

Biting Back Against Civil Society: Information Technologies and Media Regulations in South Korea

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The former Lee Myung-bak government in South Korea had been biased toward the logic of efficiency rather than toward the logic of publicity in its information and telecommunications policy. It has kept the Korea Communications Commission (KCC) as a government-backed, powerful regulatory body in response to the trend of convergence between media and communication technologies, even though many scholars have warned that they could not find any constitutional foundations for establishing the KCC. Moreover, the Korean National Assembly, dominated by the conservative Grand National Party, has revised several new media laws in order to lift the cross-ownership ban on newspapers and TV stations. Both cases tell us that the Korean government de-regulated media industries for efficiency and competitiveness, while re-regulating a civil society that has expanded so much to threaten the government's authority despite criticisms that it would hamper policy publicity and the diversification of broadcasting industries. The paper introduces these cases of regulation politics in the Lee government in South Korea and discusses its implications about political relationship between government and civil society equipped with information and communications technologies.

Keywords: Government, Civil Society, South Korea, Lee Myung-bak, Regulations, Information and Communication Technology

1. INTRODUCTION

The emergence of South Korea as a leading country in information technology and wired broadband networks for the last decade has also been known as a pioneer of both the new knowledge economy and democratization. In particular, the flourishing social activities of Korean citizens in every field of everyday life have become a symbol of the transformative power of information technologies. The candlelight demonstration in the spring of 2008 against the government-led negotiations for importing beef rumored to be contaminated by mad cow disease, was regarded as one more instance of recalcitrant social movements in a democratizing Korea. This seems to have led the South Korean government of President Lee Myung-bak to lead a rejuvenated coalition among conservatives, to confront the 'smart mobs' who have equipped themselves with sophisticated IT-based technologies and ever expanding democratic aspirations.

Two cases are introduced in this chapter about this struggle between the Korean government and the civil society. They will show how the Korean government has been troubled by the uncompromising purposes of IT-related policies and regulations – between efficiency and publicity. The first case was about the establishment of the Korea Communications Commission (KCC) in 2008, which was to be an independent regulatory body for the information and communication sectors (Cho, 2009:490). The second case deals with the revision of media laws in 2009 that allowed big companies and foreign investors to acquire more shares in media industries. In both cases, the Korean government has

accelerated institutional arrangements and legislation regarding the new IT-based social communication mechanisms. The core question in these cases should be: “How well does the Korean government keep the balance between the two contradictory principles of efficiency and publicity?”

The answer, by now, is “not very well.” It seems that the Lee Myung-bak government had been biased toward the logic of *efficiency* rather than toward the logic of *publicity*. It has kept the KCC as a government-backed, powerful regulatory body in response to the trend of convergence between media and communication technologies, even though many scholars have warned that they could not find any constitutional foundations for establishing the KCC.¹ Moreover, the Korean National Assembly, dominated by the conservative Grand National Party, has revised a couple of media laws in order to lift the cross-ownership ban on newspapers and TV stations. Both cases tell us that the Korean government de-regulated media industries for efficiency and competitiveness, while re-regulating a civil society that has expanded so much to threaten the government’s authority despite criticisms that it would hamper policy publicity and the diversification of broadcasting industries.

As such, the recent cases of the Korean government’s biting back against civil society should be understood as a response by the conservative ruling elites who know the instrumentality and utility of information and communication technologies, even though those technologies have transformed the landscapes of political institutions and democracy in South Korea during the last decade. These episodes imply that the technological developments and related social changes may never be utilized only by a faction. They send a message that information technologies and communication patterns may be neutral: Sometimes civil societies may rise due to the developments of ICT, while retrenched ruling elites may strike back against those civil societies as they catch up newly emerging technologies and resultant social transformations. As Lee Myung-bak government was turned over by another conservative government of Park Geun-hye, the tension between government and civil society due to the technological innovations within South Korea may have another momentum in the coming future.

