

Conditions of Successful Administrative Reform

—A Historical Perspective—

CHUNG, CHUNG KIL

*Professor, Graduate school of Public Administration,
Seoul National University*

I. Introduction

When a new president is elected, it is generally assumed that one of the president's challenges is to reform government operations. Recent reforms in Korean government had been mainly those of changes of government structures: these changes have included the consolidation of organizational functions and the dismantling of inefficient and unpopular agencies. They were the so-called cutback reforms.

In May 1988, when popularly elected President Rho announced the establishment of the Administrative Reform Commission (ARC), many believed that administrative reform would be critical to the president's effort to democratize the governmental processes of the Sixth Republic. In July 1989, the ARC submitted its proposals for reform to the Ministry of General Affairs(MGA): these proposals recommended a wide range of structural and functional changes. The MGA, serving as the secretariat to the ARC, distributed the report to each ministry and agency and invited their opinions. The MGA then submitted the report, which included revisions suggested by the ministries and agencies, to the State Council, which is composed of twenty cabinet members. The State Council meetings offered another opportunity for the ministries and agencies to articulate their demands and criticisms. After the reviews more changes, some very fundamental ones, were made to the report by the State Council which then sent the reform proposal to President Rho for his approval. When the president approved the reform proposal, it was too much distorted to be called "reform": The reform effort failed to produce any significant result. Why did this happen? Some reform efforts in the past 40 years were very successful. Even cut-back reforms in 1955 and 1981 were both successful. Why did President Rho's reform

movement failed, while those two cases were successful? This is the question which this paper tries to answer.

The paper will first discuss the major difficulties and resistances which any cutback reform must surmount, examining reform efforts of the ARC. The second part of the paper reviews successful cutback reform cases of the past to sort out the most critical factor to their successes.

II. Difficulties of Administrative Reform

1. Administrative Reform Commission (ARC) and Reform Goals

When ARC was created in 1988, it was composed of twenty members and the chairperson was a former deputy prime minister, a former prime minister and director of the Economic Planning Board. He was widely known as a capable and stubborn bureaucrat. Among the twenty members of the ARC were eight professors, most from the field of public administration, and four newspaper editors and reporters, representing the most popular daily newspapers. Some of the remaining members of the ARC were from the labor unions, business groups, the lawyers association, public enterprise and the Korea Development Institute. There was also a former special aid to the president, and a top level administrator from the MGA.

The major goals of administrative reform in 1988 were intended to be instrumental in;

1. the development of an effective and efficient administrative system
2. the continuing success in economic development
3. the promotion of a welfare society
4. the improvement of the democratization of public administration
5. the preparation of national reunification

In an attempt to attain these five goals, the four main administrative functions and their structures became the targets of reform. First, the reform effort focused on the relationship between the public and private sectors. The ARC was particularly interested in reducing the size of government through privatization of certain government functions. Second, the relationship between central and local government was stressed in order to delegate as much administrative authority as possible to local governments. It was the assumption that, in a democratic society, autonomy and discretion at the local level were important. This task was not extensively investigated, however, because another special commission was involved in a long-term study. Third, the structural abolition or consolidation of the cabinet-level agencies was another important target of reform. This issue was the most critically debated and politically sensitive during the entire process of administrative reform. The fourth target of reform was the improvement of managerial functions, such as personnel

management, administrative and decision-making procedures, finance and budgeting, and so forth. The ARC was particularly interested in cutting unnecessary functions and structures.

Overall, the administrative reform efforts focused on reducing the functions and structures of government. The whole effort may be described as cutback reform.

2. Ambiguous Goals and Reform Measures

One of the most difficult tasks in administrative reform is matching established goals with specific reform measures. When a goal is ambiguous and broadly stated, such as 'build a welfare state' or 'promote a democratic administration,' designing reform measures is an extremely difficult task. Moreover, in the instance of Korea, the assumptions of the stated goals were in direct conflict with the idea of cutback reform. Suppose one of the goals related to achieving a welfare state is to promote a guaranteed minimum wage for lower-level worker, and the target of reform is the functional relationship between the public and the private sectors. The government must be responsible for monitoring the effect of the minimum-wage policy. A new subministerial unit might be established to enforce regulatory policies. An independent regulatory labor commission could be created to monitor, analysis and evaluate the implementation of the minimum-wage law. To implement these proposals, however, would be difficult if the major task of reform to rearrange some of the existing functions and structures and eliminate others.

