

# **A Democratic *tour de force*** How the Korean State Successfully Limited the Spread of COVID-19



**Juliette SCHWAK**

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# Executive Summary

The first major outbreak of COVID-19 in South Korea (hereafter, Korea) took place in the city of Daegu, which has long been a conservative stronghold. The city's inhabitants, who traditionally comply with government authority, were largely inclined to follow governmental guidelines to curb the spread of the disease.

Korea experienced the MERS (Middle East Respiratory Syndrome) epidemic in 2015. It was largely mismanaged, but the Korean Center for Infectious Diseases learnt from its mistakes and developed an institutional memory that it tapped into to cope with the COVID-19 outbreak.

Korea has a community-oriented political culture. While no compulsory lockdown was implemented by public authorities, Korean citizens all over the country largely stayed home during the outbreak, limiting social interactions. Despite the absence of penalties, social pressure led most of them to wear masks. This attitude can be explained by legacies of the traditional social unit of Korean society (the mountain village), by its Confucian heritage, and, most importantly, by the political culture that developed in Korea in the second half of the 20<sup>th</sup> century.

The development of the modern Korean state explains the surprising compliance of Korean citizens with governmental guidelines, and the remarkable level of trust that has characterized the state-society relationship during the COVID-19 crisis. Korea's modern state emerged as an ambivalent set of institutions, both repressive and productive. It was through state planning that Korea achieved rapid industrialization and a dramatic increase in living standards. In addition, the construction of the modern Korean state was a post-colonial, nationalist endeavor that federated Korean citizens towards a common purpose.

The relationship between the state and society is not fundamentally one of mistrust, as can be the case in other liberal democracies. In addition, the political context in which the COVID-19 outbreak occurred was favorable to a relationship of trust between public authorities and citizens. Former President Park Geun-hye was impeached in early 2017 following months of protests, and Moon Jae-in was elected as her successor. The conjuncture was thus favorable to President Moon.

Korea's economic development model is based on a relationship of coordination and synergy between the public and private sectors. The close relationship between bureaucrats and business elites has created a fertile ground for corruption scandals. Nevertheless, this has led to a legitimate planning role for the Korean state during the COVID-19 crisis, together with an effective combination of public and private resources, particularly in producing and delivering tests and masks, but also in health organizations' management of the crisis.

Both the state and private sectors have invested massively in research in order to maintain Korea's economic competitiveness. These research investments proved central to tackling the COVID-19 crisis.

Patients were quickly tested and treated thanks to a synergetic relationship between the public health system and private resources. In addition, civil society organizations cooperated with governmental authority to ensure that all citizens had access to health services. Finally, tracing and testing was possible because Korea boasts a comprehensive national health insurance system that guarantees affordable access to medical services to the whole Korean population.

The Korean government has used information technologies and surveillance mechanisms to track COVID-19 cases through applications and tracing maps. These platforms were commissioned by the government to private businesses, and an appropriate legislative apparatus was developed to protect personal liberties. A transparent and legally limited use of surveillance technologies has proven decisive in the management of the pandemic. It was Korea's democratic control of technology that was effective in curbing the contagion curve, rather than technology *per se*.

The government has responded to the COVID-induced economic crisis through a stimulus package aiming at limiting the effects of the crisis on Korea's most vulnerable economic sectors and socio-economic groups. The Korean New Deal was launched by the Moon government to transform Korea into a digital and green country while ensuring adequate social safety nets through job-creation support.

Several challenges still await Korea after COVID-19, even while it now exports its COVID response as a 'K model'. These include the current second wave and imported cases, as well as domestic debates surrounding the government's Keynesian response to the economic repercussions of the pandemic.

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# Introduction

While the COVID-19 pandemic is still greatly affecting most of the world, the Republic of Korea<sup>1</sup> has managed to stall the spread of the disease. On April 30, 2020, the country reported zero new cases of the virus,<sup>2</sup> and, with necessary precautions, Korean Buddhists were able to celebrate Buddha's birthday. Since then, new outbreaks have appeared, but they have been limited. No nationwide or even local lockdown was imposed. Citizens largely complied with government guidance on social distancing and there have been no COVID-related protests in the country. The response of the Korean government and of Korean society to the COVID-19 crisis has generated much interest among foreign observers, who wonder how the Korean government was able to limit the spread of the disease while maintaining economic activity and without generating distrust among the population.

Some have declared that the COVID-19 crisis reveals that, as Ian Inkster from the London School of Oriental and African Studies put it, 'East Asia has quite simply outclassed the West'.<sup>3</sup> However, not all East Asian countries have responded in the same way, and many depart from the authoritarian approach taken by China. In this context, it is important to examine in more detail Korea's crisis management strategy.

The objective of this paper is to identify the cultural, political, and economic factors that explain Korea's rapid control of the COVID-19 epidemic. These factors stem from Korea's specific relationship between citizens and the state, and its unique development model. If other states wish to learn from Korea's experience, greater understanding of these factors is needed. Most studies so far have focused on technical factors such as testing or contact tracing, but a political overview of modern Korea can help comprehend why and how the country was able to prevent the crisis from worsening.

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1. Hereafter, Korea.

2. Kim Se-jeong, "S. Korea Reports Zero Domestic Infections", *The Korea Times*, April 30, 2020, available at: [www.koreatimes.co.kr](http://www.koreatimes.co.kr).

3. J. Prakash, "Good Governance Model Lacking in COVID-19 Fight", *The Korea Times*, April 30, 2020, available at: [www.koreatimes.co.kr](http://www.koreatimes.co.kr).