This paper discusses the two cases of intensified governmental initiatives in regulating information and communication technologies in South Korea. President Lee Myung-bak suggested a blueprint of historical turning points for Korea and Asia, while focusing on the increasing role of businesses in the future. A revitalized economy and the unleashing of new chances for continuous growth and prosperity would upgrade South Korea’s national image and its status in the world society (Han, 2008:206).² What consequences have these

¹ The KCC, established as a new regulatory commission of the Korean government in February 2008, was an integrated governmental organization comprised of the former Korea Broadcasting Commission (KBC), the Ministry of Information and Communication (MIC) and the old Korea Communications Commission (KCC) as an agency of the MIC. The KBC was an independent commission for policy and regulation of broadcasting, which represented a symbol of Korean democratization against the long ruling of conservative elites. The MIC was a monoctatic governmental ministry responsible for ICT-related policy planning and implementation. The old KCC was regulating major activities articulated in the Electronic Communications Fundamental Law and the Electronic Communications Business Law. All of these regulating functions was intended to be integrated into the newly established KCC (Lee, 2009:104).

² The KCC was originally intended to follow the goals and structure of the Federal Communications Commission (FCC) in the United States. However, unlike the FCC, the KCC did not have enough

initiatives produced between 2008 and 2009? What are the implications of these cases in the long history between government and the newly emerging civil society in South Korea? The next section introduces background history of new commitments of ICT regulation by Lee's government. Two stories about establishing a new media regulator, the KCC, and the revision of media laws will be provided in the following sections. The final section discusses theoretical and practical implications of the two cases.

2. BACKGROUND OF NEW COMMITMENTS

South Korea has ranked among the top countries in Internet usage and broadband communication technologies. This has been backed up by IT-related hardware industries, which have accounted for one-third of South Korean exports. The national IT strategies were based upon government policies which had been not only adopted to promote related industries, but also adapted to the transformations of global and domestic societies (Shin, 2008:1785-1786). In 2007, more than ninety percent of Korean families were using broadband services. As such, industries have been trying to meet increasing market demands with more sophisticated and user-friendly technologies. These technologies include convergence between telecommunications and broadcasting, voice and data services, wired and wireless services.³ Considering the high ratio of foreign trade in the South Korean economy and the potentials of IT industries in world trade, it seems reasonable for the South Korean government to encourage the development of information and media technologies and their ultimate convergence.

Information and knowledge have been regarded as two major resources of national wealth in the previous regimes by Kim Dae-jung and Roh Moo-hyun. This had been clear since the late 1990s. President Kim had suggested building a *creative knowledge-based nation* in 1998, when he initiated rescue plans to save his country from the Asia-wide financial crisis that had swept across many developing countries in the region. He thought that the fields of information and knowledge are areas where Koreans might enjoy a competitive advantage within the globalized world economy. Thus he established the Ministry of Information and Communication (MIC) and designated one of the elite business leaders as the first Minister of the MIC.⁴ He also started the *Cyber-Korea 21* plan which was oriented toward four main goals: building infrastructures of information; encouraging productivity and transparency of government, enterprise and individuals using those information infrastructures; job promotion through information technologies; and nurturing

grounds for becoming an independent constitutional agency in South Korea. The deficiency in constitutional legitimization of the KCC caused a lot of debates on the status of the KCC amongst scholars (Kye, 2009:348-349; Jung, 2007:26-29).

³ The trend of convergence between broadcasting and telecommunications has facilitated the process of disintegration of regulation boundaries, which has been clear in conventional legal systems. This implies a new effort for revised legal framework for the trend is necessary at the state level (Yum, 2009:7-8).

⁴ President Kim Dae-jung's idea was that the only way for Korea to revive its economy under the threat of global financial crisis is building information- and knowledge-based country beyond the industrialization policy of the previous regimes such as Park Jung-hee in the 1970s (Kim, 2010:159-161).