3. Conflict among manifest and latent goals

In policy science analysis, matching goals with the means for accomplishing those goals is supposed to be systematic and relatively easy task. In the Politics of administrative reform in Korea, however, the goals were either conflicting or would compete for scarce resources if implemented. In the dialogue between the ARC members, their latent goals began to emerge, making the reform task more complicated. The members could not agree on the relative importance of each goal and the integration between the goal of a welfare state and that of continuing economic development. Some members stressed economic development as the first priority, others insisted on the promotion of a welfare state at the same time. Since the late 1980s the promotion of a welfare state has become the most important agenda for those who criticize the negative consequences of the rapid economic development of the past two decades.

At the beginning of the discussion of reform in May 1988, many ARC members argued that, because of the perceived need for national security and economic development in the past, the promotion of democracy in government had the highest pri-

ority in the 1988/89 reform agenda. But during the meetings of the ARC in early 1989, the national security issue surfaced as an important latent goal. Many ARC members argued that national security had been one of the most important national goals since the Korean War (1950-53) and had been neglected by the ARC in 1988 and so not adopted as an official reform goal. The concern for national assembly member, a student activist and a leader of an anti-government movement. Several ARC members proposed a radical change in the National Emergency Planning Committee (The Korean CIA) and the majority of the ARC members agreed to include the strengthening of national security as a reform goal.

4. Conflict Over Agency Autonomy versus Central Co-ordination

The EPB had been the main co-ordinating body of economic and social development policy-making. Some insisted that the Office of the Budget be separated from the EPB and the EPB should only perform planning functions. This would have provided each economic ministry (the Ministry of Finance, the Ministry of Trade and Industry and the Ministry of Commerce and Technology) with greater autonomy in planning and budgeting. The opposing argument was that a central co-ordinating agency was necessary for planning and monitoring the total performance of economic ministries as a whole even though a lack of autonomy might hamper the performance of each ministry. Because there was no convincing argument for reducing the role of the EPB, the ARC decided to keep the existing arrangement with the EPB co-ordinating economic ministries and controlling economic and social development policies.

A Proposal was made to merge the Ministry of Energy and Resources(MER) with the Ministry of Trade and Industry (MITI). The major function of both ministries was to support economic development plans. The rationale for abolishing the MER was that both ministries served the industrial sector and, furthermore, the MER was the smallest ministry in size and operations and had not produced much in development of an energy policy. There was counterargument for keeping the MER in order to develop a future energy policy as well as to cope with the current demands for energy resources. Because the MITI was primarily occupied with issues of international trade and industrial development, the consolidation could lead to the neglect of Korea's future energy policy. The ARC members overloaded this problem, however, and made a recommendation to merge the MER with the MITI, largely based on the MER's past performance and the need for reducing government bureaucracy and increasing administrative efficiency.

The issue of agency autonomy versus central co-ordination also produced a serious debate when the ARC dealt with consolidation of government-supported research institutes. Although every member of the ARC agreed that research and

development in science and technology was vital to the nation's industrial and economic development. No one was sure whether the research institutes should be reorganized. Prior to 1980 each ministry had been responsible for co-ordinating the research institutes within that ministry. With the reorganization of 1980, the major scientific research institutes had come under the supervision of the Ministry of Science and Technology.

The rationale for separating research institutes from the Ministry of Science and Technology and putting them under relevant cabinet agencies was to provide an active response to clients' needs. The counterargument was that an agency oriented toward its clients' needs would neglect long-term scientific research and technological innovation. Despite heated discussion on the issue, the ARC decided to leave the institutional arrangements as they were. This was largely owing to ARC members' lack of knowledge about the various roles of research institutes.