The paper will first look at contextual factors that helped mitigate the effects of the pandemic. It will then identify other factors: the institutional memory of the MERS (Middle East Respiratory Syndrome) crisis, cultural elements, state planning and public-private cooperation, research investment, the efficiency of the national health system, state capacity and social trust, the democratic management of surveillance and the government's economic response, particularly the Korean New Deal. Finally, remaining challenges will be discussed.



# Contextual Factors

## The Daegu Outbreak

The first case of COVID-19 in Korea was detected on January 20, 2020.<sup>4</sup> It involved a young Chinese woman from Wuhan. The first outbreak in the country was identified one month later, on February 18, in the southeast city of Daegu. From early April, however, contagion was contained in Daegu's clusters and daily cases remained very low.

Several characteristics of the virus spread in Korea made the epidemics easier to manage. The early spread of the virus happened in clusters, with mostly local infections and few imported cases (Shim *et al.*, 2020). Most infected were inhabitants of Daegu, in the region of North Gyeongsang. They were young adults, and thus less prone to severe forms of the disease and were members of the Shincheonji religious congregation. This membership allowed the authorities to trace and isolate participants to the congregation's ceremonies. Since there was only one outbreak in Daegu, the government was able to transfer doctors and medical equipment from other parts of the country to Daegu. Daegu is not a tourist hotspot, which limited the spread of the virus as few infected individuals travelled from Daegu to other major cities like Seoul or Pusan.

In addition, North Gyeongsang's political culture is notably conservative.<sup>5</sup> Daegu is the birthplace of Park Chung-hee, who modernized Korea under an authoritarian regime from 1960 to 1979.<sup>6</sup> Regional loyalties play a key role in Korea's political landscape, and the inhabitants of North Gyeongsang are largely accepting of governmental authority and mobilization campaigns, such as those that have characterized state-society relationships since the 1960s. Daegu's inhabitants therefore largely cooperated with local and national authorities during the COVID-19 outbreak. The left-wing newspaper Hankyoreh reported that, according to a survey conducted by the municipal government and the local police on April 12, 2020, when the spread of the disease started to slow down, 1,202

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4. "Novel Coronavirus – Republic of Korea (ex-China)", World Health Organization, January 21, 2020, available at: [www.who.int](http://www.who.int).

5. "[Reportage] Recounting Daegu's Battle with the Worst of S. Korea's COVID-19 Epidemic", Hankyoreh, April 30, 2020, available at: <http://english.hani.co.kr>.

6. Park was assassinated in 1979, but the dictatorship lasted until 1987.

(or 90.2%) of the city's 1,332 bars and nightclubs had closed, without any ordinance forcing them to do so.

## Institutional memory after the MERS crisis

Korea drew lessons from its management of the severe MERS severe outbreak in 2015 that made its response to COVID-19 particularly effective. In 2015, a businessman infected with MERS<sup>7</sup> but undiagnosed was treated for a fever in three different hospitals, without precautionary measures. This led to the infection of 186 fellow citizens, including medical staff, and the death of 36 of them. The epidemic was then contained through tracing, testing and soft lockdown measures, but the country had suffered from the economic consequences of the outbreak. Tourism suffered a drastic decline as several East Asian countries had advised their citizens against travel in Korea. The MERS outbreak highlighted the necessity to rapidly test potentially infected patients. It also led to the introduction of a legislative apparatus allowing the government to collect citizens' data through technological means for the purpose of contact tracing. This institutional memory, which was developed in reaction to MERS, helps to explain why the Korean authorities reacted so quickly when the Daegu outbreak started.

## Cultural elements

Cultural factors play a role in the civic responsibility exhibited by Korean citizens. While there was no imposed lockdown, they self-restricted their movements and practiced social isolation, most of them staying home to prevent the spread of the disease. Most Koreans are used to wearing masks, notably during the winter period, as is the case in other East Asian countries. Social pressure ensures that everyone complies with the mask-wearing guideline: not wearing masks while displaying flu symptoms is socially reprehensible. Korea is a society in which the individual has a responsibility to uphold the common good, even at the expense of their own comfort.

In addition, Korean society is imbued with jeong<sup>8</sup> – a concept that is also present in Chinese and Japanese cultures, but is particularly diffused in Korean society, as its basic social unit has long been the mountain village, a small community based on the interdependence of its members. The term jeong is difficult to translate but it connotes love, compassion,

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7. D. Normile, "Coronavirus Cases Have Dropped Sharply in South Korea: What's the Secret to Its Success?", *Science*, March 2020, available at: [www.sciencemag.org](http://www.sciencemag.org).

8. See C. Chung and S. Cho, "Significance of 'Jeong' in Korean Culture and Psychotherapy", 2003, available at: <https://pdfs.semanticscholar.org>.

affection and bounds. It is a sentiment that connects humans with one another, as well as humans and non-humans. It implies a personal commitment to the whole community, and thus inspires Korean society's collectivism. However, culture is not enough to explain Korea's successful response to the COVID-19 crisis, as it shares a Confucian heritage and collectivism with China and Japan, both of which have managed the crisis very differently (China's response has been authoritarian, while in Japan, the government's response has been slower and less proactive, as the Abe administration was keen to maintain the 2020 Olympics).<sup>9</sup> In Taiwan, as in Korea, cooperative strategies rather than Confucianism have proven key to successful management of the crisis.<sup>10</sup>

It is also likely that Korea's modern history of mobilized development explains why its citizens are willing to limit their personal freedom to enable the realization of a national project, be it industrialization or the fight against COVID-19. Thus, to understand Korea's success against COVID-19, it is necessary to appreciate the political and economic history of the country and the characteristics of Korea's modernity.

