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High Capacity, Low Resilience: The ‘Developmental’ State and Military-Bureaucratic Authoritarianism in South Korea

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Abstract

This article argues that high levels of state capacity are not a sufficient condition for consolidating autocratic rule. Rather, whether non-democratic rulers can harness the infrastructural power of the state to implement strategies of regime stabilization depends on three crucial factors: the state’s social embedding, the international context, and the extent of elite cohesion. The paper develops this argument through a case study of the military-bureaucratic regime in South Korea (1961-1987), which – despite a high-capacity ‘developmental’ state at its disposal – failed to maintain high levels of resilience.

Introduction

Generally speaking, state capacity – that is, the state’s ability to implement official policy goals – is a function of both the state’s infrastructural power and the state’s external embedding, such as the social (e.g. Migdal, 1988) or international context (e.g. Weiss, 2005). Existing studies that explore the effect of state capacity on the resilience of authoritarian regimes (e.g. Slater and Fenner, 2011; Andersen et al., 2014; Seeberg, 2014) tend to focus primarily on the infrastructural component of state capacity, thus ignoring the ‘embeddedness’ part of the capacity function.

However, as this paper will show, incorporating the state’s external embedding is crucial if we want to further our understanding of the capacity-resilience link. Specifically, the paper will argue that a regime’s ability to use the state as an instrument for consolidating non-democratic rule depends, first, on a number of societal factors – in particular, society’s ability to organize collective action. Second, regimes can be inhibited in their use of the state as a non-democratic ‘weapon’ by international factors, such as global economic crises and external power relations. Finally, the paper will demonstrate that, when contextual factors undercut the infrastructural power of the state, this can provoke factional divisions within the regime, which, in turn, can make it even more difficult to harness the state’s infrastructural power for regime-stabilizing purposes.

The paper will make these arguments primarily through a case study of the military-bureaucratic regime that ruled South Korea (Korea hereafter) between 1961 and 1987. The case of Korea can be highly instructive to identify the

contextual factors that may affect a regime's ability to employ the state towards political ends: even though the regime had available a state that closely resembled the ideal type of what is the high-capacity state *par excellence*, the 'developmental' state, resilience dropped significantly in the final stages of the regime's lifespan.¹ That is to say, we can safely assume that the decline in regime resilience was mainly due, not to failures in the infrastructural setup of the state, but to changes in the state's contextual embedding.

The state as a regime tool: the importance of the contextual embedding

When seeking to consolidate their power, autocratic regimes can rely on a number of strategies. Broadly speaking, they can aim to generate *legitimation* among the population, quell demands for political change through *repressive means*, and 'buy' the loyalty of potential and actual opponents through the mechanism of *co-optation* (Gerschewski 2013). To implement these strategies, autocratic regimes can rely either on regime organizations (such as political parties) or state organizations. In other words, when analyzing the strategic repertoire of non-democratic rulers, we need to distinguish between *regime* capacity on the one hand and *state* capacity on the other (see Hanson in this special issue for a more in-depth discussion). The subsequent analysis will focus primarily on the latter.

The argument that state capacity, in its different dimensions, helps dictators to implement strategies for regime stabilization has been made by a number of scholars (e.g. Andersen et al., 2014; Slater and Fenner, 2011).

However, what is missing from the relevant literature is an understanding of the intervening factors that affect the link between state capacity and regime resilience. Specifically, there is little appreciation for the fact that a state's ability to implement strategies for autocratic regime survival depends on the state's social embedding and the international context. This section, by borrowing from different literatures, will theorize about some of these factors before we then proceed to apply the resulting analytical framework to the case of South Korea.

Starting with the first regime strategy (legitimation), state capacity is, in theory, most significant for a regime's ability to generate 'specific support' – in particular, the ability 'to address popular demands for socio-economic development' (Gerschewski, 2013: 20). Since the mid-1990s, a large body of literature has emerged, providing strong evidence that high-capacity states are more effective at promoting economic growth than low-capacity states (e.g. Evans, 1995; Kohli, 2004). More specifically, many of these studies focus on the dimension of *bureaucratic quality* – that is, the question of whether the state bureaucracy is organized along classic Weberian principles of meritocracy and procedural objectivity, rather than inter-personal loyalties and obligations (see Hanson in this special issue). The general argument that emerges is that only bureaucracies of a certain quality have the capacity to efficiently implement programs of industrialization and other development-related policies.

Based on this, we should expect autocratic regimes that control high-quality bureaucracies to be in a strong position to generate specific support among citizens and hence be more resilient than regimes that do not command Weberian bureaucracies. However, contrary to these expectations, Andersen et al. (2014) – in the only systematic test of the relationship between bureaucratic

quality and regime stability – report no significant results. Their explanation centers around the trade-off that autocratic rulers face between public and private goods provision: to keep themselves in power, it may be more vital for rulers to distribute private goods to elites in the winning coalition than to produce public goods through the mechanism of economic development. Alternatively, as the democratization literature argues, state-led growth may undermine the resilience of autocratic polities by one of the two following mechanisms: by causing significant shifts in the balance of power between social classes (e.g. Bernhard, 2016) or by provoking a change in mass political culture from survival to emancipative values (Welzel, 2013).