IT commodities and services as strategic fields for South Korean industries.⁵

One of the examples that demonstrate the government-backed IT effort in South Korea was the former *IT839* master plan that had been implemented between 2004 and 2008 by President Roh Moo-hyun. Its economic and social impact on South Korea was much greater than expected. Having successfully pioneered the first-generation of the Code Division Multiple Access (CDMA) mobile telecommunications services in the 1990s, South Korea had deployed more sophisticated technologies such as Wideband CDMA and Orthogonal Frequency Division Multiplexing (OFDM) technologies under the *IT839* master plan. The result of these efforts has been to transform South Korea into an exceptionally strong leader in those IT dimensions that are essential in promoting national economic strategies in the age of globalization (Shin, 2007:625-626). As such, South Korea has become a model of government-led industrialization in the field of IT and media industries such as telecommunications companies, cable television operators, IT manufacturers and software developers.

On the other hand, the South Korean government has been pursuing a series of legal measures to block anti-governmental social networking movements through the Internet and newly emerging multimedia platforms. In 2008, one of major targets of the governmental drive was the Internet portal space, where a couple of forum chat rooms are provided for the free exchange of opinions including critiques on government policies. The South Korean government consequently suggested a bill that requires all Internet users to register with their real names. This is an easy measure as far as the government controls major Internet Service Providers (ISPs) such as *Naver* and *Daum*. These companies cannot pursue independent policies because so many IT- and Internet-related commodities and services have been facilitated and encouraged by government. The KCC, as an integrated government agency responsible for these monitoring duties, was established in early 2008 amidst much controversy.

Lee Myung-bak's government, which was essentially a conservative political faction that replaced the ten-year rule of progressives led by Presidents Roh Moo-hyun and Kim Dae-jung, has been troubled by the diffusion of social communication networks and real-time opinion exchanges among people since taking office. Mass demonstrations and critical opinions were directed at the government arising from the re-import of American beef as they were thought to increase the risk of mad-cow disease. The new South Korean government and the ruling Grand National Party shared the impression that a lot of *misinformation* had been spread without any checks on the Internet, so the best measure against this conundrum was to control this diffusion mechanism at the infrastructural level. With Web controls in place, major social unrest and mass protests should no longer be influenced by wild rumors and unreasonable critiques on the Net. This control is exercised when the KCC monitors and checks the major ISPs which manage the Internet gateways for most Internet users in South Korea. These ISPs, having initially failed in facilitating a well-informed order on the Net, might now be transformed into filtering platforms for 'emotional, unfounded, and rampant messes' generated by unruly public opinion.

The Japanese government has also compelled ISPs to conduct self-regulation with more

⁵ He also tried to step up the level of information-based education as he thought human factors are the only resource for Koreans to build a wealthy economy without plentiful natural resources and indigenous financial seeds (Kim, 2010:439-443). As a result of these efforts, Seoul, the capital of South Korea, took first in the evaluation of *e-government* performance among 100 cities in 2002.

social responsibility. This has been criticized by civil societies as a non-democratic measure that will ruin the principle of independent media. The situation in China is more serious than Korea's since the government there has banned the connections to some foreign-based Internet sites. This policy has been accompanied by high-tech monitoring and pre-emptive procedures against any anti-governmental propaganda and movements. In this process, of course, the burden of control and surveillance is shifted onto the ISPs, so they have to check whether any ideological, political, and non-acceptable contents are flowing through their platforms. Recently, the Chinese government has been focusing their scans on information of human-rights and democratization on the Web. All of these measures are conducted in the name of self-regulation. Lee's government, like Japan and China, had been actively considering Web monitoring as it had been criticized by Internet users angered over the resumption of imports of American beef.

The conservative mould of the Lee Myung-bak government signaled a transformation of policy orientation in media and communications regulation. The Roh Tae-woo and Kim Young-sam regimes in the 1990s had kept the market-oriented paradigm in media regulations that focused on the principle of efficiency. This was reversed in ten years when the government was controlled by Presidents Kim Dae-jung and Roh Moo-hyun by 2008. These former Presidents had emphasized two points in their media policies: the integration of the KCC and the increasing numbers of Internet users and audiences. Their intention for a new KCC was to eliminate the 'bad habit' of governmental controls in communicating with the public, which had been managed by a government agency—the Bureau of Public Information—and criticized as thwarting any two-way communications between the government and the civil society.⁶ In this context, the emergence of the integrated KCC was deemed by many South Koreans as a legitimate extension of ongoing democratic institutionalization.

