University (SNU) out of total recruits of each period.
\(^c\) Percentage of each region out of total SNU recruits of each period.
the SW region decreased greatly after 1966. This phenomenon shows that regionalism was intermingled with the merit-based principle in recruitment. Why was this regional bias strengthened?

**Regime Choice of Securing Both Loyalty and Competence**

We claim that deepening regional bias is attributable to the ways in which loyalty to President Park was secured. President Park took political power by military coup, and he justified his illegitimate rule by promising rapid economic growth. He needed both competent and loyal people for rapid economic growth, and his choice was constrained by the institutional setting of the period.

During the 1950s, U.S. aid, provided by the Mutual Security Act, was singularly the most important source of the government’s available economic resources. The amount of foreign aid (excluding technology aid) from 1953 to 1960 totaled $1.9 billion, or about 72% of the national budget. Foreign aid amounted to about 80% of domestic capital accumulation (Lim, 1985, p. 49). This total dependence on U.S. foreign aid severely limited the capacity of the Korean government in initiating economic development plans. Yet this complete dependence on the United States enabled the Korean government to be the only possible source of foreign currency and the direct controller of capital accumulation.

Under this situation, Park Chung Hee gained political power by a military coup, and in 1961 the newly established military government of Korea (which lasted until 1979) launched ambitious economic plans to compensate for the government’s weak political legitimacy; rapid economic development became paramount for the Korean government. Park tried to legitimize the military coup with new ideologies. It was formulated as an “economy first” ideology. Park justified the economy first ideology as the material foundation of national independence and anticommunism. He justified the economy first ideology as a historic mission and tried to inculcate the people with it as a main engine of modernization (C. H. Park, 1962, 1970, 1971). Park justified the economy first ideology by pointing out that the urgent economic situation necessitated it. This economy first ideology held that political development (democracy) could be sacrificed for economic development. Moreover, because of economic urgency, economic development would be pursued under the strong leadership of the state (C. H. Park, 1970). Economic performance came to be closely linked to the political legitimacy of the Park regime. Park emphasized the export-first policy as the single most important source of economic growth...
from the mid-1960s. In short, ideological commitment by the top leader was crucial in the creation and carrying out of this development project.

Park conceived of the relationship between the elite and the masses from the perspective of a military commander and his soldiers; the task or goal is set by the commander, whereas the soldiers have to follow the strategy or tactics directed by the commander. After the success of the coup, Park immediately began to reform the government structure. There was conservative resistance from established politicians, but he tried to carry out this work by using advanced management techniques employed in the Korean military. Particular emphasis was placed on changing the rigid bureaucracy into a progressive, efficient system. Rather than assign new functions to existing government agencies, he established new organizations to provide effective administrative support for the economic development plan.

In addition to restructuring the government, Park launched a number of reforms in recruiting government officials and controlling bureaucratic performance. To implement administrative reform, a system of planning, review, analysis, and control was introduced throughout all government agencies. He also applied military administrative techniques to improve the efficiency of bureaucrats’ performance. For example, Park demanded weekly briefings on the state of the economy. Meanwhile, a series of personnel recruitment reforms was adopted; reforms included centralizing recruitment and selection, improving examinations, and installing a performance rating system (Lee, 1968).

In short, it is clear that for the Park regime recruiting loyal and competent personnel to build capable bureaucratic organizations was essential not only for its political survival but also for expediting the industrialization process. The institutional choice available to President Park was to combine regionalism and merit, ultimately securing the loyalty that he desired. However, this regional bias seriously hampered bureaucratic stability in the long run.

Institutional Consequences of Personnel Policy

Co-optation From the Business Sector

The most characteristic result of this regionally biased personnel policy was the emergence of informal organizations within the ministry. Undoubtedly, informal organization was strong among bureaucrats from the SE region. The same school backgrounds tied people together, and they socialized among
themselves frequently, but there was variation among regions. For example, those from Taegu area—a city on the SE area where Park came from—flocked together informally, and this affected the officials from other regions. Those from other regions who felt alienated in promotion, especially those from the SW region, formed their own informal networks in reaction to the SE groups: “As those from the SE region got promoted faster under the almost identical conditions, those from the SW region felt alienated, and there existed a sense of relative deprivation at that time.” However, they could not do it openly, as the officials of the SE region did. Informal organizations of those from other regions were not so conspicuous that they aroused suspicion of those from the SE region.