Regarding the second regime strategy (repression), studies *have* produced substantial empirical evidence that state capacity increases the durability of autocratic rule (e.g. Bellin, 2004; Andersen et al., 2014). In particular, these studies have employed the dimension of *coercive capacity* – that is, the state’s ability to maintain internal order and obtain compliance from citizens – as the independent variable. As Slater and Fenner (2011: 20) explain, an effective coercive state apparatus not only equips dictators with general ‘crackdown capacity’, but it also allows for violence to be deployed in a controlled way, thus avoiding disproportionately bloody engagements that could spark rather than suppress opposition. However, not all regime-sponsored coercion is of the ‘high intensity’ type (Levitsky and Way, 2010: 57-59), regimes may also resort to ‘low intensity’ coercion – that is, more subtle practices of physical harassment and intimidation, such as denying opposition members certain employment opportunities or targeting them for tax inspections. Such forms of soft

repression, then, may depend more on the state's administrative capacity than its coercive capacity (Seeberg, 2014: 1271).

Nevertheless, it is important to be aware of the risks and limitations that dictators face when using repression as a survival strategy. Most importantly, overreliance on repression makes dictators vulnerable to military coups, as a pivotal military is likely to misuse its position to thrust itself into power (e.g. Croissant and Kuehn, 2015). Moreover, the international context may also impose a constraint on the regime's ability to employ coercive power: where linkage to the West – for example, economic or intergovernmental linkage – is high, abuses of power 'routinely gain international attention and trigger costly punitive action' (Levitsky and Way, 2010: 53).

Finally, regarding the strategy of co-optation, scholars have emphasized the importance of nominally democratic institutions – elections, in particular – to explain the stability of autocratic rule (see Croissant and Hellmann, 2016). Elections, it has been argued, perform a variety of functions in tying strategically relevant elites to the regime (see Gandhi and Lust-Okar, 2009). Most importantly, regular electoral contests provide dictators with a mechanism for making a credible commitment not to expropriate domestic investment, distributing patronage and other spoils, and – by mobilizing supermajorities of voters – signaling to potential challengers that opposition to the regime is futile.

Theoretically, the state may play an important role in helping dictators win elections. For one, dictators can use state structures to establish what Magaloni (2006) calls a clientelistic 'punishment regime' whereby access to public resources, such as social policy schemes or public sector employment, is only made available to supporters of the regime party. Such state-dependent,

clientelistic mobilization strategies are not available to opposition parties, thus giving the regime a significant competitive advantage. In addition, the regime can use the state apparatus to organize the systematic manipulation of elections – either before, during, or after the voting takes place (e.g. Seeberg, 2014: 1271; Seeberg and van Ham in this special issue).

Having established a theoretical link between state capacity and co-optation, it is important to again outline possible structural constraints that dictators may face. To begin with, the effectiveness of clientelism as an electoral strategy hinges on two factors. First, clientelism is tied to there being sufficient public resources available; economic crises and ensuing reforms, for instance, may significantly undermine the stability-inducing effects of clientelistic punishment regimes (e.g. Greene, 2010). Second, more affluent voters generally tend to be less susceptible to clientelism, as they are less dependent on public resources for maintaining their living standards (e.g. Lyne, 2007). Turning to electoral malpractices and fraud, scholars have identified a number of concomitant risks that can pose a potential threat to regime stability. Most importantly, electoral fraud may trigger destabilizing protests over ‘stolen’ elections – in particular, if manipulations are clumsily executed and if the opposition cooperates in organizing collective action (e.g. Schedler, 2015).

Overall, there are good theoretical reasons why we should expect state capacity – measured along the dimensions of bureaucratic quality and coercive authority – to enhance the stability of autocratic rule. Not only do high-capacity states provide dictators with the means to generate specific support at the output-side of the political system, but they also help dictators retain control of the input-side of the political system, especially by putting them in charge of

efficient instruments of repression and electoral mobilization. At the same time, however, the preceding section suggested that whether autocratic leaders are able to use the state towards these strategic ends depends ultimately on the state's social embedding and the international context.

Korea's developmental state: origins and features

Academic studies on the role of the developmental state in Korea's process of late industrialization commonly point out that the state's ability to coordinate industrial development was only partly due to its infrastructural power. What also mattered was the state's 'autonomous embeddedness' (Evans 1995) and its institutionalized links with a highly concentrated business sector, and the fact that Western capitalist countries tolerated state interventionist policies as a means to strengthen South Korea vis-à-vis the communist North. In other words, scholars of Korean political economy have long held an understanding that state capacity depended on contextual factors.

In the remainder of this article we will make a similar argument regarding the developmental state's capacity to keep Korea's military-bureaucratic regime in power. In order to do so, we will first outline the historical process through which the developmental state was equipped with infrastructural power. The subsequent section will then discuss how contextual changes made it increasingly difficult to harness this power for regime stabilizing purposes.