5. Different Perceptions Regarding the Timing of Reform

Because the ARC members had different occupational and educational backgrounds, they tended to perceive the changing role of government agency in different ways. This was particularly evident when the ARC dealt with reform of the Fair Trade Commission (FTC). The major responsibility of the FTC was to protect consumers and small companies from the dominant influence of business groups. It had been established as an advisory committee to the Economic Planning Board (EPB). Because the EPB was concerned more with capital accumulation and economic development and less with the welfare of consumers, the advocacy role of the FTC was not well appreciated by the EPB administrators. The ARC agreed that the FTC must eventually become independent and regulatory commission in order to protect the interests of consumers best. There was, however, heated discussion among the ARC members as to the appropriate time to create independent agency. The opponents argued that government had to protect big companies because they were still financially weak; many still depended on large loans from the government. They also argued that small businesses, consumers and the general public would have difficulty in learning to conduct their business with an independent FTC. On the other hand, the supporters of the creation of an independent FTC argued that big companies had not only been monopolistic in controlling the market economy, but had also exploited consumers and small companies. Furthermore, they thought the financial difficulties of large companies were generally exaggerated. Some members were not certain about the financial status of large firms or the ARC members were not sure of the present problems and the future responsibility of the FTC, the ARC did not make a recommendation for reform.

6. Difficulty in Reducing the Role of a Powerful Agency

The idea of separating the Office of the Budget from the Economic Planning Board (the EPB) met with a similar difficulty. The proponents of reducing the role of EPB argued that the Korean economy had become so complex that the EPB, which coordinated national economic policies with ministries, did not fully understand the economic situations of the everyday world. When the Korean economy had been small in scale, the EPB had been efficient in controlling and co-ordinating economic policies. But in a period of complexity and rapid economic development, other economic ministries, such as the Ministry of Finance and the Ministry of Commerce, staffed with a large number of professionals, were better able to solve emerging problems. The rational co-ordination of policies had not only become difficult, but had also generated various negative side effects. By reducing the role of the EPB, each ministry could enjoy autonomy in solving problems and have flexibility in setting guidelines and implementing procedures.

Some ARC members also argued that if the Office of the Budget remained in the EPB, the welfare programs would continue to receive lip service only and inadequate funds would be allocated for welfare.

The major counterargument made was that the Korean economy was not yet fully able to support major welfare programs, and was not so complex that the EPB could not still adapt to the street-level economy. Throughout the debate on the reform of the EPB, many members of the ARC were unable to judge the level and the complexity of Korean economic development. In the end the ARC did not recommend any significant reform in the organizational structure of the EPB.

7. Changes in The Political Environment of Reform

The process of making decisions regarding reform was greatly influenced not only by the agencies that were the target of reform, but also by unexpected political events of 1988 and 1989. Before discussing agency politics, it is necessary to understand the political turmoil that took place in society, particularly in the workplaces. The changing political mood of the Korean people in general certainly had a significant impact on the perceptions between social events and the changing political mood of the people, both influenced the opinions of the ARC members regarding the need for reprioritizing the established reform goals. Many ARC members began to raise questions about the manifest goals of reform and the hidden values of society.

In early 1988 the general political mood of society was sympathetic toward the welfare of worker. Workers began to argue that they had sacrificed their personal lives

for the sake of national economic development. Following a massive strike at the Hyundai Group at the Ulsan Industrial Complex, Korea experienced and continues to experience numerous major strikes throughout the country. The workers at the Hyundai factory demanded better working conditions and higher wages. The militant young strikers, who were later joined by radical students, argued that the deal offered by the Hyundai management was not enough to compensate for the past exploitation by the firm and the sacrifice made by the employees. The strike at the Hyundai plant was violent and continued for one hundred days. The labor strikes at other big companies were also vehement and lasted for several months. As the workers stayed away from production lines, the Korean economy began to suffer drastically. Because of the the government sent thousands of police into the factories to subdue the strike. Three opposition political parties attacked the government for using the police rather than allowing the continuation of a peaceful dialogue. But the middle class welcomed the police intervention because it restored order, for however brief a time.