Informal ties based on schools and regions and their invisible rivalry affected operations of the ministry. The upshot of such strong regionally based groupings was the weakening of cohesiveness among the members of the ministry. The existence of informal organizations intensified identity formation based on school and regional ties and enhanced the importance of the informal organizations in both decision making and implementation. It also further consolidated the already established structural linkage between regionalism and merit through recruitment. All these ultimately ended up weakening the internal cohesiveness of the ministry. Under these circumstances, the external influences based on school and regional ties could easily affect the decisions and the implementation process of the MCI. For example, special consideration was given to those new industrial projects suggested by fellow SNU graduates in private companies.

This regional configuration of the ministry affected the behaviors and strategies of businesspersons who had direct contact with MCI officials. Business organizations emulated the recruitment style of the state bureaucracy. Owners of companies used various informal ties, but mostly they tried to mobilize school ties, especially classmate ties, in the process of interacting with government officials. In the 1960s and 1970s, companies made efforts to monitor the post replacement of elite government officials and tried to maintain good relationships with them by using school and regional ties (Hangu Gyongjei Sinmun Gyongjeibu, 1994). Businesses tried to secure contact points with the government by recruiting former military officers. They also tried to recruit former bureaucrats, and as a result of this, a considerable number of former generals and high-ranking bureaucrats came to serve as members of management or as advisors.

Moreover, companies tried to hire hometown people or high school alumni as much as possible to secure trust and stability in the labor force, and those who were hired this way brought their own people to companies. Furthermore, to expand their social ties, company owners and managers very often registered
for special management courses at business schools and joined alumni associations of special graduate schools for industrial management to make friends and to learn some management skills. In other words, top business owners and managers recruited their family members or relatives and college alumni to positions where top secrets and core decisions were involved (Suh, 1991, p. 161). For the remaining positions, they adopted an open competition system among college graduates. As a result, similar patterns of recruitment seen at the MCI emerged within business enterprises. Former military men, SNU graduates, and those from the SE region were given priority even under open competition.

What is also significant is the high regional affinity between owners and high-ranking managers of the 100 chaebols. Of 2,243 who were not related to founders or owners when owners were from the SE, 57% of high-ranking managers were from the SE; when owners were from the SW, 60.7% of high-ranking managers were also from the SW (H. Park, 1993, p. 127). It is not merely coincidental that this pattern was similar to that within the government (D.-K. Choi, 1991, p. 318). At the same time, the fact that the proportion of managers from the Seoul/Kyonggi region is much higher than that of business owners from the same region may indicate a general population pattern, but it may also imply that merit as well as regional factors played a role in recruiting managerial people (Gong, 1989).

In terms of school ties, there is no doubt that SNU graduates were disproportionately favored in business recruitment: According to one survey conducted by the Korea Federation of Management, among 3,987 high-ranking managers above the level of board member, 35.2% were from SNU, whereas those from Yonsei University and Korea University made up 8%, each (Gong, 1989, pp. 202-203). Among the 10 largest companies, this figure is more telling: 48.7% were from SNU, whereas 11.5% and 7.1% were from Yonsei and Korea, respectively. These figures are very similar to the patterns inside the governmental bureaucracy, where the percentage of SNU graduates within the Ministry of Finance, the Ministry of Industry and Commerce, and the Economic Planning Board was 53.8%, with 13.4% and 6.7% from Korea and Yonsei University, respectively (Gong, 1989, p. 203). The similar patterns in the governmental and business sectors are so striking that one cannot help but conclude that the business sector emulated the government.