Before tracing the infrastructural evolution of Korea's developmental state, it is important to note that scholars do not agree on who played the key role in

shaping this process. While some authors stress the importance of Japanese colonialism (e.g. Kohli 1994), others argue that colonial legacies were largely destroyed under the post-WWII regime of Rhee Syngman (1948-1960) and, instead, highlight the role of the subsequent Park Chung-hee regime in building the developmental state (e.g. Haggard et al., 1997). Without getting into the details of this debate, our argument here is the following: important institutional foundations remained in place during Rhee's rule, thus giving Park the opportunity to build on these foundations.

When the Japanese took possession of the Korean peninsula, the local state was showing signs of disintegration. For almost five centuries, the Yi dynasty had ruled Korea in a highly patrimonial fashion, relying mainly the landowning *yangban* class to exercise governmental authority over the population. Hence, Japanese colonial authorities, driven by the long-term objective of eventually integrating Korea into an expanded Japan, immediately set out to modernize the state. In particular, institution building focused on three different areas (see Kohli, 1994: 1273-1275). First, patrimonial elements of the monarchical state were replaced with a depersonalized, hierarchical bureaucracy, staffed by colonial officials and Japanese-trained Korean civil servants. Second, the Japanese set up a well organized, highly disciplined police force. Third, not only were the state's bureaucratic and coercive capacities strengthened, but '[t]he new state also achieved considerable downward penetration: both the civil and police bureaucracies reached into the nooks and crannies of the society' (Kohli, 1994: 1273-1275). To achieve direct bureaucratic penetration, the *yangban* class was incorporated into local governance structures, not without, however, first subordinating it to the new state through an extensive land survey.

The end of colonial rule – precipitated by Japan’s surrender in WWII – and the division of the Korean peninsula along the 38th parallel undoubtedly marked a critical juncture in the process of state building. The implications for the quality and strength of state institutions in the south were mixed. On the one hand, bureaucratic capacity declined considerably. This was mainly due to the fact that the Japanese withdrawal left a great void in civil service personnel, which the US-backed regime of Rhee Syngman proceeded to fill with politically motivated patronage appointments, rather than well trained technocrats (Haggard et al., 1997: 873). On the other hand, in other aspects of state building, the Rhee regime produced a more positive impact. For one, albeit admittedly under intense pressure from US military authorities and facilitated by the social upheaval caused by the Korean War (1950-53), the Rhee regime implemented a far-reaching program of land reform. In the long run, land reform would prove important because, by considerably weakening the *yangban* elite, it increased the autonomy of the state from social actors, thereby establishing the basis for the developmental state’s ability to coordinate and carry out programs of industrial transformation (Cumings, 1984). Moreover, under the Rhee regime, the state’s security organs also experienced a dramatic boost in capacity. As Vu argues, the extreme ideological polarization among political elites incentivized the right-wing Rhee regime to ‘revive [...] coercive institutions, reorganize them under Korean command, test them in battles, and reorient them toward repressing communism’ (Vu, 2007: 35).

However, at the same time as heavily investing in the state as a coercive instrument, Rhee politicized the security apparatus for his own strategic purposes (Huer, 1989: 13). Critically, by promoting loyal supporters to the

highest ranks of the officer corps and playing off rival factions against one another, Rhee succeeded in achieving effective control over the military, which – fueled by US military aid and the exigencies of the Korean War – had emerged as the most significant organization in the political system. In particular, Rhee used his influence over high-ranking officers to mobilize military units as voters in elections and to funnel public funds earmarked for military purposes into his party's coffers. Over time, however, Rhee's meddling in the military's internal affairs was met with increasing opposition from younger officers, eventually contributing to a military coup under the leadership of Park Chung-hee in 1961.

While, overall, Japanese colonial rule and the Rhee regime had resulted in positive state building outcomes, it was during the early years of Park's military-bureaucratic regime that Korea's developmental state was fully established. To explain why the Park regime engaged in reforms that pushed the Korean state towards the 'developmental' type, scholars generally emphasize the belligerent threats posed by North Korea and the scarcity of natural resources in the southern part of the Korean peninsula (e.g. Woo-Cumings, 1998; Doner, et al., 2005). Together, these factors created incentives for the Park regime to achieve rapid industrialization, with the developmental state acting as the primary vehicle for transformation.

As one of his first priorities, Park purged loyalists of the Rhee regime from the military leadership and then went on to further strengthen the coercive capacities of the state. Most significantly, only a few weeks after taking charge, the new regime set up the Korean Central Intelligence Agency (KCIA), which – equipped with far-reaching authority and placed directly under presidential control – would become 'Park's favorite instrument of power' (Kim, 2011: 144).

Equally important for the state building process, if not more so, was the regime's decision to reestablish the bureaucracy on Weberian principles of public administration – in particular, by restoring the *haengsi* (administrative entrance examination) system and by establishing a Ministry of Government (MGA) that was tasked with ensuring that promotions would be merit-based (Kim H.-A 2011: 93-94). However, it should be pointed out that, at the same time, many holders of top bureaucratic positions were recruited from among the armed forces, thus leading to a closely interwoven relationship between the military and the civil service (Yang 1999: 520-521).

Finally, another important piece in the construction of the developmental state was the centralization of economic decision-making in a powerful Economic Planning Board (EPB). Staffed with highly trained technocrats, and bestowed with the power to independently raise capital for industrial projects through foreign loans and investments, the EPB would move on to become *the* key pilot agency responsible for coordinating Korea's economic transformation (e.g. Cheng et al., 1998).