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9. T. Osaki, "Japan's Health Care System Teeters on the Brink as Coronavirus Takes a Toll on Hospitals", *The Japan Times*, April 29, 2020, available at: [www.japantimes.co.jp](http://www.japantimes.co.jp).

10. L. Hsieh and J. Child, "What Coronavirus Success of Taiwan and Iceland Has in Common", *The Conversation*, June 29, 2020, available at: <https://theconversation.com>.

# Political and economic circumstances

## State Planning and Public-Private Cooperation

As many observers have noted, Korea implemented a very efficient large-scale testing and tracing system. A sorting system also helped to limit the transmission of the virus to medical staff. These measures were possible because tests were produced locally, and because the Korean state still has a (largely legitimate) ability to intervene in productive sectors to attain national objectives. The legacy of Korea's developmental state explains the very possibility of conducting ambitious tracing policies.

In the early stages of the COVID-19 outbreak, citizens rushed to buy stocks of masks, and the country risked a shortage. The Moon government intervened<sup>11</sup> in late February 2020 and announced that it would buy 50% of the KF-94 masks produced by national companies. This public order ensured that the government, in cooperation with the Korean pharmacists' association, could exercise control over the stock and the sale prices of masks ahead of their commercialization. It also enabled the government to ration the sale of masks according to age group.<sup>12</sup> In addition, from the end of February 2020, the government outlawed the export of masks and requested that national companies increase their production, thus reaching a daily productive capacity of about 10 million masks for the entire sector, according to figures released by the Ministry of Economy and Finance.<sup>13</sup>

Tests were largely available thanks to a public-private cooperation model between a company, KogeneBiotech, and the Korea Centers for Disease Control and Prevention (KCDC).<sup>14</sup> Following the MERS epidemic,

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11. E. Tammy Kim, "How South Korea Solved Its Face Mask Shortage", *The New York Times*, April 1, 2020, available at: [www.nytimes.com](http://www.nytimes.com).

12. "Number of Face Masks Produced Daily in South Korea During the Novel Coronavirus (COVID-19) Outbreak as of March 8, 2020, by Destination", Statista, March 8, 2020, available at: [www.statista.com](http://www.statista.com).

13. E. Tammy Kim, "How South Korea Solved Its Face Mask Shortage", *op. cit.*

14. The KCDC was established after the 2003 SARS outbreak and gained prominence after the 2015 MERS outbreak. In September 2020, the Moon administration strengthened the center's capacities with a staff increase of 42% and new administrative status, turning it into the Korea Disease Control and Prevention Agency (KDCA). Past outbreaks have therefore been translated

this agency implemented a protocol<sup>15</sup> to test patients affected by unidentified fever as rapidly as possible. This protocol allowed KogeneBiotech to produce emergency testing kits,<sup>16</sup> which were quickly authorized by the Ministry of Food and Drug Safety.

Since 2015, medical companies can use the “urgent use” approval system.<sup>17</sup> During a sanitary crisis or an epidemic, this enables private medical institutions to use medical products or diagnostic tests that have yet to receive official authorization; it also accelerates the authorization process. Under this system, the tests were first authorized on February 4, and KogeneBiotech distributed kits to the KCDC and to fifty hospitals on South Korean territory.

Other companies also participated in the production of tests, including for export. This was the case for Seegene Inc., a start-up founded in 2000 by Chun Jong-yoon,<sup>18</sup> a biologist at the Institute of Life Science at Seoul’s Ehwa Woman’s University. The company has a daily productive capacity of 50,000 tests, which it produces in its Southern-Seoul factory in Jamsil.<sup>19</sup> Since February, according to a press release issued on April 20, 2020 on its website, it has exported three million tests per week to over sixty countries. From 2001, the company benefited from the financial support for technological innovation of the Korea Credit Guarantee Fund, a public financial institution created in 1976, during the developmental era, to guarantee financial credit to small and medium enterprises with the potential to become major actors in Korea’s economy. Since then the company has opened a number of offices overseas (United States, Japan, Brazil, United Arab Emirates) and branches in Italy and Germany. Seegene Inc. has received many awards from Korean public and private organizations, such as the High Performance Award from the KIAT (Korea International Trade Association) in 2009, or the KOSDAQ (Korea Stock Exchange) Hidden Champion Award in 2013. The KIAT, together with organizations like the Korea Biotechnology Industry Organization,<sup>20</sup> have high hopes for Korea to bank upon the success of companies like Seegene

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into institutional capacities. See “Will the Centers for Disease Control, Which Grows with Every Infectious Disease, Become the ‘Disease Management Office?’”, April 8, 2020, available at: [www.hankookilbo.com](http://www.hankookilbo.com).

15. Lim Jeong-yeo, “Korean Companies Raise Bar on Coronavirus Test Kits”, *The Korea Herald*, February 25, 2020, available at: [www.koreaherald.com](http://www.koreaherald.com).

16. PowerChek 2019 nCoV Real-time PCR Kit.

17. Park Gi-taek, “Demands for Korean Testing Kits Soar Amid COVID-19 Pandemic”, *Korea Biomedical Review*, March 17, 2020, available at: [www.koreabiomed.com](http://www.koreabiomed.com).

18. “Demand for Coronavirus Test Kits Lifts Fortune of South Korean Firm’s Founder”, *The Straits Times*, March 17, 2020, available at: [www.straitstimes.com](http://www.straitstimes.com).

19. Lim Jeong-yeo, “Korean Companies Raise Bar on Coronavirus Test Kits”, *op. cit.*

20. “[Reportage] Recounting Daegu’s Battle with the Worst of S. Korea’s COVID-19 Epidemic”, *op. cit.*

and for Korean companies to achieve greater international competitiveness. The current boom in Korean tests exports<sup>21</sup> is an encouraging sign.