In short, the recruitment patterns of the MCI were emulated by the business sector as a way of securing means to penetrate the ministry, which controlled various incentives for business interests. Sticky human connections based on regional and school ties formed a foundation for close ties and collusion.
between the government and business, which developed into a government–business “mingling” phenomenon.  

Penetration From the Political Sphere

Organizational stability of the MCI was frequently threatened by Park’s excessive and unrealistic goals that were placed on bureaucrats, resulting in “the mentality of realization of targets at all costs.” This goal-oriented policy was bound to affect personnel policy; bureaucrats who were not able to perform the tasks assigned to them from above were frequently replaced. Lateral entries from the outside of the ministry were permitted under the pretext of expediting industrial goals.

For instance, the minister of the MCI launched a campaign to promote competition for ideas to increase exports and improve the function of the MCI system without much thought or planning. He further stated that the results would be considered in decisions for promotion and transfers. In 1976, an examination was given to 300 bureaucrats at the rank of section chief and below, and the exam results were considered in evaluations. To intensify competition among bureaucrats and to realize short-term goals, specialists with degrees and certificates were invited for employment, which reduced bureaucratic stability. Under such an unstable organizational environment, MCI officials were depicted as “running around” to secure their positions whenever there were rumors of personnel changes. This is a clear indication of the politicization of the bureaucracy.

The president’s direct intervention in personnel decisions made the situation worse. The excessive export goals set by the president seriously affected personnel policies, depending on the extent of success in the realization of the goals. As one former official testified,

Q: How was the pressure on directors and department heads from the president?
A: As long as they are capable, it could not have been more comfortable. Morale was high, but as long as they do well.
Q: It sounds like there were pressures. How did pressure on the minister affect the rest of the ministry?
A: It manifested in the way works were assigned and in promotion. If he likes to keep certain individuals he would... When I was director, there were so many changes of personnel that I do not recall how many directors were replaced. The situation was [that] one replacement was followed by another with a short interval.
Q: You said there were frequent replacements. How frequent were they?
A: Incompetent people were replaced every 6 months. It was the case even with ministers. Even minister Park, Chunghoon himself was not an exception. At one time, he was replaced after 6 months as he was regarded as incompetent, but then later he, when he showed a good export record, served 3 years. Park’s personnel policy was to keep people if they are competent, but drop them when they are not, though he never completely abandoned them.34

Export targets and all other orders from higher levels, often directly from the president, were more than simply criteria for personnel policy. They became the raison d’être of the MCI and the basis for its modus operandi. In formulating and implementing export-promotion policies, the export-targeting system and the Monthly Export Promotion Conference played important roles (Haggard et al., 1991; Lim, 1981). The export-targeting system was originally adopted in early 1962 to set an annual target of total commodity exports. However, by the latter half of the 1960s the export-targeting system became well established as a regular instrument of export promotion. The target was usually set in the early part of each year by accepting the export projections of the MCI, which were based on past performance and forecasts of related industrial associations for the year. The targets were then allocated to related industrial associations. The MCI also monitored export performance, comparing it to annual targets by quarters. The status of export performance was then reported to the monthly export promotion conference, which was initiated in early 1966 and usually attended by all cabinet members, heads of major financial institutions, business association leaders, and representatives of major export firms. In essence, the conference worked as a final decision-making apparatus on export-promotion measures and compelled government agencies to achieve targeted performance criteria by any means. With all these efforts, the total amount of exports increased more than 684 times from 1957 to 1979—from $22 million to $15 billion—and the proportion of exports to gross national income reached about 40% by the end of the 1970s.35

It is under such circumstances that the organizational stability of the ministry became gradually undermined. The constant imposition of excessive targets and pressures to reach them and the frequent purge-style personnel shake-ups made ministry officials sensitive to outside influences. This mixture of political influence and the seniority principle brought about instability in personnel policy and opened up inroads for outside penetration.36 It ultimately weakened the autonomy of the ministry.
Concluding Remarks