Once put in place in the early 1960s, the institutional properties of the Korean developmental state remained largely unchanged under both the Park Chung-hee (1961-1979) and Chun Doo-hwan (1979-1988) governments. What *did* change was the context into which the state was embedded. As will be discussed in the next section, it was these changes that explain why it became increasingly difficult to use the developmental state as a regime-stabilizing tool.

The decline of state capacity: domestic and international drivers

After the structures of the developmental state had been institutionalized, the military-bureaucratic regime used these structures to implement an ambitious program of industrial transformation. Yet, even though the program was a success (in economic terms), the aggressive way in which it was put into effect, meant that economic growth failed to translate into specific (output-oriented) legitimation for the regime. Instead, from the late 1970s onwards, the growing middle and working classes began to oppose the regime in a more coordinated fashion. These social changes, in turn, had significant implications for the state's capacity to implement the regime's strategies of power consolidation. Specifically, the state's repressive capacity – that is, the capacity to obtain compliance from citizens through coercive means – and its ability to generate electoral support declined dramatically. What is more, a strategic shift in US foreign policy in the early 1980s prevented the regime from operating the developmental state at full (infrastructural) power, thus further reducing the level of state capacity.

Legitimation

The story of how Korea's developmental state coordinated industrialization and successfully promoted economic growth has been told many times (e.g. Amsden, 1989; Kohli, 2004). Hence, here, it suffices to briefly summarize the key points. Essentially, a number of interventionist instruments (restrictions on foreign trade, government monopoly on the provision of credit, corporatist control of trade unions) helped the developmental state to deliberately get the prices 'wrong' and create other incentives for private

business to move into strategically targeted markets. However, centrally coordinated industrialization plans were not implemented in a linear fashion but, repeatedly, the EPB had to adjust plans to respond to unexpected events and conditions.

Soon after taking power, the Park regime, viewing the import-substitution development strategy adopted under Rhee Syngman as a failure, switched to a strategy of export-oriented industrialization that focused on low-skilled, labor-intensive manufactured goods such as textiles, toys, and consumer electronics. However, the success of the export-oriented industrialization program soon led to a shortage of skilled workers, which – in combination with rising inflation – caused a sharp rise in real wages. As a consequence, in the early 1970s, the regime decided to push into a new niche in the world economy by promoting heavy and chemical industries such as iron and steel, shipbuilding, machinery, electronics, and petrochemical processing.

The next crisis struck with the second ‘oil shock’ in 1979, which dealt a heavy blow to the government’s program of heavy industrialization. Consequently, and also partly due to the assassination of Park Chung-hee in October (see ‘Repression’ section below) and a disastrous agricultural harvest in the same year, the Korean economy plunged into a recession and accumulated staggering levels of foreign debt. The successive regime leadership reacted to this slump with a careful deregulation of the market, and a series of fiscal and budgetary measures aimed at restoring macroeconomic stability.

Nevertheless, despite these crises, the program of industrialization led by the developmental state under the aegis of the military-bureaucratic regime delivered staggering results, as reflected, for example, in the fact that, between

1961 and 1987, the Korean economy grew at an average annual rate of over nine percent (see Figure 1), lifting GDP per capita from 156 US dollars to 3,628 US dollars.

[Figure 1 about here.]

Notwithstanding these breathtaking macroeconomic figures, state-led industrialization failed to generate specific regime legitimation among the population, the main reason being that Park Chung-hee's approach of 'growth first and distribution later' resulted in pronounced socio-economic inequalities. '[E]xport-led industrialization', as Im explains, 'transformed what once [had been] a homogenous society, living in a condition of 'equality-in-poverty', into a heterogeneous class society, with a rising income gap between capital and labor, urban and countryside areas, and Chölla and Kyöngsang provinces' (2011: 244). However, it was not just the losers of industrialization – the rural population and the working class – who denied the regime's legitimacy, but the growing middle class was also 'extremely dissatisfied with the authoritarian political system and with the way in which the benefits of economic growth had been distributed' (Koo, 1991: 490).

While the regime was able to 'buy' the support of the rural population (see 'Co-optation' section), workers and parts of the middle class voiced their grievances not only through voting but also through the mechanism of mass protest. Sporadic labor unrest first flared up in the late 1960s, when the crisis of the low-skilled, export-oriented manufacturing sectors galvanized workers' grievances.² At the same time, labor issues were also taken up by the main

opposition party, the New Democratic Party (NDP), which arguably contributed to its strong performance in both the parliamentary and presidential elections in 1971. To make things worse for the Park regime, that same year also saw unprecedented student protests – most notably against the Student Corps for National Defense (SCND), which the government had introduced to implement military training programs on university campuses.

The response of the regime was to escalate the methods of repression (see below), which, however, failed to uproot the underlying causes of social protest. In particular, the burden of the newly implemented program of heavy industrialization was again placed on the back of the working class, with wage increases lagging behind productivity increases throughout the 1970s (Deyo, 1987: 197). Moreover, as grievances persisted, the organizational capacity of the working class increased significantly – for two main reasons (see Koo, 1993: 139-141). First, heavy industrialization led to a concentration of factory workers in large units of production, which, in turn, helped create working class communities. Second, in the absence of independent trade unions, church groups and students came to play a significant role in raising workers' collective consciousness.