Both before and during the COVID-19 crisis, the Korean state has planned ahead, supporting companies for strategic purposes but also to produce national champions on foreign markets. This is hardly surprising if we consider that Korea's economic development from the 1960s is largely due to its highly dirigiste state supporting the growth of the country's private sector. With the political and economic liberalization of the late 1980s, the state-capital relationships have changed. Previously, they were hierarchical, as companies were largely subordinate to the state, notably because the government-controlled credit allocation through an exclusively public banking system, which allowed strategic investments in leading sectors to spur industrialization. In the 1990s, Korean companies, and particularly the chaebol,<sup>22</sup> started accessing foreign capital markets thanks to financial liberalization. Their newly found autonomy led to the globalization of Korea's economy, but also the dubbing of contemporary Korea by South Koreans themselves as the "Samsung Republic", a popular mock name which indicates the structural dependency of the post-developmental Korean state and society on these large conglomerates.

Today, the state-business relationship is one in which business dominates. This results from a combination of path-dependent developmentalism and of neo-liberal reforms that have amplified the political and economic leverage of large businesses. In practice, however, the relationship is one of interdependence. The political and economic elites are tied through privileged communication channels inherited from the developmental era, but also by regional, school and marriage ties. The Korean state depends upon companies in a system in which chaebol growth represents almost half of national GDP, and companies, aware of this dependency, expect legal and financial support from the government.

Although the Korean state has lost much of its developmental capacity with the neoliberal ascendancy of the 1990s, this economic and political legacy explains why, during the COVID-19 crisis, the government easily and quickly intervened in the masks production and distribution chains. It also explains why public and private sectors were able to coordinate their actions smoothly and rapidly in the fight against COVID-19.

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21. K. Ferrier, "South Korea Ramps-up Exports of COVID-19 Testing Kits", *The Diplomat*, April 9, 2020, available at: <https://thediplomat.com>.

22. The large family-run conglomerates that dominate the country's economy.

## Research investment

In addition to this public-private synergy, both the state and the private sector have invested massively in research in order to maintain Korea's economic competitiveness. This competitiveness drive has been the great narrative of Korea's modern economic development, and even democratic administrations from the 1990s have embraced the need to achieve national competitiveness in the world market. This preoccupation with competitiveness has tragic consequences, including high rates of irregular labor and suicides among vulnerable groups, particularly the young and the elderly, which suffer from intense educational competition and a weak welfare and support system, respectively. However, this competitive endeavor also led to judicious research investments which proved central to tackling the COVID-19 crisis.

In the summer of 2018, the Ministry of Health and Welfare, LG Chem, SK Bioscience, GC Pharma, Chong Kun Dang, Genexine, and the Bill & Melinda Gates Foundation established a public-private fund for neglected infectious diseases. The RIGHT (Research Investment for Global Health Technology)<sup>23</sup> fund finances research projects on vaccines, treatments and technological diagnoses for infectious diseases. The government is allied with the chaebols (LG, SK), large national pharmaceutical companies and a global philanthropy organization. This exemplifies what the post-developmental public-private convergence can achieve in niche, yet strategic and competitive, domains.

### An information campaign by the Seoul Metropolitan Government on mask use



The main caption reads: "Prioritize those who are most in need".

Source: *Seoul Metropolitan Government*.

23. You Ji-young, "More Public-Private Partnership Needed to Spur Research of Less-Profitable Areas", *Korea Biomedical Review*, April 1, 2020, available at: [www.koreabiomed.com](http://www.koreabiomed.com).

## An efficient national health system

In addition, as Kim Tae-hoon<sup>24</sup> underlines, patients were tested and treated rapidly thanks to the alliance between an efficient public health system and private resources – which, again, is characteristic of the interdependent relationship between the public and private sectors. Korean citizens determine the legitimacy of their government through its ability to offer high-performing public services. Indeed, the legitimacy of the modern Korean state depends on its ability to not only generate wealth but also redistribute it equally, notably through public services. This is one way to analyze the 2016-2017 demonstrations that led to Park Geun-hye's downfall: they can be read as a revolt against a corrupt government that had gone astray from its duty to protect the common good. Park Geun-hye had violated the social contract between the Korean state and its citizens, a social contract that survived the end of the dictatorship and democratic consolidation.

As T. Kim, H-J. Kwon, J. Lee et I. Yi (2011) note, Park Chung-hee's authoritarian regime was characterized both by its coercive capacity and by its capacity to efficiently govern by providing citizens with a series of public services. The regime's legitimacy rested upon this ability to provide services. The relationship of cooperation and shared growth between the state and business actors also prevailed between the state and societal actors. Although civil society organizations were in the end entirely subordinate to executive authority, the executive made concessions and supported them as they allowed the state to guarantee the provision of social services. The authors thus describe a system of "mixed governance", combining an authoritarian government with an active and plural civil society, which fueled and led to the democratization movement of the 1980s and became the social basis for post-1987 Korea. This heritage explains why, during the COVID-19 crisis, civil society<sup>25</sup> (both NGOs and trade unions) have played a pivotal role. These organizations have shared information with citizens, resulting in improved communication and a remarkable sense of trust between public authorities and citizens. Civil society organizations also limited the detrimental effects of social distancing by scrutinizing government policies and calling for more support schemes for vulnerable groups. They cooperated with local authorities to ensure safety and access to health services for all citizens. Volunteers intervened to back up the limited capacities of local authorities.

