

Rational Actors and Institutional Choices in Korea

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Abstract

The relationships between electoral systems, parties, and election outcomes have received renewed attention in recent years. Many countries in Eastern Europe and elsewhere are searching for new forms of electoral institutions at the time of democratic transition from previously authoritarian rule. It is generally assumed in studies of institutions and democratic transitions that political actors have many goals and objectives that go into their calculus of institutional choice at the time they bargain for a new form of institutions. The important but previously under-studied questions are (i) whether an electoral institution can accommodate these goals simultaneously; and (ii) how would political actors react in the absence of such an electoral institution? In this paper, I try to answer these questions using the Korean example where the democratically elected government of Kim Dae-jung has been pushing for political reform, including electoral reform, in the midst of an economic crisis unprecedented in the history of the country.

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Introduction

The relationships between electoral systems, parties, and election outcomes have long been studied in political science. There have been theoretical studies of these relationships (e.g., Duverger 1951, Riker 1982, and Palfrey 1989) as well as empirical research (see Rae 1967, Taagepera and Shugart 1989, and Lijphart 1990 for reviews). These relationships have received renewed attention in recent years, since many countries in Eastern Europe and elsewhere are searching for a new form of electoral institutions at the time of democratic transition from previously authoritarian rule (e.g., Brady and Mo 1992, Lijphart 1994, Cheng and Tallian 1995, Cox 1997, Sartori 1997, and Kostadinova 1999).

It is generally assumed in studies of institutions and democratic transitions that political actors are capable of foreseeing the impact of alternative electoral institutions at the time they bargain for a new form of institutions. Therefore, they try to install an electoral system which will satisfy their various political objectives.

Korea in 1998 (and beyond) presents an interesting case. The democratically elected government of Kim Dae-jung has the task of reviving the national economy from an unprecedented economic crisis in the history of the country. When it came to power, it also promised to implement political reform (that is, to devise new political institutions), including a new set of electoral institutions. As rational actors, the members of the Kim government will try to see to it that the new political institutions promote their own political objectives and those of their party, the National Conference for New Politics (NCNP, hereafter). The interesting but previously under-studied questions are (i) whether a set of institutions can satisfy political actors' various objectives simultaneously; and (ii) how

would they react in the absence of such a set of institutions? This paper tries to answer these questions using the Korean example.

In the next two sections of this paper, I review officially stated as well as unstated objectives of the NCNP's political reform and introduce alternative electoral institutions proposed by various political actors up until now. After attempting to predict the consequences of various electoral institutions by utilizing the statistics of the 1996 national assembly elections and the 1998 local government elections, I assess whether these electoral institutions can achieve the NCNP's objectives introduced earlier. I conclude the paper by offering an explanation of why the governing NCNP stresses the need for the so-called political reorganization in addition to political reform.

The Objectives of Political Reform

A long-time opposition leader, Kim Dae-jung, came to power through a direct presidential election in December, 1997. Upon assuming power, the Kim government began pushing for the restructuring of the economy involving reforms in management and labor practices as well as administrative reform. As time passed, the Kim government came under increasing pressure for political reform as well, since the public demanded that politicians share the burden of the restructuring effort sweeping the country. Under these conditions, the Kim government and the governing NCNP in 1998 proposed a series of political reforms including electoral reform, party reform, reform in the practice of the national assembly, and a greater level of local autonomy (*Joongang Ilbo*, February 28, June 23, July 2, August 15, 1998).

According to President Kim Dae-jung and the leaders of the NCNP, the objectives of this political reform include (i) lowering of the cost of elections; (ii) accurate reflection of public opinion through a new electoral system (*Joongang Ilbo*, March 3, 1998); and (iii) the transformation of the NCNP from a regional party to a party with nationwide support (*Joongang Ilbo*, June 18, 1998). They also began to emphasize (iv) the need for the governing coalition (the NCNP and the United Liberal Democrats, see below) to control a stable majority of the national assembly seats (*Joongang Ilbo*, September 5, 1998). Besides these “officially stated” objectives, Korea specialists generally agree that there is one, probably more important objective of the political reform: (v) preventing any single opposition party from blocking a potential constitutional amendment, *or* enabling the NCNP to block any future attempts at constitutional amendment.