Labor unrest continued throughout 1989. It included a strike at the Korean Broadcasting System, a three-day strike by subway workers and student demonstrations on college campuses in support of striking workers. This continuing social turmoil displeased the middle class. It also led to a reassessment of the administrative reform goals by those in the ARC who had previously been committed to the democratization of government agencies through the reduction of police intervention and a limitation on the extent of government intelligence activities. The members of the ARC felt that further democratization of the police and intelligence agencies just then would create more social disorder, and that the continuation of social instability would invite infiltration by North Korea and further decline in economic growth. A review of the numerous political events is beyond the scope of the article. In summary, however, at the beginning of the debate on reform, the importance of economic development and national security were the hidden agenda of many of the ARC members. The majority of the ARC members favored a neutral role for the police force because the police in the past had been largely controlled by the powerholders; the president and his policy-makers. The activity of the Agency for the National Security Planning (NSP) was not greatly influenced by the political events. The ARC members agreed that NSP should not infringe upon the private lives of citizens in democratic society. But the ARC recommended restricting the intelligence activities of the agency and limiting its operation to communist-related national security problems.

Changes in the political climate, social instability and declining economic growth stimulated a re-examination on the part of ARC of its emphasis on economic development, the labor movement and the speed of the democratization movement. In other words, the ARC tended to downgrade the welfare of the workers and the

democratization of public service and put more emphasis on economic development and social stability. For example, the earlier recommendation that the FTC become an independent regulatory agency was changed to retaining it as an advisory committee still under the supervision of the EPB. In the earlier meetings of the ARC an independent Labor Commission had been considered to promote the welfare of workers and to continue the labor movement, but later the ARC agreed to keep the Labor Commission as an advisory committee only. The ARC also recommended keeping the EPB as a central co-ordinating body of economic policies.

8. Influence of Agencies Targeted for Reform

As the perceptions of the members began to change as a result of the turbulent political climate, the cause-and-effect relationships between the reform goals and the measures. They were less sure of the outcomes of the reform policies. Furthermore, the reform decision-makers were mostly laymen and generalists. The president, the ministers of the cabinet, national assembly members, the ARC members and the professional staff of the ARC were all generalists except in the areas of their special interests. The lack of professional knowledge among these reform decision-makers opened the door for active lobbying by the agencies targeted for reform. The members of the ARC, in addition to serving on the Commission, had their own full-time jobs. And they could hardly each be specialists on more than one hundred reform issues. The issues ranged from those that were relatively non-controversial, such as strengthening the FTC, to quite controversial, such as lessening government regulations. Most ARC staff were career bureaucrats recruited from the MGA and the Commission on Administrative Research within the MGA provided information and staff assistance for the ARC. Therefore the members of the Commission on Administrative Research and the ARC staff greatly influenced the contents and the preparation of the final report. But the decisions made on major reform were based on the judgements of the ARC members.

Knowing that the ARC members and other reform decision-makers were not experts on technical issues involving those agencies targeted for reform, the influence the future of their agencies. When questions were asked, they vigorously defended their agencies and advocated the importance of agency activities. Indeed, they were able to persuade the ARC members of their opinions on many important issues.

9. Difficulty in Cutback Reform

In a situation where agencies targeted for reform play an active role in reform politics, cutback reform is extremely difficult. There were at least three forces working

against the cutback reform of 1989:

- 1) the psychologies of those involved in reform politics:
- 2) the strategies of the political game players:
- 3) numerous veto points through which reform measures pass:

The psychology and motivations of those involved in reform politics were different for the different groups involved—the potential losers and the potential winners. The losers were those people within agencies that were supposed to reduce their functions, or the number of their employees, or both. The bureaucrats on the losing side were highly motivated to be engaged in reform politics, because their jobs and positions were threatened by any cutback. As a consequence they tended to lobby heavily against cutback reform.