As a result, over time, labor activism became more assertive and larger in scale. This not only played a part in Park Chung-hee's downfall in 1979, but, more fundamentally, equipped the pro-democracy *minjung* movement with the means to assert increasing pressure on the military-bureaucratic regime – reflected in the rise of organized protest in the late 1970s and mid-1980s.³ As will be discussed in the next section, regime elites became increasingly divided over the question of how to react to the growing strength of civil society, with

soft-liner factions – assisted by the international context – eventually winning the power struggle and putting Korea on the path to democratization.

In short, although state capacity helped the military-bureaucratic regime to successfully implement programs of industrial transformation, the resulting economic growth did not translate into specific legitimation. In particular, the growing working and middle classes – motivated by grievances over social injustice – withheld their support for the regime.

Repression

As outlined above, Park Chung-hee inherited a state with tremendous coercive capacity from earlier regimes. After taking power, Park took immediate measures to further strengthen the state's repressive instruments. Not only did he establish the KCIA, but he also bolstered rival surveillance agencies – most notably, the Presidential Security Service and the Army Security Command – to keep the KCIA in check (Kim B.-K., 2011: 144). Park used the state's coercive apparatus extensively to apply repression against (potentially) disloyal elites and opposition movements. However, eventually, the over-reliance on repressive mechanisms backfired, ending in his assassination by the KCIA director in 1979. The successive regime of Chun Doo-hwan maintained (if not raised) the level of repression, yet became increasingly constrained in its options by the geopolitical context and US pressure. This, in turn, by strengthening the soft-liners among the ruling elites, heralded the end of the military-bureaucratic regime.

In the early years of the regime, after suspending political parties and civil liberties in 1961, the greatest threat for Park Chung-hee came from other

military officers. At the time of the coup, the armed forces were divided into two main factions: the so-called Northern faction, consisting primarily of senior officers with North Korean and Manchurian backgrounds, and a faction of younger officers around Park Chung-hee and Kim Jong-pil (Huer, 1989: 69-71). The division between these two factions exploded into open conflict, when, after having announced the reintroduction of elections for 1963, Park declared that he intended to run as a presidential candidate. Moreover, it became evident that Kim Jong-pil had been secretly working on establishing a political party, thus – given the general ban on political associations – providing Park with a significant competitive advantage vis-à-vis other elites. Taken together, the leaders of Northern faction read these developments as a grab for power and publicly demanded for Park to step down. Park, on his part, responded with a crackdown ('Operation Alaska'), purging Northern leaders from key positions and thus destroying the faction (Kim H.-A, 2011: 110). This move installed Park's own circle of followers, the *Hanahoe* (Group One), as the dominant faction within the military.

The next challenge to Park's rule came in 1969 when Park sought a constitutional revision to remove the two-term limit for the presidency. This move met with resistance from two sides: Kim Jong-pil, who had always seen himself as Park's rightful successor, and the so-called 'Gang of Four' within the DRP, which – lacking the charisma and mass support base of Kim Jong-pil – hoped to install a parliamentary system after Park's last term in office. Park followed a two-pronged strategy to break down the resistance: instruct the KCIA to bully Kim Jong-pil and his 'crown prince' faction with threats of a purge and have the DRP Finance Chairman sweet-talk the 'Gang of Four' into acquiescence.

After the constitutional amendment was passed, however, the KCIA also struck against the latter, with the effect of removing the 'Gang of Four' from the political power game (Kim B.-K., 2011: 144-145). Overall, these repressive measures meant that '[t]he ruling DRP was transformed from a coalition of loyalist party bosses to a system of one-man rule without independent bosses by October 1971' (Im, 2011: 242).

Yet, while Park Chung-hee had thus succeeded in containing the risks of an elite-led palace coup, he was now – as outlined in the 'Legitimation' section above – confronted with a growing wave of social unrest. Park responded by stepping up repression measures. To begin with, he ordered the violent crackdown on workers' strikes and student demonstrations. Moreover, preceded by the proclamation of a state of emergency and the enactment of the Special Law for National Security in December 1971, Park implemented the so-called *Yushin* constitution in October 1972, which closed the space for organizing protest and tightened the state's control over labor.

However, these institutional measures aimed at centralizing the control over the state's coercive instruments meant that '[t]he way Park employed the strategy of repression became more clumsy [...] as he lost the vigilance, discipline, and system of checks and balances that had served him so well during the 1960s' (Kim B.-K., 2011: 166). Eventually, Park's increasingly arbitrary exercise of coercive power provoked a split among regime elites. The specific trigger for this split was the spread of student protests across university campuses in the cities of Pusan and Masan in October 1979.⁴ While Park, supported by the head of the presidential guard, again sought to resort to violent suppression as a strategic measure, the director of the KCIA, Kim Jae-kyu,

opposed coercive measures, believing that this would only fuel further protests and escalate the situation. Under the mistaken assumption that he had the support of key factions in the military, Kim shot both Park and the head of the presidential guard on October 26. What ensued was week-long political chaos, with order only restored through a coup under the leadership of General Chun Doo-hwan – a key figure in the dominant Hanahoe faction.