To see why these objectives are important, we need to understand historical events leading up to Kim Dae-jung’s election as president. Then-opposition NCNP candidate Kim Dae-jung was able to defeat the governing and majority Grand National Party (the GNP hereafter) candidate Lee Hoi-chang in the presidential election in December 1997. His victory was not necessarily due to his party’s large support base but rather based on his personal charisma and popularity and the coalition with Kim Jong-pil and the United Liberal Democrats (the ULD hereafter) (see below). From the day he was sworn in as the new president, Kim Dae-jung had to face a majority opposition party, the GNP. As expected, the GNP became extremely antagonistic toward, and uncooperative with, the Kim administration and the NCNP within the national assembly. Most of the Kim government’s reform initiatives were put on hold by the majority GNP in the national assembly. It took almost half a year for Kim Jong-pil, President Kim’s prime

minister designee, to get the required approval of the national assembly -- he had to serve as an acting prime minister during the first five months of the Kim government. Given this background and with an urgent need to concentrate on reviving the national economy, President Kim and the governing coalition members began to express the need to build a political system in which the NCNP-ULD coalition controls a stable majority within the national assembly.¹

President Kim Dae-jung and Kim Jong-pil, the leader of the ULD, had very different political roots. Kim Dae-jung was a prominent opposition figure and champion of democracy during the Park Chung-hee regime (1961-1979) while Kim Jong-pil was a core member of General Park's successful coup d'état group in 1961 and a prime minister under Park. Ideologically, the former represented a liberal cause throughout his political career while the latter represented a bastion of conservatism in Korean political circles. As different as they were, these experienced politicians also understood that neither of them was likely to be elected president with their and their parties' regional support bases. Under this background, they got together and formed a coalition of their parties just before the presidential election in 1997. The result of this coalition was for Kim Dae-jung to be elected president of the country. Given the narrow margin of his victory over Lee Hoi-chang representing the GNP, fewer than 400,000 votes out of over 26

¹ Korea has a presidential form of government. So, when I use the term, the NCNP-ULD coalition, or the governing coalition, I do not mean *coalition government* typical in the parliamentary system. Rather I mean some sort of loose and power-sharing governing block based on a pre-presidential election agreement (see below). As implied above, this governing block did not have a majority of seats in the national assembly. Under the Korean constitution, the presidential appointment of the prime minister requires the ratification of the national assembly.

million votes cast, the coalition between the two parties was critical for Kim Dae-jung's victory in 1997.

Of course Kim Jong-pil's and the ULD's support of Kim Dae-jung's candidacy was not a freebie. Both leaders and their parties openly agreed before the election that Kim Jong-pil would be named prime minister if Kim Dae-jung was elected, and that there would be a constitutional amendment, before Kim Dae-jung's term ended, changing the country's political system from a presidential system to a parliamentary system. It is widely known that Kim Jong-pil has been a lifetime believer in a parliamentary system.

Given the agreement between the NCNP and the ULD on the constitutional amendment, they would not want some other party to control enough votes within the national assembly to be able to block its passage. Under Korean law, two-thirds of the votes in the national assembly are required for a constitutional amendment. This means that there should be no party outside of the NCNP and the ULD coalition with more than one-third of the seats in the national assembly. The Korean national assembly has 299 seats, and one-third of the seats is 100. At the time Kim Dae-jung came in as president, the GNP controlled 161 seats. This means that the governing coalition would have to come up with a political reform measure that could ensure that the GNP would lose seats.

