

Introduction

Nation building has been a ubiquitous component of American foreign policy during the last century. The United States has attempted to create and sustain nation-states that advance its interests and embody its ideals in places ranging from the Philippines to Vietnam to Iraq.¹ At no time did Washington engage in nation building more intensively than during the Cold War. The United States deemed capturing the loyalties of the vast regions of the globe emerging from colonialism as crucial to the struggle against Communism. To achieve this end it launched vast efforts to carve diverse parts of Asia, Africa, and Latin America into reliable “Free World” allies.² U.S. officials believed that, by providing the right kinds of resources, they could stimulate economic development and democratization in regions where neither of these phenomena had made significant inroads. This book examines one of the most extensive, costly, and arguably successful of these efforts—South Korea. Of the numerous places where nation building was attempted, South Korea was one of the few to emerge as a wealthy democracy at the end of the twentieth century.

Yet when Americans first occupied the southern half of Korea in 1945, the prospects for establishing stable, democratic institutions did not look bright. In previous centuries Korea had been governed by emperors who remained formally subordinate to China as part of a tributary system. The system endured until the country was colonized by Japan in 1910. The subsequent thirty-five years of Japanese imperialism had left the country’s population polarized into extreme right and extreme left factions that drowned out the voices of the few moderate democrats. Moreover, the demise of Japan’s Pacific empire shattered the Korean economy, which had been tightly integrated with Japan’s during the colonial period. The decision made jointly by the United States and the Soviet Union in 1945 to divide the peninsula into northern and southern occupation zones exacerbated both the economic hardships and the political divisions. It cut off the South’s agricultural economy from the industries of the North while enabling political extremists on both sides to gain support from Great Power patrons.

Between 1945 and 1953 American policymakers made a series of decisions that would commit them to the task of nation building in this deeply troubled country. Unable to compromise with the Soviet Union on the

creation of a unified Korean government, the United States supported the division of the peninsula into separate states in 1948. By doing so, it invested a substantial amount of its own credibility in the survival and success of anti-Communist South Korea. Even before the Korean War broke out, Americans recognized that divided Korea might play a role in the developing world that was akin to the role that divided Germany played in Europe.³ The splitting of what both sides acknowledged to be a single national people into spheres of Free World and Communist influence made the Korean peninsula a natural showcase in which the relative merits of these two systems could be demonstrated to the other postcolonial nations. In 1949 one high-ranking U.S. State Department official explained that it was vital that the Republic of Korea (ROK) survive and flourish in order to “create continuing resistance in the minds of hundreds of millions of people in the area to the acceptance of communism.” The official argued:

Korea is the only area in the world in which democratic and communist principles are being put to the test side by side and in which the U.S. and the U.S.S.R. have been, and no doubt in the estimation of the world, will continue to be, the sole contenders for the way of life of 30,000,000 people. The entire world and especially Asia is watching this contest. To the degree that the Republic succeeds, the people in the still free nations of Southeast Asia and Southern Asia and Oceania will be persuaded of the practical superiority of democratic principles. To the degree the United States continues to support the efforts of the South Korean people to develop a self-supporting economy and a stable democratic government the people of this area will be persuaded of the firmness of U.S. determination to support Democracy and oppose Communism.⁴

The Korean War added to America’s perceived stake in South Korea. The fact that American lives had been expended in the defense of the country ensured that the United States would suffer a tremendous loss of prestige if it abandoned its commitment there.⁵ Indeed, Washington continued to regard South Korea’s significance as pivotal for the duration of the Cold War. Throughout the 1960s strategy papers of the U.S. Agency for International Development (USAID) regularly claimed that the ROK had “become a symbol of the determination of the United States to assist the nations of free Asia to defend themselves against communist aggression” and that if South Korea turned to Communism it would jeopardize “the entire strategic and psychological position of the U.S. in the Pacific area.”⁶

Perceiving Korea as a vital Cold War battleground, U.S. officials prioritized military and financial assistance to the country. During the fifteen years after the Korean War, South Korea frequently topped the list of U.S. aid recipients. Kennedy-era policy documents referred to South Korea as one of the “big five” countries—along with Pakistan, Vietnam, Taiwan, and Turkey—that received both military and economic support. In 1960 alone the United States dispensed to South Korea \$380 million—more than it provided any of the other big five and 7.6 percent of the total U.S. foreign aid budget.⁷ Private philanthropic groups, such as the Asia Foundation and the American-Korean Foundation, that were active in the country supplemented official largesse with millions of dollars to support social and cultural programs.