Although these efforts by Presidents Kim Dae-jung and Roh Moo-hyun intended to achieve forward-oriented goals for Korean society, their implementation appears not to be deeply appreciated. The reason was that, even though these liberal Presidents were sincere in their intentions for media independence, the traditional opposition from conservatives and clashes among social factions had not allowed institutionalization of electronic media freedoms. Specific policy guidelines and plans for new liberal media policies could not be initiated at this stage due to politicized social divisions. Market power was another obstacle for the Presidential aspiration. Big business and capital investors had cooperated with the liberal governments to the minimum while publicizing the gap between them. In this context, the policies of Presidents Kim and Roh could not be efficiently implemented as their original aims. Many policy plans had been controversial among interest groups and left vulnerable to the conservative critiques. As such, the former KBC could not coordinate or facilitate media-related policies among diverse stakeholders. Civil society, nurtured by the democratic currents in this period, had contributed to many social conflicts on media and communications issues.

⁶ This regulation style was called *vertical* as it controls media and telecommunications businesses on the basis of physical networks and services. It represents an obstacle in the way for diverse services and equal access to the market in the eyes of liberals. As such, the old regulation system should have been transformed into a horizontal one for better performance and equal business opportunities (Lee, 2008:54; Rhee, 2007:318-319; Kang, 2008:19-21).

3. ESTABLISHING A NEW MEDIA REGULATOR

Building upon the experience of successful IT industries and burgeoning media regulations during the 1990s and the early 2000s, South Korea has attempted to introduce a new paradigm for managing convergent media technologies and social networks. Actually, the nerve centre of the newly integrated KCC was housed within the new government in 2008. One of the public commitments by Lee's party was the privatization of media, especially in broadcasting industries. The ruling party emphasized the *industrial* rather than *social* and *cultural* dimensions of broadcasting industries. In order to improve South Korean competitiveness and efficiency in world media markets, media industries should be nurtured by more investments and de-regulatory measures in the near future. More qualified media contents would make broadcasting services more sustainable and profitable. The trend of convergence among IT, media, communications, and broadcasting services had made these arguments more persuasive. Thus, by the end of 2007 when the national election was looming for the new government, the environments were ready for the conservatives to finalize the establishment of the new KCC, with a different goal of *competitiveness* and *efficiency* from the original one—*independence* and *publicity*—sought by the previous regimes.

However, the arguments for the new KCC had to endure severe criticisms from civil society. The most cited reason against the privatization of broadcasting services was that market-oriented policies up till then had created oligopolistic ownerships and excessive competition among media businesses.⁷ The *invisible hand* had not been working well, contradicting the argument of the Grand National Party and Lee's government, not only in the media sector in South Korea but also in terms of the image of Korean media companies overseas. Instead, the concentration of ownership had deepened as many liberals had worried. This again had reflected the old rivalry between the conservative and the liberal in South Korea. The concentration of ownership also had discouraged, rather than encouraged, diversity of messages and opinions. This might kill the buds of democracy in South Korea by limiting the spectrum of opinions among audiences and viewers (Kim, 2008:30-31).