The argument above is true *if Kim Dae-jung and the NCNP intend to honor the agreement with Kim Jong-pil and the ULD*. There is some chance that the former may not keep their word about the constitutional amendment to change the political system. Kim Dae-jung has believed in the presidential form of government throughout his political career (see Kim 1997). He apparently agreed to a constitutional change in an attempt to acquire Kim Jong-pil's support in the presidential election. The president has

a perfect excuse for not keeping his word, mainly the economic crisis the country is undergoing and an apparent need to maintain political stability to overcome economic difficulties. It can easily be argued that now is simply not a good time to engage in major systemic change.

Under this scenario, then, the NCNP would not want the ULD to break away from the coalition to ally itself with the opposition and push for a constitutional change. For this reason, the NCNP itself would want to secure at least 100 seats in the national assembly to block the ULD's potential attempt to amend the constitution, that is, if the NCNP does not want to honor its previous agreement with the ULD. At the time Kim Dae-jung came in as the new president, the NCNP controlled only 78 seats. This means that the governing party needs to come up with a political reform measure that can ensure that it gains the needed seats.²

Alternative Electoral Institutions

² The ULD has consistently advocated a parliamentary system as the appropriate form of government in Korea. The NCNP reversed its previous position and agreed to a constitutional change in an attempt to acquire the ULD's support in the 1997 presidential election. The GNP's former presidential candidate and other factional leaders have expressed conflicting views on this issue. The party as a whole, however, seems to be keeping its options open at this point. The proper form of government has never been a serious issue within the GNP, and it can go either way depending on its political calculations. I believe it is likely to oppose the NCNP's position, whichever system the latter chooses. If the NCNP chooses to honor the agreement with the ULD and pushes for a constitutional change, the GNP will declare itself a *protector* of the constitution. If the NCNP tries to maintain the current presidential system, the GNP is likely to try to lure the ULD into an opposition coalition by agreeing to help the latter in its attempt for a constitutional change. The GNP's flexibility on this issue forces the NCNP to prepare for two different contingencies depending upon which way it wants to go on the constitutional issue.

As the above section has shown, the NCNP has several objectives, stated and unstated, for the political reform. As I mentioned above, the Kim government's proposed political reform includes electoral reform, party reform, and reform in the practice of the national assembly, among other things (*Joongang Ilbo*, February 28, June 23, July 2, 1998). My focus in this paper is electoral reform, and I will assess whether different electoral institutions can achieve both the stated and unstated objectives of the NCNP's political reform. To do so, I will first review alternative electoral institutions proposed by various actors up until now:

- (i) A proportional representation (PR) system with large districts,³ proposed by the Central Election Management Committee;
- (i) A 200-member national assembly, based on the plurality rule with multi-member districts (the MMDs hereafter),⁴ proposed by *Chonkyongryon* (National Association of Businesspersons);
- (iii) A 250-member national assembly, based on a German-style mixed electoral system, initially proposed by the governing NCNP. Under the proposed system, one-half of the national assembly members are elected in single-member districts (the SMDs) with the remaining one-half PR seats selected in 6 large districts. The three-SMD-seats rule and a minimum threshold of 5 percent of the list votes apply (see below).

³ This system is adopted by many European countries including Austria, Belgium, Denmark, Norway, and Sweden.

⁴ Korea already experimented with double-member district system during the Fourth Republic (1972-1980) and the Fifth Republic (1980-1987).

Since the governing NCNP once stated that the German system suited Korea, we need to find out more about it. The German electoral system combines single-member districts with proportional representation. The German voter casts two votes, a ballot for a candidate in a single-member district (called *Erststimme*) and another for a party list (called *Zweitstimme*). One-half of the Bundestag is made up of those elected in SMDs by plurality vote. The remaining half is composed from the party lists in such a way that the overall composition of the Bundestag reflects the outcome of the *Zweitstimme*. To prevent a proliferation of small parties, no party is allowed seats in the Bundestag unless it either (i) wins seats in three SMDs, or (ii) gains at least 5 percent of the overall list votes (see Kitzinger 1960, Conradt 1970, Fisher 1973, and Barnes et al 1992 for greater details about the German electoral system).