Despite the scale of America’s nation building in South Korea and its undeniable impact, virtually no scholars in either country have studied the topic systematically. The failure of American historians to do so is the result of neglect: most of the handful of American scholars fluent in the Korean language have not focused on the Cold War, especially the period after the Korean War.⁸ The reasons for the absence of archival research on U.S.-ROK relations are more complicated. Some of them are political. Until the early 1990s South Korean historians faced official limitations on what they could say or write about their country’s relationship with the United States. Moreover, many of the issues they need to confront in considering American-Korean relations remain extremely divisive, and Korean scholars have understandably been hesitant to address them. The uneven nature of South Korea’s economic expansion, the suppression of civil liberties by successive ROK governments, the prolonged torment of Korean families divided by Cold War politics, and the sacrifices made by countless Koreans seeking both to challenge and defend Cold War orthodoxies has made writing critically about modern Korean history difficult for many South Koreans. Only recently have several excellent younger scholars begun exploring various dimensions of this topic in Ph.D. dissertations and journal articles.⁹ Despite their contributions, however, there are still virtually no archival-based studies of the subject in either English or Korean. The questions of how Americans approached the task of nation building in South Korea and how they contributed to the dramatic transformation that occurred there have been left largely unanswered.

The most relevant work for understanding the evolution of American influence in South Korea is Bruce Cumings’s landmark two-volume study, *The Origins of the Korean War*. To show the civil origins of the Korean War, *Origins*

analyzes the processes of state formation in North and South Korea. It explains in great detail how the United States sided with Korean conservatives, many of whom had collaborated with Japanese imperialists, at the expense of an indigenous mass-based movement with leftist leanings in the south. The result was a strongly anti-Communist but highly autocratic South Korean state that was destined for war with its northern rival.¹⁰ Cumings's work remains an essential backdrop against which the subsequent history of American nation building in South Korea must be viewed. The decisions made in Washington during the years before the Korean War had an undeniable impact on the evolution of South Korea's political economy. But Cumings's study ends with China's entry into the war in November 1950. At the time South Korea was still impoverished, autocratic, and involved in a conflict that exacerbated both of those conditions. Few could have predicted that within a generation the ROK would garner international recognition for the dynamism of its economy and the vibrancy of its democracy. This dramatic reversal of fortunes begs the questions of how South Korea was transformed from the indigent, despotic nation that existed at the time of the Korean War to the wealthy democratic one that emerged by the early 1990s and of what role the United States played in its transformation.

South Korea's road to prosperity and democracy was a tortuous and ironic one. The conservative Syngman Rhee regime supported by the United States in 1948 remained in place until 1960. During these twelve years it managed to stabilize the country but remained highly autocratic and failed miserably at the task of economic development. A student revolution toppled Rhee's government in 1960 and quickly set up a fully democratic political system. But democracy in South Korea lasted only thirteen months before a military junta seized power. For the next three decades the country's military dictatorships proved remarkably efficient in maintaining stability, developing the economy, and controlling dissent before finally allowing free elections in 1987. Despite the fact that South Korea had been governed by some of the harshest conservative autocracies in the world through much of the Cold War, it somehow became one of the most dynamic democracies in Asia by the 1990s.

Noted scholar and political commentator Fareed Zakaria has argued that, since World War II, nation-states like South Korea have established durable democratic institutions only because they did not become democratic right away. Instead, they underwent an evolution from autocracy, to "liberalizing autocracy," to democracy. Liberalizing autocracies, according to Zakaria, were regimes that developed the economy, preserved order, and liberalized

the rights of worship and travel *before* surrendering power. By doing so, they inadvertently created an environment in which democracy could thrive.¹¹

Zakaria's concept of liberalizing autocracy is a reasonable characterization of the military regimes that governed South Korea during the sixties, seventies, and eighties. Much of the scholarship on the ROK's political economy has shown clear connections between the country's rapid industrialization and the ability of its governments to intervene in the economy without popular input.¹² It was only after South Korea had emerged as one of the "Asian Tiger" economies that democracy firmly took hold. Its military governments did not, of course, move consistently in the direction of liberalization, as Zakaria's term seems to imply, so I have used the phrase "developmental autocracy" to describe them in most places. Nevertheless, like the other autocracies that Zakaria mentions, they did promote economic development, build institutions, and finally surrender power albeit reluctantly. South Korean military dictators were far from benevolent despots. They carried out inexcusable transgressions against the basic human rights of their citizens, which may never be forgiven despite their record on economic issues. But their relentless pursuit of industrial development and their determination to integrate South Korea into the global economy helped to satisfy some of the preconditions for democratization.