Korea’s remarkable economic growth for the past five decades, as in other cases, required technocratic bureaucrats who were both competent and loyal and committed to overcoming backwardness. This study demonstrated that the top leadership, which suffered from the lack of political legitimacy coming from the original sin of military coup, was a critical factor in securing bureaucratic autonomy from the influence by politicians and business elite. The top leader tried to create a leader-dependent, loyal bureaucracy and for that purpose utilized regionalism in recruitment and promotion, which was then combined with school ties. A merit principle was introduced through the higher civil service examination, but in the actual operation of the ministry it was mingled with regional and school ties. Bureaucrats from the same hometown as the top leader, linked with school ties, organized informal organizations within the MCI and dominated the key positions within the MCI. This trend weakened the internal cohesion of the ministry. Moreover, bureaucrats heavily relied on regional and school ties in policy implementation to achieve those superimposed goals of economic performance at the earliest possible time. This interaction pattern allowed the constant penetration of the business sectors into the operation of state bureaucracy.

Unlike past studies of the developmental state that have focused primarily on administrative aspects of economic success, this study highlighted the dynamic aspect of personnel recruitment and promotion in the context of late industrialization. This analysis also showed that different modes of industrialization bring about different consequences for the state other than impersonal bureaucratization. However, we should note that this study has a limit as a single case study, focusing on the original stage of industrial takeoff. The MCI interacted with business sectors more frequently than other economic bureaucracies, and therefore the degree of penetration from the business sectors might have been stronger than with other ministries—for example, the Economic Planning Board or the Ministry of Finance. Therefore, we need to be cautious in generalizing the findings of this research. Moreover, we need more research on the period after the industrial takeoff to provide a more comprehensive picture on the internal dynamics of the Korean developmental state—specifically, whether the initial regionalism and school ties have been weakened or strengthened or have worked as sources of internal decay or decline of the state bureaucracy (Ha, 2007; Thurbon, 2003; Thurbon & Weiss, 2006).

Despite some weaknesses, several comparative implications of this study are in order. First, this study shows that there might be various paths to
building a capable bureaucracy, and the pattern is likely to be determined by the endogenous available sociocultural resources. A Weberian sense of modern, rationalized bureaucracy is an ideal type of organizational form to be pursued, but in practice multiple paths exist to achieve the goal. In the Korean case, regional and school ties were mingled with a merit principle, and building a bureaucracy loyal to the top leader was as important as constructing a capable bureaucracy by recruiting competent personnel from the best schools. But in other sociocultural contexts—for example, in Africa (Adamolekun, 2006; Levy & Kpundeh, 2004) and in Latin America (Schneider, 1991)—different traditional and sociocultural resources can be combined with the merit principle and produce a different organizational form of state bureaucracy. In due consequence, we can find variation among the developmental state tradition even among East Asian countries, for example, between the Japanese bureaucracy and the Korean one. In Japan, politicians do not (or cannot) intervene in the internal personnel management of ministries, and the promotion paths of career bureaucrats are predictable (Ikuta, 1995). In addition, region- or school-based internal groupings are rare, although graduates of Tokyo University have been the majority among career bureaucrats (Koh, 1989). But in the Korean case, political intervention and influence on the promotion of career bureaucrats have been frequent and extensive, and region- and school-based informal groupings have not been so rare.

Second, this study raises strong suspicion against the findings of previous scholarship on the developmental state that indicated that there is a direct correlation between rationalized state bureaucracy and economic development. Not only the Korean case we analyzed in this article but also other historical case studies do not provide convincing evidence on the direct correlation (Silberman, 1995). We need at least to distinguish the period of industrial takeoff and the period of sustaining the initial momentum of economic growth. Once industrial takeoff is set in motion, more rule-based, predictable state intervention might be helpful to sustain the momentum of economic growth. However, at the stage of industrial takeoff, a capable bureaucracy is not necessarily created only by recruiting competent personnel. As the Korean case shows, more loyal bureaucrats who are committed to overcoming backwardness—either by the coercive will of political leaders or by normative commitment—can be as important as and perhaps more important than competent bureaucrats.