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24. Tae Hoon Kim, "Why Is South Korea Beating Coronavirus? Its Citizens Hold the State to Account", *The Guardian*, April 11, 2020, available at: [www.theguardian.com](http://www.theguardian.com).

25. Myoung-hee Kim, "How South Korea Stopped COVID-19 Early", *The ASEAN Post*, April 28, 2020, available at: <https://theaseanpost.com>.



Finally, efficient tracing and testing was made possible by Korea's national health insurance system. This system has been in place since 1963, but its extension was progressive (Song, 2009). From 1977, all companies with over 500 employees were required to provide their employees with health insurance. In 1979, this requirement was extended to companies with over 300 employees, civil servants and private-school employees. Independent workers in rural areas were integrated into the system in 1988, and in 1989 the system also started to cover urban independent workers. By 1989 the national health system covered most of the Korean population. In 2000, all the insurance companies were merged into a national health insurance program, which covers 97% of the national population, and is financed by contributions (shared between employers and employees), government subsidies and taxes on the sale of tobacco (Na and Kwon 2015). The rest of the population is covered by a medical support program that was created in 1979 to cover households in socio-economic difficulty. Since 2004, this program covers children and patients affected by rare or chronic diseases. Finally, since 2008, an insurance and long-term care program supports elderly citizens with reduced autonomy.

The country's health system faces several challenges, particularly with growing inequalities of access to health structures between regions. Indeed, medical structures are largely private, and favor urban areas that are densely populated and where profits are higher. In addition, Korea's population is rapidly ageing, adding costs to the national health system and weakening its financial equilibrium. Despite these challenges, the broad coverage and the simplified system introduced in 2000 with the creation of the national health insurance program have guaranteed rapid access to medical services, at low cost for patients, and the refund of test costs for patients affected by COVID-19. In Daegu, health facilities initially suffered from the poor allocation of resources to infected patients due to the lack of a prioritization system and a shortage of medical staff and protection supplies. But the health system at the regional level was reorganized to optimize the allocation of medical resources, a strategy that was enabled by national decrees on the production and export of medical material, and Daegu was able to largely contain the epidemic (Kim *et al.*, 2020). In addition, the Ministry of Finance and Economy underlined that the participation of civil parties and medical staff in health-related decision-making has been key to maintaining transparency and undertaking informed policies (MOEF, 2020).

## State capacity and social trust

The political development of modern Korea and the current political conjuncture also contributed to Korea's successful management of the COVID-19 crisis. Korea's civil society was strengthened by democratization in the late 1980s. It has since then been active and fiercely critical of successive democratic governments. It is profoundly attached to constitutional freedoms. Yet, it is in essence relatively trustful of the state, as Korean citizens are aware of the state's capacity to guarantee their safety and prosperity. Korean political life is thus characterized by a subtle equilibrium between the mobilizing capacities of the state, inherited from decades of state-led development, and the democratic dynamism of civil society. Although Korea is now a liberal democracy, the modern Korean state was built through a national modernization and developmental project that unified the population towards a common goal. Despite the undeniable sacrifices and the suffering imposed by the Park Chung-hee regime, notably on the working class, and the martial law-era restrictions on individual liberties, the state is not fundamentally in tension with society.

The COVID-19 outbreak also took place in a context of regained trust after the impeachment of former president Park Geun-hye. The candlelight protests<sup>26</sup> that led to Park's downfall revealed a shared desire to save the state from corruption rather than to oppose the state. Park was the target of popular resentment as she violated the relationship of trust between the government and citizens by allowing her close confidante Choi Soon-sil to intervene in state affairs. Beyond Park, the 2016-2017 demonstrations also expressed deep-seated frustration with the structural power of the chaebol in Korea's political and economic life. Although the chaebol are often credited for Korea's rapid economic development, they are also held responsible for the 1997 financial crisis in the country. This frustration therefore predates Park's presidency and stems from multiple failed attempts to reform the chaebol and minimize their dominance over Korea's economy. The so-called 2016 'Choi-gate' scandals crystallized this public sentiment, and the protests challenged the government's defense of private interests to the detriment of the common good.

The post-2017 context was also characterized by a revival of national solidarity. This was expressed in the candlelight protests, and also in the shared emotion and the large-scale mobilization against the Park government's poor management of the Sewol ferry sinking in 2014, which caused the death of hundreds of schoolchildren off the coast of Jeju Island

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26. The protests took place from November 2016 until Park Geun-hye's impeachment in March 2017.

and became the root of the subsequent candlelight protests. This feeling of national solidarity was expressed in Korean citizens' response to the COVID-19 outbreak. Social actors quickly mobilized and citizens were quick to follow governmental advice: they stayed home and self-enforced social distancing in order to demonstrate their responsibility towards the common good and their commitment to the well-being of the whole Korean nation.

The modern Korean state is indeed founded on the project of economic development. This is first and foremost a nationalist, anticolonial project. In this light, the national response to COVID-19 in Korea can be understood as one national project to accomplish, among many others. Nationalism in this case breeds strong national solidarity, itself encouraged by the government through promotional campaigns.<sup>27</sup> During the COVID crisis, the government released a video titled "Korea Wonderland"<sup>28</sup> on the YouTube channel of its communication agency. The video uses an emotional register to celebrate national solidarity in the fight against COVID-19 and the pride Koreans should take in their ability to cope with the health crisis. The video's main theme is the collective. This is in direct continuity with mobilizing discourses that have been used since the 1960s and that are still omnipresent in contemporary Korea, exhorting citizens to work together to achieve a variety of projects (from the choice of a brand image for the city of Seoul to the excellent management of Incheon airport). Even liberal left-leaning columnists like Ahn Jae-seung of the *Hankyoreh* wrote of their pride to be Korean,<sup>29</sup> while recalling the need to remain humble in the face of success.