The winners in cutback reform were not enthusiastic about cutback reform either. The major beneficiary of cutback reform was any agency not targeted for reform that could absorb functions or suborganizations from an agency targeted for reform: after an initial reduction in functions and suborganizations of a target agency, some of them were transferred to another agency. But in only a few cases did a beneficiary agency were colleagues of those from the losing agency, they were eager to save the losers.

The various strategies used by the top bureaucrats from the agencies targeted for reform made cutback difficult. It was common for those from the agencies targeted for reform to persuade the reform decision-makers to accept their points of view. Some potential losers in the cutback reform appealed to the friendships that existed between themselves and the reform decision-makers. Wielding political influence through personal connections is a common practice in Korean society. And because the reform decision-makers were uncertain about the results of reform measures on many issues, they were even more inclined to be sympathetic toward the potential losers in cutback reform. Other potential losers attempted to influence politicians and policy-makers to exert political pressure on the ARC through the channels of authority and even tried to mobilize public opinion in order to influence politicians and policy-makers. So, as result of tremendous pressure on the reform decision-makers, no one spoke out for the curtailment of a particular agency when that curtailment might jeopardize a friendship. Although most winners in the reform tended to be sympathetic toward the losers, a few winners unsuccessfully attempted to lobby for additional functions and even suggested the consolidation of a loser's suborganizations within their own organization.

The third difficulty in the cutback reform was numerous decision points for administrative innovaton. Because administrative reform was likely to create at least some level of efficiency in a rearranged agency, a final proposal for reform had to be approved by several different levels of authority before it was finally approved. Each different authority could veto the reform based on the bureaucrat's or the policy-

maker's opinion regarding that particular proposal. And the potential losers could possibly influence at least one level of authority before the proposal reached the highest level. For example, the ARC's proposal to consolidate the MER with the MITI was withdrawn even before it reached the floor of the National Assembly. The Committee of Energy and Resources in the National Assembly chaired by a member of the opposition political party was strongly opposed to the idea of dismantling the MER.

III. Conditions for Successful Cutback Reform

1. Cases of Winning Politics in Cutback Reform

Although the administrative reform in 1989 was extremely difficult because of turbulent political conditions, there were some successes. Whether the ARC's recommendation in any particular case was an effective one in terms of solving administrative problems remains to be seen. The cutback reform was possible in some cases because of a strong commitment by the reform decision-makers. In particular, President Rho was personally interested in policy and administrative changes in deregulation, privatization, local autonomy and other measures designed to promote the democratization of public administration.

When there was strong support from the general public or the mass media for dismantling an agency, the cutback reform was easier to accomplish. This happened, for example, when the ARC proposed abolishing the National Advisory Committee to the President, which consisted of the former presidents and prime ministers and the Social Purification Commission. In this case the proposal was readily approved by the reform decision-makers. The ARC also successfully recommended the reduction of cumbersome regulations (deregulations) and the delegation of functions to local governments. This move was very much appreciated by the general public, particularly by the special interest groups.

Many times, however, cutback reform was so technical to judge its necessity that it could not be understood by news reporters, the general public and even scholars of related fields. Quite naturally, agencies had plenty room to successfully rally against cutback reform. The Ministry of Sports, the MER, and the Office of Forestry were able to mobilize their clientele to influence public opinion against cutback. These agencies, in particular, had many professionals who were always against the abolition of their agencies or the reduction or transfer of administrative functions or suborganizations.

2. Remarkable Cases of Successful Cutback Reforms

Although cutback reform in organizational structures largely failed during 1988-1992, there had been several successful cutback reforms in recent Korean history. There were two remarkable cutback reforms which were successfully implemented, and thus, merit detailed discussion to exemplify how critical the President's support was for their successful accomplishment.