We need to note that in the Bundestag, the PR portion of the seats is distributed among parties *in such a way that the overall composition of the Bundestag reflects the outcome of the Zweitstimme*. This means that the Bundestag would look as if it is entirely based on the party list, *the Zweitstimme*, as long as there are no parties which acquire a disproportionately large or small number of seats in SMDs compared to the party list vote. In this case, then, the alternative (iii) is nearly identical to the alternative (i) when the same PR districts are adopted and the size of the national assembly stays constant.

- (iv) A 250-member national assembly based on a purely mixed electoral system.⁵ The governing NCNP switched from its initial position and advocated this system in late 1998. Under this system, one-half of the national assembly members are elected in single-member districts with the remaining one-half PR seats selected in 6 large districts.⁶ The three-SMD-seats rule and a minimum threshold of 5 percent of the list votes apply.

Under the pure mixed system, the seats acquired from the SMDs and the PR districts are simply added together to determine a party's overall representation in the parliament. Rather than the German system, this is more in line with the new Japanese system, in which 300 members are elected in single-member districts with 200 PR seats selected in 11 large districts to make up a 500-member Diet.

Two additional electoral systems will likely exhaust the more common forms of electoral institutions that are adopted in democratic societies, and probably all the electoral institutions ever proposed by some political group in recent Korean history.⁷ They are:

⁵ Albania, Armenia, Croatia, Georgia, Hungary, Italy, Japan, Lithuania, Macedonia, New Zealand, Russia, and Ukraine presently adopt some sort of mixed systems with different PR/SMD ratios for election of their assemblies.

⁶ As the negotiation with the ULD about electoral reform progressed, the NCNP's positions on the size of the national assembly and the PR/SMD ratio fluctuated in 1999 (*Joongang Ilbo* May 26, 1999).

⁷ For whatever reason, electoral systems with an ordinal ballot structure with transferable votes (e.g., Ireland, the Australian Senate, and Malta) have never been seriously considered by any Korean political actors or scholars.

- (v) a PR system with a nationwide constituency⁸; and
- (vi) an SMD system.⁹

Estimating Seat Distribution within the National Assembly

In this section, I attempt to predict the electoral consequences of various electoral institutions introduced in the previous section. Among the proposed alternatives, it is simply impossible to gauge the impact of the plurality system with multi-member districts (alternative (ii) above) since its impact will depend on the size of the districts and how they are drawn once this alternative is chosen, information simply not available at this point. As pointed out above, the alternative (iii) (a modified German system) will result in an election result very similar to the alternative (i). Korea has already adopted a minimally modified version of the SMD system (the last alternative above), and the seat distribution in the elective seats column of Table 1 is a good indicator of election outcome under the SMD system.¹⁰ Therefore, my efforts in this section will focus on estimating the impact of a PR system with large districts, a modified Japanese mixed system, and a PR system with a nationwide constituency, the alternatives (i), (iv) and (v) above.

⁸ Israel, Moldova, Monaco, Netherlands, and Peru adopt this system for their assembly elections.

⁹ Of course, this is the system adopted in countries such as the United States, the United Kingdom, Canada, and New Zealand (up until recently).

¹⁰ The current Korean electoral system includes predominantly SMDs with a small number of at-large (that is, proportional) seats, where the latter are determined by the number of seats each party acquires in the former.

PARTIES	ELECTIVE SEATS	AT-LARGE SEATS	TOTAL
NCNP	66	13	79
ULD	41	9	50
NKP	121	18	139*
DP	9	6	15*
Independents	16	NA	16*
Total	253	46	299

Table 1. The Result of the National Assembly Elections in 1996.