The North Korean threat also cements this sentiment of national union. All young Korean men must undergo lengthy military training, during which they are reminded of the necessity to sacrifice for the greater good of the nation. However, this nationalist sentiment galvanized by COVID-19 has not led to xenophobic policies. Indeed, the Moon government exhorted the 380,000 illegal immigrants<sup>30</sup> living in Korea to seek medical help, tests and masks, guaranteeing that they would face no legal consequences.

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27. Beyond the domestic promotion of national solidarity, the Korean government promoted its generosity beyond borders. For instance, it provided masks to French adoptees of Korean descent through local NGOs, and these recipients were encouraged to express their gratitude on social media.

28. "Korea, Wonderland?", Youtube, March 17, 2020, available at: [www.youtube.com](http://www.youtube.com).

29. "Proud to Be Korean", *Hankyoreh*, April 16, 2020, available at: <http://english.hani.co.kr>.

30. "Illegal Immigrants Need Tests Too: Prime Minister", *Korea JoongAng Daily*, April 29, 2020, available at: <https://koreajoongangdaily.com>.

# Policy Responses

## The democratic management of surveillance

Finally, the Korean government has also made use of information and surveillance technologies (Park, Choi and Ko, 2020), creating different applications and online tracing maps to share information about the pandemic's evolution and the supply of masks, and to trace COVID-19 cases. These applications and websites were produced through public-private partnerships, as the government mandated companies to develop them (MOEF 2020).

Korea has created a legislative apparatus that protects personal liberties and guarantees the protection of citizens' privacy. The lack of fundamental tension between the state and citizens also explains the relative propensity of Koreans to accept the use of surveillance technologies for a socially beneficial purpose. As Jung Won Sonn<sup>31</sup> notes, Korean citizens are tracked by public authorities through their credit cards (which are widely used, even for minor transactions), through their smartphones (the vast majority of the Korean population owns one), and through security cameras (8 million across the country, for a population of 50,617,040, in 2015). These instruments were used to track COVID-19 patients, to alert citizens that could have come into contact with these patients, and to disinfect the premises that the patients had visited. The collected data is shared with citizens via a smartphone application that guarantees transparency in data collection and use. The Infectious Disease Control and Prevention Act (IDCPA), which was revised after the MERS epidemics, allows the collection of data from potential patients, but it also guarantees a right of information on this data to the public. This Act therefore serves as a social contract between the state and Korean citizens to control the use of tracking technologies.

During the COVID-19 outbreak, although the patients were anonymized on the application, the shared data (such as residential address) could reveal their identities. Some scandals erupted as the data

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31. Jung Won Sonn, "Coronavirus: South Korea's Success in Controlling Disease Is Due to Its Acceptance of Surveillance", *The Conversation*, March 19, 2020, available at: <https://theconversation.com>.

revealed, among others, extra-marital affairs. Many citizens worried about the stigma associated with being identified as contagious. In addition, recent research has shown that quickly disclosing too much information can be damaging to businesses and individuals (Park, Choi and Ko, 2020). However, the intense approach adopted by the Korean government is considered justified by the early spike in infection rates. Indeed, a Realmeter survey undertaken by TBS<sup>32</sup> in late February 2020 confirmed that Korean citizens largely favored the tracking methods used by the government. It is likely that such trust towards the collection and treatment of personal data is due to the political conjuncture, and that citizens would have been more concerned under Park Geun-hye, whose presidency was characterized by repeated corruption scandals and a severe lack of trust between the government and the public.

The political and legislative response<sup>33</sup> to citizens' legitimate concerns over data use has been exemplarily democratic. The National Human Rights Commission of Korea asked the government to implement new directives on the management and diffusion of personal data in order to guarantee the anonymity and protect the mental health of infected individuals. The Korea Center for Disease Control (KCDC)<sup>34</sup> therefore published new guidelines on March 14, 2020. These introduced the exclusion of personal data of the patients (professional and residential addresses) in the information shared with the public. They also restricted the time during which the data remained available to the public; citizens could access the information one day before the symptoms appeared until the beginning of quarantine (and one day before quarantine for asymptomatic patients). The KCDC provides dense and detailed information on the state of the epidemics in Korea on its website, which is updated on a daily basis and available in both Korean and English. This transparent management helped build the remarkable trust that Korean citizens have held towards their government during the COVID-19 crisis.

Two main lessons can be drawn from Korea's use of surveillance technologies in this health crisis. First, it was a legitimate political trade-off between present freedom and future freedom. Korean authorities decided to opt for contact tracing rather than a nationwide lockdown for weeks or months, as has been the case in other countries. This trade-off was largely accepted because of the trust between the state and citizens, but also

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32. The full TBS survey of February 26, 2020 is available at: [www.realmeter.net](http://www.realmeter.net).

33. Eun A Jo, "South Korea's Experiment in Pandemic Surveillance", *The Diplomat*, April 13, 2020, available at: <https://thediplomat.com>.

34. "South Korea Sets Guidelines Limiting Release of Private Info of Coronavirus Patients", *Yonhap News Agency*, March 14, 2020, available at: <https://YonhapNewsAgency>.

because of the appropriate legislative framework and the transparent collection and use of data. This governmental response was well adapted to the pandemic situation, as uncertainty and suspicion are counterproductive. Second, Korea did not stop the epidemic thanks to technology, but thanks to a democratic control of technology. It is Korea's democracy that has proved efficient, rather than technology *per se*. If lessons must be drawn, foreign observers should be wary of picking tracking technologies as the only solution to the current health crisis.