Initially, the Chun regime maintained a similar level of repression as Park, illustrated most starkly by the new leadership's response to an uprising in the southwestern city of Kwangju in May 1980, which left hundreds of protesters dead. However, starting in 1984, Chun – seeking a stronger base of legitimacy – began to engage in a carefully calibrated liberalization of the political system. As briefly touched upon earlier, civil society movements used this opening of participatory space to intensify their attacks against autocratic rule. Not only did worker militancy surge significantly after the initiation of *yuhwa kookmyun* (decompression phase) – as reflected in the rise of labor disputes from 98 cases in 1983 to 265 cases in 1985 (Koo, 1993: 151) – but the newly created opposition party, the New Korea Democratic Party (NKDP), also began to take the fight against the regime to the street.

With opposition groups growing stronger, the regime had to decide whether to continue the process of liberalization or to reverse the process through violent means. It was at this point that inter-factional rivalries within the military came to the surface. Since Park's death, the division between Hanahoe and non-Hanahoe members had deepened significantly, with the latter growing increasingly frustrated over the fact that high-ranking positions were only available to Hanahoe members. Fueled by their grievances over the lack of

opportunities for career advancement, non-Hanahoe officers – who constituted the majority in the office corps – began developing an interest in political change and started to oppose coercive action against anti-government protesters (e.g. Kim, 2012).

Crucially, the international context at the time favored the non-Hanahoe officers. Of particular importance was the role of the United States: whereas the Carter government – seeking to avoid potentially destabilizing foreign-policy decisions after the Iran hostage crisis in 1979 – had silently tolerated the violent crackdown on the Kwangju uprising in 1980, the Reagan administration – buoyed by the success of the democracy movement in the Philippines – pressed the Chun regime not to use armed force against protestors (Fowler, 1999). Therefore, the regime's internal power struggle between the Hanahoe faction and non-Hanahoe officers was finally settled in June 1987, when Chun Doo-hwan's right hand-man, Roh Tae-woo, publicly promised to concede to the opposition's demands for constitutional reforms.

To sum up, the state provided the military-bureaucratic regime with a formidable set of coercive instruments. However, as the opposition movement grew in strength, regime elites repeatedly clashed over how to employ these instruments, with – at times – far-reaching consequences for regime stability. In 1979, intra-regime struggles resulted in the assassination of Park Chung-hee, yet not in the democratization of the political system. On the other hand, in 1987, with the US siding with reform-oriented non-Hanahoe groupings, internal divisions created a path to democratic reform. That is to say, in the end, a combination of three factors made it impossible to run the state's coercive apparatus at full capacity: increasing pressure from 'below', deepening factional

divisions within the regime, and withdrawal of support for the dominant faction by the US government.

Co-optation

As discussed in the introduction to this special issue, elections may provide an important mechanism for elite co-optation. In particular, if the regime succeeds in winning supermajorities this signals that opposition is futile, thus creating disincentives for elites to defect. However, at the same time, elections are ambivalent institutions that can undermine a dictator's hold on power – for example, by providing the opposition with a space to voice their grievances and by generating empowering spillover effects into other spheres of political life (e.g. Lindberg, 2006).

Park Chung-hee, seemingly aware of these risks, initially attempted to stall the re-introduction of elections after the 1961 coup. However, ultimately, 'public denunciation, demonstrations, and pressure from the United States' (Palais, 1974: 336) forced Park to agree to a 'civilianization' of government and a return to electoral competition.

Park's concerns about the re-introduction of elections were not unfounded, as the military-bureaucratic regime would never achieve anything close to an electoral supermajority, at least not at the aggregate national level. From 1963 until 1988, the regime party's difference in vote share in relation to the second largest party never exceeded 17.9 percent for parliamentary elections and 10.5 percent for presidential elections; the average difference was 8.9 percent for parliamentary elections and 7.1 percent for presidential elections (see Figure 2). It is thus not surprising that key parts of the 1972 Yushin constitution were

aimed at curbing the competitiveness of the electoral process. Most importantly, the Yushin constitution abolished direct presidential elections and empowered the president to appoint one-third of the National Assembly members. The latter provision would become crucial in the 1978 parliamentary elections, when the regime's DRP received fewer votes than the main opposition party and only managed to maintain its majority in the National Assembly due to constitutionally reserved seats.

[Figure 2 about here.]

The regime's failure to produce supermajorities can be explained in part by the limitations that the context imposed on using the developmental state for electoral purposes – either to organize systematic electoral fraud or to lock the electorate into a clientelistic exchange agreement.