*After the elections, the then-governing New Korea Party (NKP) secured a simple majority of seats (150) in the national assembly by absorbing most of the national assemblymen elected as independents. It merged itself with the Democratic Party (DP) to create an even larger and new governing party called the Grand National Party (GNP) shortly before the presidential elections of 1997.

To estimate the number of seats controlled by individual parties under different electoral institutions, I assume that the level of party support within regions fluctuates only marginally across elections. This has proved to be the case in the past. Based on this assumption, I use the outcomes of past elections to estimate future election results.¹¹

I relax this assumption and explore its impact in the last section of this paper.

The three most recent elections in which the whole electorate of Korea participated were the 1996 national assembly elections, the 1997 presidential elections,

¹¹ There are obvious limitations in this approach since it assumes that voter support/preferences of parties/candidates is fixed across elections, at least for a short term, when in fact it could be fluid. The next national assembly election will be the first one that the NCNP will enter as a governing party. First of all, good (or poor) performance in office may make a difference in the level of support for the governing party. By appearing to be equitable and competent in the face of the economic challenges, the NCNP might be able to win more votes at the margin. Secondly, there is such a thing as incumbent advantage, which in Korea is commonly called the governing party premium. The business community is more prone to contribute to, and the local bureaucrats are more willing to work with, the governing party at election time. The problem here, of course, is that the impact of good performance on election outcomes or the governing party's electoral advantage is not readily measurable in a non-arbitrary fashion. I do not try to incorporate these factors in the following analysis since any attempt to do so will more likely introduce arbitrariness and non-random measurement error. I caution readers, therefore, that the analysis in this paper presents an informed conjecture, as most empirical studies do, with the best, readily available information.

and the 1998 local government elections in which governors and mayors as well as members of local assemblies were selected. The statistics from these elections, therefore, constitute natural candidates for the bases of the estimation of future election results. Among these three sets of election results, I choose to use those of the 1996 national assembly elections and the 1998 local government elections, but not the 1997 presidential elections.

The reason why I dropped the most recent presidential elections is as follows: a group of national assemblymen broke away from the then-governing Grand National Party and formed the New Party by the People (NPP) only a few weeks prior to the scheduled presidential elections in December, 1997. It fielded its own presidential candidate, Rhee In-je, a former governor of Gyonggi Province. As a candidate for a brand new party, Rhee performed rather well, garnering 19.2 percent of the total votes cast nationwide. His performance was based on his personal popularity rather than the electoral strength of the party he represented, which held 8 seats in the 299-member national assembly. In fact, the creation of the party itself was to accommodate Rhee's presidential bid when he decided to break away from the GNP. The huge disparity between the level of support he generated and the proportion of seats his party controlled (8 seats – 2.68 percent of the seats in the national assembly) warrants biased results if the estimate of the party's future electoral support is based on Rhee's performance in the presidential elections.

I first estimate the seat distribution in the national assembly under the proportional representation system with a single nationwide district, based on the past results from the 1996 national assembly elections and the 1998 local government

elections. I calculated the proportion of nationwide votes received by individual parties in the two elections respectively and then multiplied them by the total number of seats in the national assembly, namely 299.¹² Given the fact that the governing NCNP advocates downsizing the institution, I also estimated the seat distribution under the alternative size of the national assembly, 250. The minimum threshold of 5 percent of total votes cast was applied. The results of this estimation are presented in Table 2.

PARTIES\STATS	1996 NA ELECTIONS	1998 LOCAL ELECTIONS
NCNP	87 (73)	166 (138)*
ULD	55 (46)	
GNP	157 (131)	133 (112)
Total	299 (250)	299 (250)

Table 2. Projected Seat Distribution under PR System with a Nationwide District.

*The NCNP-ULD coalition jointly fielded their candidates for the 1998 local elections to avoid overlapping of candidates. This makes each party’s nationwide vote total less meaningful. Therefore, I treated the coalition as if it were a single party and came up with the number of seats for the two parties combined.