While Zakaria provides a good description of *what* happened in South Korea, he does not fully explain *why* it happened. Dozens of autocratic governments emerged in both the Free and Communist worlds during the Cold War, but only a few of them transitioned to developmental autocracies and democracies. Moreover, although developmental autocracies may create some of the preconditions for democracy, there is no guarantee that they will eventually be supplanted by democratic governments. Malaysia and Singapore experienced rapid development steered by single-party states, but today they are still not fully democratic. Zakaria's analytic framework leaves unanswered the question of why South Korea was different from the numerous other postcolonial nations where dictatorships supported by the United States either remained in power or fell to Communism. This failure to account for how developmental autocracies emerge has left him open to criticism (which I believe is somewhat unjustified) for seeming to offer open-ended support for authoritarian governments.¹³ Given the infrequency with which developmental autocracies arise, understanding how one evolved in South Korea is vitally important.

This book argues that American nation building and Korean agency worked in tandem to produce this distinctive pattern of political evolution.

Americans did not originally set out to create a developmental autocracy, and when one emerged they did not have an immediate plan for converting it into a democracy. Nevertheless, the policies that they adopted enabled, and in some ways encouraged, this metamorphosis. On the one hand, through much of the Cold War, the United States was willing to support dictatorial regimes in South Korea that could develop the economy, ensure security, and serve American interests. On the other hand, even while the United States supported these governments, Americans working on the ground in South Korea created new institutions ranging from the military, to schools, to academic organizations through which they attempted to strengthen the indigenous demand for development and democracy. They saw this kind of institution building as a way of fostering a sense of progressive nationalism and giving the Korean people the ability and the will to participate in a democratic society. These efforts to reshape the very thinking of South Koreans were at times based on disturbing assumptions of cultural superiority, but they facilitated the emergence of elite groups that were determined to develop the economy and democratize the country.

Analyzing the American approach to nation building in South Korea offers at best a partial explanation for what occurred there, however. U.S. policies toward Vietnam, Iran, and numerous other postcolonial nations featured similar support for rightist autocrats and developmentalism yet failed miserably.¹⁴ Indeed, Odd Arne Westad has recently noted that, of the more than thirty postcolonial nations where the United States intervened, South Korea and Taiwan were the only ones that achieved the combination of stable growth and stable democracy that Washington ostensibly sought to promote.¹⁵ So what made South Korea different? Part of this might be explained by the magnitude and duration of U.S. assistance there. But I argue that Korean agency was the most crucial factor in shaping the country's transformation. The ways that South Koreans adapted to American influence were ultimately as, if not more, important than anything the Americans did.

Long before U.S. forces occupied South Korea in 1945, Koreans had acquired hundreds if not—as many Koreans would claim—thousands of years of experience adapting foreign philosophies to their own needs and values. Smaller and militarily weaker than most of its neighbors, Korea had little choice but to accept hegemonic systems that were not of its own making. For many centuries the peninsula had been part of the Chinese tributary system. Over this long period Korea's intellectual and cultural life frequently came under the influence of its "middle kingdom" neighbor. The

introduction of foreign religions and philosophies such as Buddhism and Confucianism into the country was not entirely a product of the Koreans' own choosing, but Koreans nevertheless chose the ways they made these belief systems their own. An old Korean proverb—"When the whales fight the shrimp gets crushed"—has long been used as an expression of Korea's precarious geographic position between Great Power rivals. But when it came to negotiating the different social and cultural orders imposed by stronger powers, Korea just as often proved to be the dolphin that outsmarted the whales. Or, to borrow Michel de Certeau's phrase, Koreans' "use of the dominant social order deflected its power, which they lacked the means to challenge; they escaped it without leaving it."¹⁶ South Koreans adapted to American influence with the same flexibility and creativity that had long marked their dealings with other stronger powers. During the Cold War, the legacy of Japanese imperialism and the trauma of the Korean War amplified and gave direction to this long-standing tendency.