Third, this study suggests that the internal decay or decline of bureaucratic character can be an important source that challenges the sustainability of developmental states. Recent studies on the developmental state in various countries have shifted the research focus on the sustainability of it under the changing policy environment because of globalization and other market
dynamics. These studies have mainly focused on the external challenges of developmental states. However, the internal decay or the loss of internal cohesiveness of state bureaucracies can be an important source of challenging the capacity of developmental states. As we have seen with the Korean case, we need to note that bureaucratic autonomy was heavily constrained by the personal will of a top leader, and bureaucratic accountability to the public could be swayed by the top-down political influence and penetration from the business sectors. Without specifying the reverse historical course that regionalism and school ties came to be minor factors in the actual operation of state bureaucracy, we cannot reasonably claim that creeping regionalism and school ties within the state bureaucracy were just transient phenomena of becoming a rationalized bureaucracy.37

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Notes

2. Chalmers Johnson distinguished state autonomy from bureaucratic autonomy. He defined state autonomy as “the capacity to depoliticize the key economic decisions through a covert separation between reigning and ruling” and bureaucratic autonomy as “the degree to which the state has been captured by its main economic clients” (Johnson, 1982, pp. 151-158).
3. In this respect, we disagree with those studies—for example, Kohli (1994)—that emphasize the colonial origins to explain the post-WWII economic development in Korea.
4. For example, Suleiman (1987) explored the relationship between state structures (centralized vs. decentralized) and clientelism in France, and Colignon and Usui (2003) and Grimes (2005) investigated the Japanese amakudari practice in terms
of consolidating the “iron triangle” of the political, governmental, and business sectors. Selznick (1949) and Hooks (1990) showed how the U.S. government initiated a democratic planning practice in the Tennessee Valley Authority and how U.S. President F. D. Roosevelt’s New Deal increased clientelism.

5. Regarding resource dependence perspectives on organizational change, see Pfeffer and Salancik (1978).

6. “Market failure” versus “government failure” has been the main pole of the debate, and both perspectives have focused on the benefits and costs of government intervention, respectively, in terms of the final economic outcomes of government intervention in the market (see Chang, 1994).

7. Coercive isomorphism results from “both formal and informal pressures exerted on organizations by other organizations upon which they are dependent and by cultural expectations in the society within which organizations function” (DiMaggio & Powell, 1983, p. 150). For more details on isomorphic organizational changes among organizations in similar or related activities (organizational fields), see H.-D. Meyer and Rowan (2006), J. W. Meyer and Rowan (1977), and Powell and DiMaggio (1991).

8. In rare cases, some bureaucrats recorded different regional origins from the actual place of birth.

9. Appointment records cover not only the central bureaus of the Ministry of Commerce and Industry (MCI) but also other so-called outside arms of MCI. Outside arms include the Office of Industrial Promotion, Office of Industrial Complex Management, Central Bureau of Standardized Machineries, and Office of Industrial Standards.


11. The Public Servant Recruitment Law, which classified bureaucrats into five ranks, was promulgated in 1948. Within each rank, bureaucrats were further subdivided into first rank (kap) and second rank (eul). The law was revised in 1979. The third rank, eul, under the old law corresponds to the fifth rank under the new law, which is regarded as the lowest decision-making rank.

12. The southwestern region consists of the North and South Kyungsang provinces. Park Chung Hee was from North Kyungsang province. The southwestern region consists of North and South Cholla provinces.

13. Another interesting aspect is that the Seoul and Kyonggi area had been underrepresented especially during the continuous increase in population from 1960 through 1980—20.8% in 1960 to 35.5% in 1980 out of the total population.

14. One official who had an engineering educational background was recruited in 1953, but we have excluded this from the four different modes of recruitment.