The first example is a drastical cutback reform carried out in February 1955 under President S.M. Rhee's rule. Formally, the reform started as a necessary follow-up change in governmental structures after the new Constitution (amended in 1954) abolished Prime Minister system. In old Constitution, Korean Governemnt had President and Prime Minister. It adopted American system of presidential government system, and yet, also adopted some element of English cabinet system. This kind of hybrid system revived soon and still survive. Since the new Constitution of 1954 abolished the Prime Minister, the Minister of Foreign Affairs became the first-rank minister and many offices and agencies attached to the Prime Minister changed their positions. The changes of their positions meant changes not only in their affiliations but, much more importantly, their weights and statuses. All of them were downgraded. The Office of General Affairs, headed by a vice-minister, became the secretariat bureau which became to be headed by deputy vice-minister level bureaucrat. The Office of Public Relations moved to President's office with its head also downgraded by at least one rank. The Office of Legislature, formerly headed by a vice minister level bureaucrat, became a bueareau of the Ministry of Legal Affairs. The same thing happened to the Office of Public Property which became a bureau of the Ministry of Finance, and to the Office of Planning which became a bureau of the Ministry of Reconstruction.

In the 1955 reform, two important consolidation cases also occurred. The Office of Foreign Capital Purchase and the Office of Temporary Management of Foreign Capital were consolidated into the Office of Foreign Capital which became attached to the Ministry of Reconstruction. The more important consolidation was that the Ministry of Public Health and the Ministry of Social Affairs became merged into the Ministry of Public Health and Social Affairs.

The second dramatic cutback reform was successfully carried out in October 1981 by President Chun. This cutback reform, however, was quite different from the 1955 reform. President Chun's reform in 1981 focused on reducing positions of bureaucratic organizations: the so-called fat trimming reform. The reduction was literally revolutionary in reducing positions of central government: 20 deputy vice-ministers were reduced to 12; 13 offices were reduced to 10; 201 bureaus to 160; 1301 divisions to 1141. As a result of those reductions in offices, many high rank positions

were abolished: two minister-level positions; 5 vice-minister level; 37 deputy vice-minister level; 164 bureau chief level; 391 division chief level; 1492 section chief level or lower.

All those cutback reforms of 1955 and 1981 are sharply contrasted with the failure of President Rho's cutback reform. In spite of much effort of ARC during 1988-1989, his cutback reform was very trivial, if there was any. Some deregulation may be quoted as examples of successful cutback reform. But, it was not much significant. Moreover, the deregulation effort was already in progress by the Ministry of General Affairs and Economic Planning Board long before ARC dealt with it loudly with loud voice. No one can be sure that the deregulation was more successful due to President Rho's attention or the ARC's effort. There was no single case of any significance of organizational consolidation, when many people anticipated some. In fact, President Rho created the Ministry of Culture and several other agencies after ARC was dissolved.

3. President's Support as a Necessary Condition for Successful Cutback Reform

It is evident that cutback reform could be successful only when President supported it strongly. Cutback reforms of 1955 and 1981 were not easy. They met similar difficulties and resistances as were in 1988 and 1989: Participants in reform effort had conflicting goals and values to be achieved through reform and different assumptions and predictions on the results of any reform measures; They felt great uncertainties about future situations and contexts surrounding targeted organizations due largely to lack of knowledge and informations; They had different perceptions regarding best timing of reform; And cutback-targeted organizations continued do-or-die style lobby. All these difficulties and resistances became big burden to reform decisionmakers of 1981, as they vividly remember. Still, they successfully managed the reform process under the "protection of President Chun." It is not very clear now whether President Rhee in 1955 also protected those reform decisionmakers from severe attacks by opponents. Yet, we have some reasonable basis to believe so.

In 1955, President Rhee had serious legitimacy problem in his Presidential rule. In October 1954, he amended Constitution to allow himself more than the second term. He employed any possible means and political tricks to make the so-called "third-term election" amendment. He had urgent need to strengthen the weakened legitimacy of his rule. This might be the most strong motivation why President Rhee supported the wide range cutback reform, many people guessed. President Chun in 1981 also similar problem. In fact, President Chun's legitimacy problem was much more serious than President Rhee's: President was only a major general when President Park was assassinated in October 1979; Few civilian leaders, not to mention

the general public, heard his name ever; He was blamed to make coup d'etat, to be responsible for Kwangju incident and many other repressive measures to oppress democratization movement in 1980; He was elected as President not by direct popular vote; etc. He initiated many revolutionary changes which his top aides thought to be very popular. He had urgent need to strengthen the weak legitimacy of his rule.