Japanese colonialism had exposed millions of Koreans to a highly authoritarian model of development that continued to influence their thinking when they encountered American nation builders. By locating modern heavy industries on the peninsula, conscripting Koreans into the Japanese military, and allowing limited indigenous participation in the vast colonial bureaucracy, the Japanese had given thousands of Koreans experience in new modes of governance and production.¹⁷ In some instances, Koreans' capacity to draw on their colonial experience meshed well with U.S. tolerance for autocracy. It facilitated key components of anti-Communist nation building, such as creating a military establishment and finding a model of development that could be implemented by a strong capitalist state. At the same time, the colonial legacy left many Koreans with an ideal of modernity that was very different from the one America strove to introduce. The state, the armed forces, and many institutions that emerged in South Korea embraced a degree of centralization that went far beyond the measure of autocracy that Washington endorsed as a necessary evil.

Korea's colonial past also impacted U.S. efforts to transform its culture. In contrast to the Middle East and much of Southeast Asia, Korea had been colonized by an Asian power but never by a Western one. As a result, postcolonial nationalism in Korea was not inherently anti-Western as it was in other parts of the world. Korean nationalists could reconcile American cultural influences with their own aspirations in ways that nationalists in other developing nations could not. Many Koreans responded enthusiastically to U.S. attempts to democratize the country's educational system,

improve its media, and promote new ideals among the younger generation. At the same time, having had their sovereignty annulled for thirty-five years, Koreans were extremely wary about the possibility of falling victim to new modes of foreign domination and were determined to avoid the sort of cultural subordination that had been foisted upon them by the Japanese. They proved highly selective in appropriating American ideals of democracy and modernity, rejecting elements that did not match their own objectives.

The tragedy of national division and war that befell Korea after World War II added to popular ambivalence about the United States. The invasion by the Democratic People's Republic of Korea (DPRK) and the tremendous costs of fighting against Communist forces during the Korean War convinced many South Koreans of the virtues of capitalism and of the need to contain Communism. The heroic sacrifices that Americans had made to defend the ROK during this conflict did not fail to elicit gratitude. Unabashedly pro-American Koreans could be found in nearly all regions and social classes by the time the war ended. Nevertheless, the division of the peninsula and the destructiveness of the war that followed greatly intensified Koreans' sense of victimization at the hands of the Great Powers, including the United States. These events made Koreans keenly aware that U.S. involvement in their affairs was born at least partially of self-interest. South Koreans anxiously strove to ensure that their own priorities as well as those of the United States were represented in the shaping of new national institutions and ideals.

This book examines how the actions of both Americans and Koreans shaped South Korea's transition from autocracy to developmental autocracy to democracy over the Cold War era. It devotes the most attention to the period between 1945 and 1972. These were the years of the deepest U.S. involvement in South Korea and the most active American nation-building efforts there. During these years Americans helped to encourage the emergence of a powerful developmental autocracy on the one hand and a set of institutions and ideals that would prove vital for the country's eventual democratization on the other. Although full-blown democracy only came to South Korea in 1987 after a protracted struggle between the state and dissidents, I would argue that neither the demand for democracy that existed in South Korea by the 1980s nor the state whose power the democratic movement contested can be understood without looking at the prior four decades of U.S.–South Korean relations.

The first chapter begins in 1945, when the United States occupied south-

ern Korea and sought to secure it against Communism and social revolution. It explores the process of anti-Communist state building in South Korea. Establishing an anti-Communist bulwark on the peninsula required the United States to support the creation of a separate South Korean state in 1948, defend it in a three-year war between 1950 and 1953, and prop up its shattered economy when the war ended. Throughout this period, U.S. officials provided crucial political support for the conservative nationalist Syngman Rhee despite his indifference to development and democracy. They did so primarily because they regarded him as the only figure capable of blocking the influence of the Korean left. The United States inadvertently helped deepen Rhee's authoritarianism by providing his regime with massive military and economic aid that he could manipulate to reward allies and punish adversaries.

But even while the United States provided formal support for a dictator, other dimensions of American nation building gave rise to institutions and groups that were frustrated by Rhee's ineffective governance. In particular, Chapter 2 argues, U.S. civilian assistance programs sought to build up the education system, improve the media, and train new bureaucrats. By the late 1950s, through a combination of U.S. assistance and Korean initiative, South Korea was brimming with students, journalists, and civil servants who demanded better economic policies and more political participation. Although these groups possessed a sincere commitment to social change, in the end they were unable to act on their ambitions. The key reason was that none of these new groups of civilian elites could compete with the South Korean military in terms of political power and organization.

Chapter 3 describes how Americans assistance and training programs built the South Korean military into a powerful political force that was destined to govern the country. Over the course of the Korean War, given South Korea's need for a formidable military to preserve its security, the United States helped build the ROK army into one of the largest in the world. In doing so, it cultivated a nucleus of nationalistic officers who were highly trained in technical areas and confident of their superiority to other groups in Korean society. The reformist zeal, ability, and power of these officers had, by the late fifties, paved the way for military government.