15. Usually PhDs, journalists, and ruling political party staff were recruited through this special recruitment channel.
16. Author’s interview with Mr. L, an ex–government official of MCI, April 2000.
17. Those graduates from the famous high schools in the southeast region were as follows: Busan High School (12), Kyungbuk High School (11), Kyungnam High School (6), and Kyungbuk-sadae-boosok High School (4). Those graduates from the famous high schools in Seoul were as follows: Kyonggi High School (23), Seoul High School (8), Seoul-Sadae-Boosok High School (6), and Kyongbok High School (6).
18. “Unless we can establish an ‘economy first’ consciousness, our dream of building a strong national state will end in a dream and nothing more” (C. H. Park, 1962, p. 68).
19. Almost all scholars agree that there are informal organizations based on school ties, native places, and years of passing civil service examinations in the Korean bureaucracy. However, in terms of the functions of those informal organizations, some regard them as a pathologic phenomenon, whereas others regard them as a useful method to solving problems of conflict (Y. P. Kim & Shin, 1991).
20. Interview with Mr. S, an ex–government official of MCI, October 1999.
21. Interview with Mr. L, an ex–government official of MCI, April 2000.
22. Interview with Mr. N, who was from Daegu and was a government official of MCI, January 2003; interview with Mr. C, who was from Busan, May 2003.
23. One former high-ranking government official, who was an assistant secretary of the MCI, testifies that he usually heard in the MCI, “You are not only an MCI official but also my school junior, so you have to do what I say.” Author’s interview with Mr. S, May 2000.
26. One report in 1983 shows that 66 executives among 263 at Daewoo, 22 among 98 at Lotte, and 20 among 114 at Korea Chemical had military or government official backgrounds (An, 1999, p. 325).
27. Author’s interview with Mr. H, the manager of H company, and Mr. S, an executive of S company, November 1999. This emulation pattern was limited not to business but to the rest of society where loyalty and competence were combined (D.-K. Choi, 1991, p. 295).
28. One study shows that individual Korean chaebol forms average four networks of connection with middle- or high-ranking government officials through marriage ties (Suh, 1991, p. 170).
29. Chosun Ilbo, January 14, 1972, p. 2. Beside, he encouraged the study of foreign languages and the acquisition of economic knowledge and also argued that officials be sent abroad to submit ideas on exportable goods. Chosun Ilbo, April 25, 1970, p. 4; Chosun Ilbo, August 24, 1973, p. 2.
33. For example, in June 1973, the committee for petro-chemistry promotion at the Korean Petro-Chemical Complex appointed Kim Pil-sang to the post of president of the holding company and Ma Kyong-suk to the post of vice president, both of whom President Park favored. In addition, President Park showed much concern about the naphtha-dissolving factory of Dailim Company at the Yocheon Petro-Chemistry Complex, which was a private company. The appointment of a factory manager was made after President Park was briefed (Oh, 1993).
34. Interview with Mr. O, an ex–government official of MCI, April 2001. Such interventions were made when President Park took an inspection tour. For example, in 1970 when the export target was set at $1 billion, he urged workers to reach the goals without fail and added that enterprises and people who fail to reach the goal should be punished on inspection twice a year (*Chosun Ilbo*, January 15, 1970, p. 1). Accordingly, MCI evaluated the results of the first half of the year regarding 19 expert-related associations and imposed sanctions against poorly progressed associations including personnel changes of directors (*Chosun Daily*, July 1, 1970, p. 4).
36. As a result, for example, at MCI in 1975 there were many senior officials who had worked for more than 20 years, and sometimes schoolmates were found working at different levels, as an assistant secretary, director of a bureau, head of a department, section chief, or administrative official (*Chosun Ilbo*, January 9, 1975, p. 2).
37. What Koreans call the *bokjibudong* phenomenon—referring to bureaucrats’ inactivity of “never moving, lying on their stomachs”—should be viewed more in terms of the result of the hollowed bureaucracy where bureaucrats lost autonomy rather than a reflection of a Weberian sense of bureaucratization.

**References**


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Bios

**Yong Chool Ha** is the Korea Foundation Professor at the Henry Jackson School of International Studies, University of Washington.

**Myung-koo Kang** is an assistant professor in the Government Department at Claremont McKenna College. He is currently working on a book manuscript that compares the sequence, pacing, and institutional consequences of financial liberalization in Japan and South Korea since the early 1980s.