Secondly, I estimate the seat distribution within the national assembly under the alternative institution of proportional representation with large districts. I first divide the whole country into 6 large districts, using the NCNP’s districting plan.¹³

¹² There are several existing seat allocation rules (known as translation formulae) that translate the PR votes into the PR seats. They include the “largest remainder” method (e.g., the Italian House of Deputies until 1993), the D’Hondt (the “highest average”) method (e.g., Austria, Belgium, Finland, and the Italian Senate until 1993), and the Sainte-Laguë formula (e.g., Sweden and Norway). In the absence of any mention of seat allocation rules by political groups that advocate the PR system or a mixed system in Korea, I use the simplest and most intuitive method of translating the PR votes into seats, which assumes perfect proportionality – in each district, the PR seats are assigned in perfect proportion to the PR votes in that district, after rounding fractions, for all three electoral institutions examined in this section.

¹³ These districts correspond to the current administrative regions of the country. They are: the capital city of Seoul; the South Gyongsang Provice including the cities of Pusan and Woolsan; the North Gyongsang Provice including the city of Taegu; the Gyonggi

Next, I calculate the number of seats available for these districts based on population size. I then assign the seats to individual parties in each district, in proportion to their performance in that district in the two previous elections. Finally, I add the seats each party acquires in all districts to get that party's share of seats in the national assembly. Again, the hypothetical seat distributions under two different national assembly sizes are estimated. The minimum threshold of 5 percent of total votes cast was applied. The results of this estimation are presented in Table 3.

PARTIES\STATS	1996 NA ELECTIONS	1998 LOCAL ELECTIONS
NCNP	80 (70)	158 (132)*
ULD	57 (47)	
GNP	162 (133)	141 (118)
Total	299 (250)	299 (250)

Table 3. Projected Seat Distribution under PR System with 6 Large Districts.

*Same as above.

Finally, I estimate the national assembly seat distribution under a mixed electoral system in which one-half of the 250-member assembly are elected in SMDs and the remaining one-half are elected in 6 large districts by proportional representation. The PR seats are determined as they were above. That is, I calculate the number of seats available for these districts based on population size and the total PR seats of 125. I then assign the seats to individual parties in each district, in proportion to their performance in that district in the two previous elections. Finally, I add the seats each party acquires in all districts to get that party's share of PR seats in the national assembly. The minimal threshold of 5 percent of total votes cast was applied.

Province including the city of Incheon; the Cholla and Jeju Provinces including the city of Kwangju; the Gangwon and Choongchung Provinces including the city of Daejeon.

Having obtained the number of PR seats for each party, my next task is to estimate individual parties' performance in the SMD portion of the mixed system. In estimating the number of seats obtained by each party, I assume that it is proportional to the number of elective seats obtained by that party in the last national assembly elections of 1996. Given my earlier assumption that the level of party support within regions stayed consistent across elections, and in the absence of information about how the future districts will be drawn under this new electoral system with 125 SMDs, I use the best available source of information in estimating the number of SMD seats that each party will acquire. The results of this estimation are presented in Table 4. Each cell in the table contains the predicted number of seats for each party with the predicted number of the SMD seats and the PR seats in a parenthesis.

PARTIES/STATS	1996 NA ELECTIONS	1998 LOCAL ELECTIONS
NCNP	68 (35+33)	121 (56+65)*
ULD	45 (22+23)	
GNP	137 (68+69)	129 (69+60)
Total	250 (125+125)	250 (125+125)

Table 4. Projected Seat Distribution under a Mixed System.

*Again, I can only get the number of PR seats for the NCNP and the ULD combined, 65, utilizing the 1998 local election results. It was added to the predicted number of SMD seats for the two parties to produce the total number of the national assembly seats for the two parties combined.