Developmental autocracy took hold in South Korea in 1961 after a turbulent period of successive student and military revolutions. Chapter 4, which covers the period during 1960–61, shows how a student-led revolution produced the country's first democratic government in April 1960. But this regime struggled with the challenges of maintaining order and jump-

starting economic development. Impatient with its civilian leaders, a military junta led by Park Chung Hee seized power in May 1961. Washington decided to back the junta because its leaders were fiercely determined to promote economic development, which, as the security situation on the peninsula stabilized, had become a top priority.

Once the military was in power, the United States sought to simultaneously grease the engines of economic growth and pave the way for South Korea's eventual democratization. Chapter 5 examines how American officials and Korean military officers created and sustained a developmental autocracy between 1961 and 1972. Unease that Park was not strong enough to pass crucial economic reforms during the mid-sixties led the United States to assist him in implementing unpopular policies and weakening his opposition. But rifts between Washington and the Park regime appeared because the two had different visions of how a developmental autocracy should function. U.S. officials insisted that while Park centralized control over economic decision making he must tolerate a certain degree of dissent. By the late 1960s, however, Park had grown increasingly wary of the opposition and looked for ways to shut it down. American concerns about the government's weaknesses gave way to fears that Park had become too autocratic in the late sixties and early seventies. U.S. officials stationed in South Korea tried to limit the state's growing control over the economy and society without undermining its successful development programs. But as the regime grew stronger, American influence diminished. When in 1972 Park abandoned all pretenses of democracy and announced the introduction of Yusin, a harsh authoritarian system, Washington believed that it had little choice but to go along.

Even as the Americans encouraged the formation of a strong, developmental state, they sought to increase citizen participation in national politics by creating a community of interests between the state and potential dissident groups on economic and political issues. U.S. officials hoped that if students, intellectuals, and other critical elites embraced the idea of capitalist modernization, they would eventually be able to participate in the country's politics without threatening stability or growth. Chapters 6 and 7 explore how Americans managed their relationship with the two groups they considered most vital to the future of South Korean democracy—students and intellectuals. Intellectuals and students welcomed American ideas on modernization and democratization but also transformed them, making them more suitable for their own aspirations and eliminating their assumption of Western superiority. In the 1960s modernization became an

important basis for dialogue between the state and democratic elites about the nation's future. But many students and intellectuals had been attracted to these ideals because they offered the promise of a freer, more democratic society. As the state grew more autocratic, however, they were forced to either abandon their ambitions for democratic modernization or side with the state. The civilian elites cultivated by the United States in some instances became the vanguard of resistance to Yusin.

By 1972 American nation building had helped create both a powerful South Korean state intent on maximizing its control over society and a formidable opposition committed to bringing democracy to the country. The fifteen years between 1972 and 1987 were marked by a continuous struggle between the two sides. Economic growth increased the size of the working and middle classes, both of which favored democratization. But the regime responded to pressures for political change with repression. After Park Chung Hee's assassination in 1979, a new military dictatorship—far more brutal than Park's—assumed power, causing the battle between democratic forces and the state to escalate to a new level. Chapter 8 covers this struggle. It contends that American influence declined during this period as a result of both increased South Korean autonomy and a reduced U.S. commitment to Asia generally. The United States nevertheless attempted to manage this conflict between state and society by encouraging restraint on both sides and placing a premium on stability. But as Cold War frictions eased and the inherent weaknesses of Communist models of development became apparent during the mid-eighties, a subtle shift occurred in U.S. calculations about how stability could best be preserved. The Americans were less convinced of the need to support anti-Communist dictatorships and more willing to trust Korea's democratic leaders. The chapter ends in 1987, when the military regime agreed to surrender power in the face of massive protests and American pressure. Full-blown democracy would emerge in South Korea within a decade.

Throughout these chapters, I have sought to demonstrate the agency of South Koreans in determining the ultimate impact of the United States on their society. To the extent that the U.S. influence could be called hegemonic, American hegemony was a dialectical process that Koreans played a significant role in shaping. To emphasize this point, I have approached the process of nation building from both sides through the use of American and Korean sources. This analysis makes it clear that the evolution of the South Korea we know today did not entirely reflect the will of Americans or Koreans. It was achieved only through constant negotiation between the two.