The KCC was launched as a consolidated agency between the former Ministry of Information and Communication (MIC) and the former Korea Broadcasting Commission (KBC). It absorbed communication business license rights that had been supervised by the MIC, and expected to manage broadcasting and communications policies and businesses as an office of the President. It was to promote and facilitate the convergence of broadcasting, telecommunications, and newly emerging media. This means, in a sense, a full renovation of regulatory bodies for technological, informational, and social changes in South Korea. As far as its purpose was concerned, the KCC was established as an integrated agency responsible for industrial promotions and regulations in broadcasting, communications, and media sectors. As a matter of fact, however, these purposes might not be acknowledged at their face

⁷ The reason for critiques on these oligopolistic ownerships can be found in the logic of state in regulating fundamental economic and social affairs, including broadcasting and telecommunications. The pure discipline of market economy has been regarded as not guaranteeing any *equal* distributions of information among citizens. As more democratic principles have been popularized in the civil society of South Korea, the focus in regulating media and telecommunications has moved from the sender to the receiver or user (Lee and Kim, 2006:207-210).

value by many South Korean citizens. The KCC's legal position was proposed in several legal codes in South Korea, including the Broadcasting Act, the Internet Multimedia Broadcasting Business Act, the Telecommunications Business Act, the Law on the Protection and Use of Location Information, and the Information and Communications Construction Business Act.

South Korea has been a leading country in broadcasting services and has explored the convergence of media and information technologies as its primary industrial sector for the future. Digital convergence, which has been a new trend in this field, is one of the hottest targets in global information and communication industries. Lee's government in South Korea has also planned to promote and implement these convergence technologies and reshuffle governmental agencies for their promotions and regulations. Many programs and projects have been launched in major industrial fields for this purpose. The KCC was expected to drive the growth of new convergence missions as it was intended to spend huge amounts of money in information and communications technologies in the near future. A number of de-regulatory measures were to be initiated to comply with the global standards and trends in IT-related industries and services.

However, there was another mission for the KCC—to regulate overall IT-related and media industries—in the age of technological convergence. This implies a much broader than expected influence by the KCC. Both the government and civil society knew this very well, so they have argued for and against the jurisdictions of the KCC. According to the theory of state capture, regulatory agencies are vulnerable to influence by their stakeholders (Laffont and Tirole, 1991:1091-1092).⁸ Ideally, independent regulators should avoid this situation. Major NGOs and civil society groups have argued for recruiting professional experts on media services. As expected, regardless of reasonable intentions and commitments laid upon the independent regulatory mission by previous regimes, the conflict around the role and status of the KCC has become more and more intensified and politicized.

The most important point regarding the political nature of the KCC is that all five candidates for the Commissioners are to be appointed by the President, two of them directly and the other three with the recommendations of the National Assembly. These three candidates require endorsements by the ruling party or by the opposition party. The ruling party holds one ticket while the opposition party holds two tickets for the candidates. This means that within the government of the day, whenever the President and his ruling party do cooperate, they can jointly monopolize media policy-making. This can become political regardless of any enlightened intentions stakeholders have regarding media policy.⁹

The problem of the KCC as a new integrated regulatory agency, as noted, seems to be reformulated as a trade-off between efficiency and publicity. While former Presidents Kim and Roh had intended to increase the level of independence of the regulatory role, the new government of Lee Myung-bak wanted to focus on the dimensions of industrial development

⁸ For the theory of state capture in regulations, see Levine and Forrence (1990), Helm (2006), Grzymala-Busse (2008) and Etzioni (2009). Dal Bó (2006) is a comprehensive review on the topic of state capture. Hellman *et al.* (2003) and Iwasaki and Suzuki (2007) discuss the state capture phenomena in transition economies.

⁹ The KCC started its role as an administrative commission under the President's Office, which means that it is vulnerable to any intentional control of ICT-related and media policies by government. The new KCC has caused a lot of debates on its legal status as its foundations were only on public, not constitutional, laws (Kim, 2008:31-32).

and innovation when they were talking about a new regulatory agency. Their intention was to support media industry to gain in competitiveness and efficiency against the challenge of foreign companies. They chose *efficiency* rather than *publicity* for the new paradigm of media policy. Although the establishment of the KCC did not stir additional controversy aside from the aforementioned policy issues, the missionary goal had already been changed from the previous regimes. And this position would be continued in the case of revising media laws. The government aimed to de-regulate the media industry while monitoring Internet-based social movements.