For one, the pro-democracy movement – at least after Park Chung-hee's meddling with the constitution in 1969 had galvanized opposition to autocratic rule (Im, 2011: 243) – was relatively unified and possessed the ability to coordinate large-scale collective action. According to the theoretical literature on electoral fraud (e.g. Magaloni, 2010), such a set-up makes the manipulation of elections a risky strategy for autocratic regimes, as it may backfire and fuel public protests against stolen elections. In fact, it seems that these were exactly the strategic calculations that underlay the regime's decision to refrain from engaging in systematic electoral fraud. As Kim and Koh (1972: 857-858) explain in their case study of the 1971 election, the regime was 'keenly aware of [...] possible boomerang effects.' The DRP thus 'warned its candidates for the

National Assembly of the dangers of 'election controversies' and publicly declared that the party would deal most severely with anyone found guilty of election fraud.' Consequently, rather than employing the developmental state's administrative and coercive capabilities to *organize* electoral fraud, the military-bureaucratic regime relied on the state apparatus to *prevent* electoral fraud. This is reflected in the significant decline of election campaign violations over time, especially after the implementation of the draconian Yushin constitution in 1972 (Lee, 1999: 60).

Moreover, not only did the structural context place limitations on the use of the state for electoral manipulation, but it also constrained the military-bureaucratic regime in drawing on the state for the establishment of a clientelistic punishment mechanism. As outlined earlier, successful industrialization gave rise to growing urban middle and working classes. Confirming theoretical expectations regarding the effectiveness of clientelism as an electoral strategy (e.g. Lyne, 2007), these groups were difficult to mobilize on the basis of clientelistic appeals. To some extent, this showed in national voting patterns: before electoral reform in 1972 – which was precisely aimed at improving the regime's electoral performance in urban districts – the DRP only succeeded in winning an average of 28.4 percent of urban seats, while at the same time winning an average of 78.1 percent of rural seats (Lee, 1999: 55).⁵

In rural areas, on the other hand, the regime's clientelistic punishment mechanism worked very efficiently. Moreover, and most importantly for the discussion here, the state's administrative apparatus played a critical role in operating the clientelistic punishment mechanism. In particular, the Ministry for Home Affairs (MHA) – with its 'power to affect almost all facets of everyday life

in the countryside' – and the National Agricultural Cooperative Federation (NACF), which was farmers' only source of credit, marketing, and fertilizer, were key cogs in the clientelistic machine (Lee, 2011: 348-349).

Yet, ultimately, the successful functioning of the clientelistic punishment mechanism depended on it being fueled by sufficient government resources. Under the Park regime, this was consistently ensured – in particular, after the launch of the *Saemaül* (New Village) program in 1970. The Chun regime, however, which came to power in the midst of the 1979-80 economic crisis, cut down on subsidies to rural sectors (such as the grain management fund and the fertilizer account) as part of its wider strategy to ensure macroeconomic stability. The result was declining support for the regime and a strengthening of opposition groups in rural areas (see Haggard and Moon, 1993: 87).

Conclusion

In principle, a high-capacity state provides authoritarian regimes with a powerful tool for the implementation of stability-enhancing strategies: high-capacity states can bolster the regime's legitimation through the mechanism of economic development; high-capacity states provide an effective security apparatus for the repression of dissent; and high-capacity states can help the regime secure electoral supermajorities, thereby facilitating the co-optation of actual and potential elite rivals.

However, as the case study of electoral authoritarianism in Korea demonstrates, state capacity does not automatically translate into regime

resilience: the military-bureaucratic regime controlled a state characterized by exceptionally high levels of infrastructural capacity, yet was eventually forced to concede to demands for democratic reform.

More specifically, what the case study of Korea's military-bureaucratic regime has contributed to the literature on electoral authoritarianism is an enhanced understanding of how the state's capacity to implement strategies of regime stabilization depends on its contextual embedding. Based on an analytical framework that synthesized work from various literatures, the case study produced a number of significant findings.

First, state capacity is to a large extent determined by the state's social context. For one, the more affluent society, the more difficult autocratic leaders will find it to use the state to establish a clientelistic punishment regime as a means to mobilize electoral support. Moreover, the stronger society – that is, the better organized social groups are – the more difficult it becomes to enforce citizen compliance through the state's coercive apparatus. Similarly, a more unified and better organized opposition means that employing the state to perpetrate systematic electoral fraud becomes a very risky strategy.

In other words, a high-capacity state can be a double-edged sword. On the one hand, strong states can help autocratic regimes to generate legitimation through their ability to coordinate economic development; on the other hand, social change spawned by economic growth can lead to a decline in the state's repressive capacity and its ability to mobilize electoral supermajorities.

Second, not only is state capacity a function of the state's infrastructural power and its social embedding, but it also depends on the international context. As the case study of Korea's military-bureaucratic regime has shown, the

functioning of the state as a clientelistic instrument can be negatively affected by global economic crises. What is more, the strategic options in employing the state's coercive apparatus can be restricted by power relations at the international level.

Finally, if social and international factors cause a decline in the state's capacity to implement strategies of regime stabilization, this can eventually provoke intra-elite divisions, as regime survival becomes increasingly uncertain. These divisions, in turn, can exacerbate the decline in state capacity – in particular, if defecting elites control key parts of the state apparatus. Generally, as the literature on authoritarianism tells us, intra-elite splits are often a trigger for the breakdown of autocratic regimes.