## Economic responses: the Korean New Deal

Economic and political measures have also been taken to manage the social and economic consequences of the COVID-19 crisis. According to the Ministry of Economy and Finance, the pandemic has dramatically affected consumer confidence, exports, high-frequency indices (sales of small businesses and credit-card transactions), and inbound tourism. The political economic response of the social-democratic government in power has been largely Keynesian. It focused on protecting vulnerable segments of the population and businesses, promoting economic recovery, and preparing for the post-COVID era.

The Ministry of Economy and Finance prepared a 599 trillion KRW (529m USD) response package, corresponding to 31.2% of Korea's annual GDP,<sup>35</sup> distributed among:

- Small businesses: through financial support on loans, tax relief, fiscal and administrative support, and rental cost reduction;
- Vulnerable businesses: financial support, tax deadline extension and custom fee reductions, while the sectors of tourism, auto-parts and transport industries received targeted support;
- Stabilization of financial markets: simultaneous action on the bond, money, foreign exchange, and securities markets;
- Support for stable employment: investment to support the maintenance of employment, the protection of employment for vulnerable groups and the creation of jobs;
- Stimulation of economic vitality: the goal is to increase disposable income and encourage consumption using tax reduction, distribution of consumption coupons and rebates and promotion consumption in local economies. The government also provided childcare coupons and increasing support to vulnerable population groups (MOEF, 2020).

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35. It was divided into direct support (250 trillion KRW) and indirect support (349 trillion KRW).

These policies, combined with minimal lockdown measures, have mitigated the adverse effects of the pandemic as there was a rebound of consumer confidence, strong performances by the manufacturing and ICT sectors and a rebound of high-frequency indexes. In addition, the government created a taskforce to find ways to turn the crisis into an opportunity for change. The taskforce has four objectives, which are economic, social and political:

- Accelerating innovation by key industries while strengthening “pandemic resilience”;
- Spearheading an “untact [no-contact] economy” and nurturing new industries;<sup>36</sup>
- Reinforcing the safety net for the vulnerable, to address the “corona divide”;
- Leading the international economic order using the “Korea premium” (MOEF, 2020).

To achieve these domestic and international objectives, a supplementary budget of 35.3 trillion KRW (31m USD) was prepared to overcome the crisis and prepare Korea’s economy and society for the post-COVID-19 era. This budget includes 11.4 trillion KRW of tax revenue adjustment and, a 9.4 trillion KRW social and employment safety net, and a 11.3 trillion KRW 23.9 trillion KRW of expanded budget expenditure, divided into: a 5 trillion KRW financial support package economic revival package.<sup>37</sup>

This economic revival package is a classic economic stimulus strategy, and its cornerstone is the Korean New Deal, which was announced on July 14. The New Deal corresponds to a projected investment of 160 trillion KRW (138bn USD) by 2025. It is a job-creating package, with a target of 1,901,000 jobs in less than five years, through policy support to create employment, and digital and green strategies (MOEF, 2020). The New Deal is a national strategy for both recovery from the COVID-19 crisis and the structural transformation of the Korean economy. It seeks to address increasing socio-economic polarization through job creation, and digital and green growth, and by playing a stronger role in international leadership. It is very much in line with modern Korea’s tradition of state-led development planning, but it

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36. The expression, coined by the government in its Korean New Deal documentation, refers to an economic system that reduces human-to-human interactions to a minimum, to minimize contacts and disease spread.

37. “3<sup>rd</sup> Supplementary Budget Proposal of 2020”, Ministry of Economy and Finance of South Korea, Budget Office – Budget Policy Division, June 3, 2020, available at: <https://english.moef.go.kr>.

incorporates many of the most pressing economic transformations of the early 21<sup>st</sup> century. The government states that the New Deal seeks to transform Korea from a “fast-follower, carbon-dependent economy and divided society into a first-mover, low-carbon economy and inclusive society”.<sup>38</sup> The New Deal is to make Korea a smart, green and socially safe country. This is to be implemented through three axes: the Digital New Deal, the Green New Deal and the Stronger Safety Net. To achieve global competitiveness, the Digital New Deal will build Korea’s digital economy by developing the industry of untact (no-contact) services. This, the government argues, will create value-added jobs and bridge digital gaps. The Green New Deal recalls the Green Growth strategy of conservative President Lee Myung-bak, even if Moon Jae-in is an opponent of the *Saenuri* (conservative) party. It seeks to transform Korea into a net-zero society through low-carbon and decentralized energy use, and it plans to nurture green innovation in industrial production to combine growth and sustainability. Finally, the Stronger Safety Net axis is a plan to support job training and re-employment to address the gap between jobs and skills, and growing polarization in the Korean job market. It aims to reduce the impact of the COVID-induced employment shock and to prepare for structural changes resulting from the digitalization and greening of the job market.

Overall, therefore, the Moon government has focused on increasing temporary welfare measures to mitigate the economic repercussions of the pandemic while introducing policies to achieve long-term structural change to make Korea’s economy more competitive and sustainable. Technology is a ubiquitous solution, which the government identifies as a lever to overcome economic and environmental crises and to make Korea an international leader. The compatibility between growth, competitiveness and sustainability is of course disputable, and so is the choice of digitalization of human activities as a solution to both COVID-specific and structural economic changes.