4. REVISING MEDIA LAWS

Since the inauguration of Lee's government in 2008, the ruling party and major opposition parties in the National Assembly have agreed to revise six media-related laws in order to adapt to the trend of convergence among broadcasting, Internet communication, and newspapers. The revision of media-related laws was composed of several elements. Firstly, cross-ownership between newspapers, news communications, and broadcasting is to be allowed. The old regulations had been imposed to block major newspaper owners from influencing the formation of public opinion. Ironically, several previous regimes of South Korea had confirmed this principle, but any real implementation of this could not be validated due to the limitations of South Korean democracy up to the late 1980s. The two progressive governments by Presidents Kim Dae-jung and Roh Moo-hyun might have tried to put this into action, but Lee's government closed the door on the necessity of de-regulation of this principle for the reasons mentioned above — i.e. the overwhelming need to sharpen the adaptive and competitive edges of South Korean media industries in the age of IT and globalization.

The revision also eliminated the clauses in the newspaper law that prohibited market-dominating companies from owning broadcasting or newspaper businesses. The regulatory measures in the ownership of media industries had been applied to business conglomerates, foreign investors, newspapers and news-service companies. These companies could hold only limited stocks in any broadcasting companies or channels, except satellite broadcasting, system operators, IPTV services, and program providers. For example, big companies, foreign investors, newspaper owners could not hold any share in the stocks of terrestrial TV broadcasting services, general and news cable programming channels, according to previous laws. The new laws would allow them to hold up to twenty to forty-nine percent of the ownership shares in these business fields. Additionally, the limit to the one-person-ownership in these businesses was extended from thirty percent to forty-nine percent.¹⁰

The South Korean government had wanted these de-regulatory measures put in place in order for national industries to adapt to the changing environments of world business, such as the convergence among IT and broadcasting media. The situation, they argue, had changed since the regulatory clauses were incorporated into the legal code in the 1980s. In particular, the government and the ruling party of South Korea have hoped to remove any hurdles that might have blocked the development of media industries in tandem with the flow of huge investments. These logics for the de-regulation could not successfully be used to persuade

¹⁰ The limits of ownership shares were set to forty-nine percent for foreign investors to hold stocks in system operators, IPTV services, and program providers in the revision.

the lobbies on the other side, such as civil rights groups and opposition parties. The latter worried over the potentially shrinking diversity in public opinion and the dominating power of conservative newspaper owners if these de-regulating measures are extended to broadcasting businesses.

Many Koreans have become aware of the bipolarization of newspapers between conservatives and progressives: the former have included *Chosun*, *Joong-Ang*, and *Dong-A* dailies, while the latter grouped the *Hankyoreh* and *Kyunghyang* dailies with some online newspapers such as *OhmyNews*. The impacts of conservative newspapers on the formation of public opinion have been greater in South Korea as the conflicts between the North and the South have overshadowed the everyday lives of citizens.¹¹ This situation had changed since the late 1990s when the liberal regimes by Kim Dae-jung and Roh Moo-hyun accelerated the democratization of South Korean politics and pushed IT-based development policies for a decade.¹² This meant a louder voice for the liberals and the left, while there was less and less influence on public opinion by the conservatives and the right. In the field of Korean newspaper industries, the political and commercial influences of major conservative newspapers dwindled away. In this situation, the de-regulation policy of Lee's regime—the cross-ownership between media groups—may rekindle the power of conservative newspapers.

Secondly, the revision of media laws allowed big companies to hold stocks of broadcasting services for up to 20 percent in the case of terrestrial broadcasting; 30 percent in case of general cable programming channels; 49 percent in the case of cable news channels. It also removed the clause that regulated the ownership of satellite broadcasting services. These de-regulation measures were based upon the recognition that South Korea is the only country in the world that prohibits big companies from holding large shares of broadcasting companies. On the other hand, Lee's government and its business partners have argued for increased investments in broadcasting sectors in order for them to compete with global media groups. It was also considered that broadcasting contents would achieve higher quality with more financial investment. For these reasons, the de-regulation measures of media ownership by big companies were legitimized.