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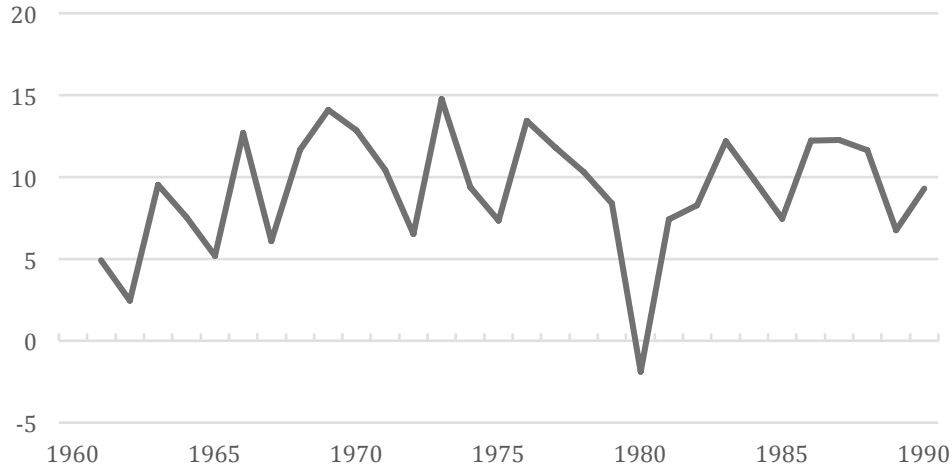
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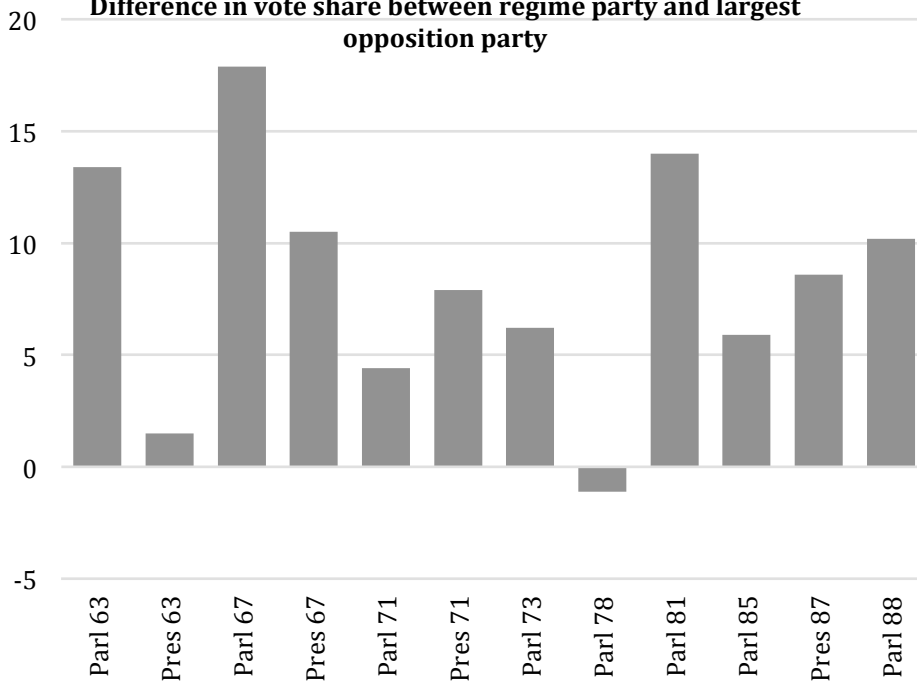
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Figure 1:
GDP growth (annual %)



Source: World Bank

Figure 2:
Difference in vote share between regime party and largest opposition party



Source: Croissant (2001)

¹ For the sake of this paper, we define the developmental state primarily by its institutional properties. Specifically, as Leftwich (1995, 420) highlights, developmental states ‘concentrate considerable power, authority, autonomy and competence in the central political and bureaucratic institutions of the state, notably their economic bureaucracies, and generate pervasive infrastructural capacity’. In particular, this means that we do not assume that developmental states have, by definition, to be bolstered by autocratic government structures. In fact, the case of post-WWII Japan shows that developmental states can coexist with democratic regimes.

² At this point, labor protests were largely spontaneous and localized, aimed at improving working conditions at the factory level. A notable exception was an industry-wide strike among textile workers in 1969.

³ Noteworthy examples of enhanced working class capacity in the run-up to Park Chung-hee’s assassination include the Dong-Il Textile strike (1976-1978) and the so-called ‘YH incident’ (1979). Labor activism then reemerged in the mid-1980s with the ability to organize even more sophisticated acts of civil disobedience, such as strikes at Chonggye Garments (1984), Daewoo Automobiles (1985) and Kurodong Industrial Estates (1985).

⁴ These student demonstrations were themselves a response to arbitrary and cruel actions by the Park regime – most notably, the violent break-up of a protest by female workers at a wig factory, which resulted in the death of one worker (‘YH incident’), and the dislodging of the NDP leader, Kim Young-sam, from parliament.

⁵ Electoral reform replaced the *single-member plurality* system with *single non-transferable vote* (SNTV). The regime’s calculation was that SNTV’s two-member districts would, in urban areas, result in an equal allocation of seats between the DRP and the main opposition party, rather than the latter winning the majority of seats.