However, the government has focused strongly on providing support to the most vulnerable segments of the Korean population and economic sectors, while maintaining a high degree of transparency and efficient communication. This has allowed the Moon government to maintain a trusting relationship with citizens. The Korean New Deal in particular is ambitious and signals the government’s plan to invest in social protection and public safety nets. With its emphasis on integration and unity in the

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38. “Government Releases an English Booklet on the Korean New Deal”, Ministry of Economy and Finance of South Korea, Development Finance Bureau – Green Climate Policy Division, July 28, 2020, available at: <http://english.moef.go.kr>.



face of not only the pandemic but also of growing socio-economic polarization, the New Deal builds on a recurring theme in modern Korean politics: that of an enemy, be it a political, health or economic adversary, against which the country must unite.

# Conclusion: Successes and Challenges

Overall, Korea was able to avoid a nationwide lockdown, economic activities continued, and COVID-19 claimed few victims in the country. Korea is an example of what some observers of global pandemic management have called “decisive leadership” (Forman *et al.*, 2020). This represents an unprecedented promotional opportunity. For several decades now, Korea has been trying to become a development model for developing countries, for both status-seeking and materialist reasons (most notably the opening of new markets in the Global South for the *chaebol*). Its management of COVID-19 is a godsend for its international image and its ambition to export the so-called “miracle on the Han river”. As heads of state around the world have contacted the Moon government to learn from its exemplary response to COVID-19, it is likely that Korea’s nation-branding narrative will emphasize efficiency and liberal democratic governance. The Korean New Deal indeed indicates that Korea should use its exemplary management of the pandemic to become an international leader. The “K-model”, a term referring to Korea’s COVID-19 response, has been circulating in Korea’s policy circles over the last few months, particularly among those who design Korea’s Official Development Assistance Policies. Seoul has donated testing kits to several developing countries<sup>39</sup> and the Ministry of Land, Infrastructure and Transport, together with government agencies, has created a task force to export Korea’s COVID management technologies to developing countries.<sup>40</sup> COVID-19 was also a test for the Moon government, and it resulted in a boost of its legitimacy. By the end of 2019, the popularity that Moon Jae-in had enjoyed after his election in 2017 had already largely declined. At the beginning of the COVID-19 crisis in China, before the Daegu outbreak, his government was heavily criticized for its decision not to close Korea’s borders to Chinese visitors. This decision was in large part driven by the desire not to antagonize China and to maintain Korea’s privileged strategic and economic relationship with its neighbor. In

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39. K. Ferrier and S. Hwang, “How South Korea Is Building Influence Through COVID-19 Testing Kits”, *The Diplomat*, April 30, 2020, available at: <https://thediplomat.com>.

40. “S. Korean Govt Packages to Export ‘K-Quarantine’ Model to Fight Infectious Disease”, *Pulse*, May 26, 2020, available at: <https://pulsenews.co.kr>.

November 2019 alone, 505,369 Chinese visitors<sup>41</sup> had travelled to Korea, and the government intended to maintain this income flow. In response, over a million Korean citizens signed a petition<sup>42</sup> asking for Moon's impeachment, accusing him of being unable to protect Korea from the COVID-19 pandemic. This call for Moon's impeachment reveals the routinization, in certain fringes of Korean society, of presidential impeachment as a mechanism to resolve the inherent tensions of representative democracy.

Despite this contestation, legislative elections were held on April 15, 2020, with a high voter turnout (66.2%). Moon's democratic party obtained a landslide victory, thereby confirming that Korean citizens approved of the government for its response to COVID-19.

However, challenges remain. Imported cases have been more difficult to manage; several foreign residents broke quarantine rules upon their return to Korea.<sup>43</sup> Korea is dealing with a second wave of COVID-19 since the summer, and since early October 2020 masks are compulsory in all public spaces.<sup>44</sup>

In addition, debates soon erupted with regard to management of the economic crisis resulting from the stalling of activities during the COVID-19 outbreak. On April 30, 2020 the newspaper *JoongAng Ilbo*<sup>45</sup> published a column of liberal orientation that expressed concerns over the government's plan to increase fiscal pressure on the wealthiest classes to contribute to social measures to tackle the COVID-19 crisis. At the other end of the political spectrum, civil society actors<sup>46</sup> have asked for more investment in the national health system and more support for vulnerable groups, to lessen the socio-economic burden of the crisis.

While the multiplicity of factors outlined in this study have enabled the Korean government to limit the spread of the disease without antagonizing the population, it is likely that the economic consequences will be more difficult to address. Moon's Korean New Deal is an ambitious project to boost the Korean economy, but the COVID-19

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41. "Korea, Monthly Statistics of Tourism", Korea Tourism Organization, available at: <https://kto.visitkorea.or.kr>.

42. Kang Tae-jun, "Public Anger Swells in South Korea Over Coronavirus Outbreak", *The Diplomat*, February 28, 2020, available at: <https://thediplomat.com>.

43. "Cases of COVID-19 in Korea", Central Disaster Management Headquarters/Central Disease Control Headquarters, South Korea, available at: <http://ncov.mohw.go.kr>.

44. Jun Ji-hye, "New Virus Cases Spike Amid Eased Social Distancing Measures", October 12, 2020, available at: [www.koreatimes.co.kr](http://www.koreatimes.co.kr).

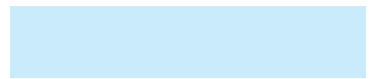
45. "The Donation Bandwagon", *Korea JoongAng Daily*, April 29, 2020, available at: <https://koreajoongangdaily.com>.

46. Myoung-hee Kim, "How South Korea Stopped COVID-19 Early", *op. cit.*

pandemic adds to existing challenges that Korea shares with other late capitalist countries: the growing precariousness of work, a broken social ladder, and a widening gap in terms of access to socio-economic opportunities. The coming months will tell whether the New Deal is an effective instrument to tackle these challenges.

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