Many South Koreans hold Janus-faced opinions over big companies. On the one hand, they have thought that big business conglomerates, the so-called *Chaebol*, are the locomotive of the Korean economy in both domestic and foreign markets. This has convinced the previous regimes to set the priority of economic policy towards supporting and encouraging export-oriented industries, most of which have had to be big companies.¹³ On the other hand,

¹¹ According to a survey conducted by the Korea Press Foundation in July 2008, the circulation ratio of newspapers in South Korea was 36.8 percent. The shares of major conservative newspapers are: 25.6 percent for *Chosun*, 19.7 percent for *Joong-Ang*, and 14.3 percent for *Dong-A* dailies. The sum of these closes up to sixty percent. On the other hand, *Hankyoreh* and *Kyunghyang* dailies take 5.8 percent and 3.8 percent, respectively. This means that the conservative South Koreans are relying more on newspapers than the liberals in getting information and exchanging opinions (Oh, 2008:146-147).

¹² Kim Dae-jung had been the President of South Korea between 1998 and 2003, and Roh Moo-hyun had followed him in the period between 2003 and 2008. In the early 2008, President Lee Myung-bak took over the presidential power with his conservative Grand National Party for the coming five years.

¹³ The South Korean government defines *big companies* or the *Chaebol* according to the size of company assets—one is the group of *twenty-trillion-won* (slightly less than twenty billion U.S.

South Koreans have grown more suspicious of the *Chaebuls'* contributions to the national economy as they have been thought to violate transparency requirements and social responsibility while reinforcing unfair economic practices and class divisions. This has roused many social movements and NGOs to push both the National Assembly and the government to regulate *Chaebuls* to compel them to practice good corporate ethics.

The previous media laws that prohibited big companies from holding large shares were the result of these negative opinions in civil society. This trend had been intensified during the previous liberal regimes of Presidents Kim and Roh. However, big companies had argued against these negative images of themselves, claiming that they were doing their best in complying with the regulations. According to them, prior to 2008, South Korea had been the only country that did not allow large corporations to hold media ownerships. In their perception, this was not a fair policy, because the global trend has been to increase and concentrate investments in media industries for competitiveness and efficiency. On the contrary, they argued, big companies could upgrade the quality of media through building competitive edges and developing smarter business strategies. These arguments have been circulated among conservatives before they could join to fight for the revision of media laws. The Table 1 shows major changes brought about by the revision of media laws.

Table 1. De-regulation of Cross-Ownership of Media Industries in South Korea

	One-Person Ownership		Big Companies		Daily Newspapers & News Services		Foreign Capital	
	Old	New	Old	New	Old	New	Old	New
Terrestrial Broadcasting	30%	40%	not allowed	10%	not allowed	10%	not allowed	not allowed
General Cable Channels	30%	40%	not allowed	30%	not allowed	30%	not allowed	20%
News Cable Channels	30%	40%	not allowed	30%	not allowed	30%	not allowed	10%
Satellite Broadcasting	—	—	49%	removed	33%	49%	33%	49%
System Operators	—	—	—	—	33%	49%	49%	49%
IPTV	—	—	—	—	49%	49%	49%	49%
General and News IPTV	—	—	not allowed	49%	not allowed	49%	not allowed	20%
General Program Provider	—	—	—	—	—	—	49%	49%

dollars) or more, and the other is the group of *between-ten-trillion-and-twenty-trillion-won*. In 2009, nineteen conglomerates were included in the first group—such as Samsung, Hyundai Motors, SK, LG, POSCO, GS, and KT. The second group held ten *Chaebuls* in the same year.