It had been very common for Presidents to initiate administrative reform in order to mobilize popular support and to strengthen the legitimacy of their rule. As a matter of fact, serious reform effort of any kind in recent Korean history was motivated by that kind of psychological and political consideration. Typical examples are those anti-corruption campaign and their related administrative reforms tried in the 1970's by President Park, in the early 1980's by President Chun. President Park suffered also from the legitimacy problem of his notorious dictatorship, especially in the 1970's when he created Yu-shin system to keep the Presidency virtually for life term.

4. President's Personal Belief as a Cause of Reform Success?

There are some elements in those anti-corruption campaigns other than President's legitimacy problem. President Park might have thought that the campaign was really instrumental to rapid economic development. And, he might have really thought that corruption was a social evil, since he was widely known as not-greedy person. Some people even argue that President Chun was also very sincere when he tried anti-corruption campaign, the so-called "purification movement." This may be true. However, his sincerity rapidly faded away to make him the most notoriously corrupted President in recent Korean history. President Chun's cutback reform to reduce high rank bureaucrats in 1981 had also some rationales other than strengthening legitimacy problem: He at the time tried very strongly to reduce budget in order to push unpopular "economic stability" principle and he did not trust those bureaucrats. Yet, it is very doubtful that even when he had no legitimacy problem, he would have tried the cutback reform pushing aside all those resistances and difficulties.

Presidents may initiate administrative reform based on his personal belief. President Park's reform effort is the case to be examined. The cutback reform was the principle of those reforms tried by Presidents Rhee in the 1950's and Chun in the 1980's. President Park's case was quite different: his reform was expansion-oriented. He and his coup colleagues in the early 1960's created several agencies, including the Economic Planning Board, the minister of which has since been Deputy Prime Minister and official economic team leader, and several offices such as Taxation, Tariffs, Fishery, Forestry, Agricultural Research and Diffusion, etc. Merit system was introduced in full scale in the early 1960's and firmly established in the 1970's. All these efforts aimed to create an administrative system to support rapid economic

development which had been the most popular rationale for President Park's coup d'etat and his notorious dictatorship in the 1970's. He also created some committees and agencies for the management of rapid industrialization in heavy and chemical industries. These kinds of reform measures were instrumental to economic development and as a result, strengthened his weak legitimacy. Some may also argue that President Park's personal belief was the most critical element to his strong commitment to rapid economic development and those reform measures. In any case, presidential support is a necessary condition to successful reform.

IV. Concluding Remarks

Any kind of administrative reform is very difficult to accomplish without strong support from the top leader of government. This had been especially true in case of cutback reform of recent Korean government. Without strong support from the top leader, cutback reform effort met many serious obstacles and resistances which could not be surmounted. Reform participants had conflicts over values and goals of the reform, suffered from lack of knowledge and information, had different perceptions on facts, etc. Consolidation reform in 1955 and tremendous effort to reduce high rank bureaucratic positions in 1981 could be successful with the strong support of Presidents Rhee and Chun respectively. Both of them had serious legitimacy problem of their rule: President Rhee amended Constitution with various foul tricks such that he could be elected for the third term of his Presidency. President Chun had much more serious problem in taking over Korean Government. Both of them had urgent need to increase their popularity and strengthen weak legitimacy of their rules.

President Rho in 1988-1989 did not have very serious legitimacy problem. As a result, he did not have any incentive to try cutback reform which could create resentful resistances from his subordinates. Cutback reform could be strongly pushed only when President had urgent need to do that. What will new President Kim do? The answer to this question depends on whether he has urgent need to increase his popularity, which cannot be easily predicted.