In the end, in July 2009, the National Assembly of South Korea passed three bills that revised major clauses in existing laws. Lawmakers from minority parties blocked the paths to the assembly conference room to prevent the parliamentary leader from introducing the bills. But the voting took place despite multiple fights and shouting matches among lawmakers. This was another phase of transition that opened the door to social clashes after the long accumulation of ideological distrust and power struggle between liberals and conservatives in South Korea. Many liberal and progressive elites in South Korea bemoaned these fights and the uncompromising gaps between what appeared to be parallel ideological positions. The case of revising media laws in mid-2009 has thus represented the alterity of IT-based social transformation that is special and path-dependent for South Korea.

After one and half years of this social catastrophe, major media groups in South Korea applied for licenses to operate new television channels according to the new media law. The Lee government plans to choose new channel operators to increase the global competitiveness of the local media industry and encourage the content market, as well as to offer more variety in programming for TV viewers. The KCC would also plan to simultaneously select operators in two categories of general programming and news in 2010. Like many other policy issues in South Korea, the case of revised media laws by the Lee government has openly exposed the latent seeds of social unrest. The South Korean government, having been determined to replace the Internet-induced social chaos with order, has thus only started upon its first step toward its own utopia of network society.

5. DISCUSSION AND CONCLUSIONS

The two cases mentioned above represent a new phase for South Korea to adapt itself to the trend of technological convergence in media, broadcasting, information, and communications. While many South Koreans had voted for Lee's government in the election of 2007, they did not make an issue out of the full range of their contentious opinions over the issue of media regulation. This gap emerged as the conflict between the new government and civil society when the latter was enraged over the re-import of beef from America despite the population's worry about mad cow disease in 2008. Lee's government did adopt the position of *neoliberalism* since it had dominated government policies over the world during the late 1990s. Elites in the government have thought that liberal and market-oriented policies are an urgent panacea for the deteriorating South Korean economy, particularly in the field of converging media technologies.

One interesting point in this current phase of media policy in South Korea is that the country has flip-flopped from the liberal tone to the conservative one with the change of regimes, but its direction was different from other countries. Many countries, such as the United States and the EU member states, had switched their conservative governments with liberal ones at the ballot box over the past decade. But South Koreans chose a conservative one *after* a ten-year period of liberal governments. This seems strange, but understandable, as the regimes of Kim and Roh had focused on the democratic and public dimensions of the country's development, while Lee's new government tried to reset the economic mode toward a more market-friendly one. This change of policy environment has had impacts on the media-related businesses and policy formation. The KCC and the revision of media laws were the result of this change.

The experiences of the KCC and new media laws represent the path dependence of South

Korea in its policy orientation. The Lee government started out in 2008 without expecting any social unrest due to beef re-imports. It was a shock to many politicians in the new government when civil society protested vehemently over the beef issue, so they tried to monitor and regulate any undesirable opinions on the Internet. The project of establishing a newly integrated regulatory agency—the KCC—would be a good starting point for implementing permanent controls. Although the project was initiated by Roh’s government, President Lee had seized upon it to expand governmental control over the entire media and Internet sectors. At the same time, Lee’s government tried to persuade the lawmakers and the public to support revision of media-related laws in order to broaden opportunities for increased investments and ease market entry for major newspaper companies and assorted big businesses.

As such, South Korea has chosen a different path from other developed countries. It does not depend only on the new government’s policy orientation but on its own cumulative history of liberal government attitudes and highly developed IT industries. This has made a softer democracy available in civil society which had never experience so abundant chances of political freedom before the 1980s. Ironically, increasing power of civil society has grown its own competitor—the government—equipped with the same technology of information and communications. The government as well as civil society in South Korea had learned to face the challenge of new technologies and subsequent social transformations. In particular, conservatives in South Korea had risen again from the long period of liberal regimes of Kim Dae-jung and Roh Moo-hyun. The Lee government was representing the turning point of South Korean politics from turbulent liberalism to conservatism back again after rounds of experiments in democratic consolidation. As a new conservative regime led by Park Geun-hye was inaugurated in March 2013, the two cases discussed in this paper may still have significant implications in the tension between liberals and conservatives as well as in the working of a ‘strong state’ biting back at the liberal society that had enlarged in recent years following democratization in the 1980s.

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