The NCNP's Objectives and Electoral Institutions

I have examined the consequences of the three electoral institutions above. Before I address whether they achieve the objectives set out by the NCNP, I will add an observation about an alternative not examined in this paper, the plurality system with

MMDs, the alternative (ii) above. As stated above, it was not examined here because the necessary information is simply not available at this point. It has been shown by political scientists, however, that parties with concentrated support tend to benefit from the SMD system while parties with broad support benefit from MMDs (Gudgin and Taylor 1979, Taagepera and Shugart 1989. See Brady and Mo 1992 for an application of this argument to Korean political parties). As I will discuss below, the governing NCNP had a geographically concentrated, but intense support base, while the opposition GNP had a much broader support base. The point here is that, although the plurality system with MMDs is not examined in this paper, it may not matter since it is the system the governing NCNP wanted to avoid anyway.¹⁴

Now I evaluate how well three alternative electoral institutions examined in this paper achieve both the stated and unstated objectives of the NCNP's political reform. As I stated above, a modified German system (alternative (iii)) will have an impact similar to a PR system with large districts. An SMD system (alternative (vi)) can be considered the status quo here (see the elective seats column of Table 1). The downsizing of the national assembly from its 299 members is possible under all three alternatives, which will lower the cost both of the electoral process and of running the national assembly. This achieves the first of the NCNP's publicly stated objectives.

It is generally agreed among political scientists that the proportional representation system reflects public opinion more thoroughly than the SMD system, since most minority opinions are likely to be represented in some fashion under the PR system (e.g., Bogdanor 1983, Vowles 1995, and Cohen 1997). All three systems

¹⁴ This situation changed in 1999. See the last section of this paper for details.

examined either add a PR component to the existing system or replace it with a total PR system. Therefore, we can say that all three alternatives somehow reflect public opinion better than the existing and primarily SMD system, thus achieving the second of the NCNP's stated objectives.

The third objective of the NCNP's political reform stated above was transforming the Party to one with nationwide support. The NCNP (or its predecessor, the Party for Peace and Democracy, also led by Kim Dae-jung) has primarily represented the southwestern Provinces of Cholla and to a lesser degree, the capital Seoul-Gyeonggi-Inchon region where many people from Cholla live.¹⁵ With the added PR component in all three alternatives examined above, it is likely that the NCNP will gain seats outside of Cholla Provinces and the Seoul-Gyeonggi region, however few they turn out to be. This will add some "national flavor" to the Party's regional character. So we can say that all three electoral institutions examined here help achieve the NCNP's first three objectives to a certain degree.

Now I examine how well these alternatives satisfy the two remaining objectives stated above. Examining Tables 2 through 4, we find that there is little variation in the

¹⁵ In the 1996 national assembly elections, for example, the NCNP received 63.7, 71, and 86.2 percent of the total votes cast respectively in two Cholla Provinces and the city of Kwangju located in Cholla. This performance allowed the Party to carry 36 out of 37 elective seats in the Cholla-Kwangju region. This has been a consistent phenomenon in the past, which produced a legend that nomination by the NCNP (or the Party for Peace and Democracy previously) assures election in this region. In the same election, the NCNP received 35.2, 29.5, and 27.4 percent of the total votes cast respectively in Seoul, Gyeonggi, and Inchon in the capital region. With this performance, the Party carried 30 out of 96 elective seats in the region. The most votes received by the NCNP outside of these two regions were 11.4 percent in the city of Daejeon, and the Party recorded a single-digit performance everywhere else. The NCNP failed to acquire a single elective seat in 9 provinces and specially administered cities outside of the two regions of the Party's stronghold discussed above. The Party's extreme regional nature, as indicated in the election results above, has been consistent in the past.

performance of political parties across different electoral systems when the results of the 1996 national assembly elections were used to predict party performance. The individual parties receive a quite similar number of seats regardless of the electoral rules used. Another conspicuous observation is that it is the opposition GNP, and not the NCNP-ULD coalition, which secures the majority of seats in the national assembly under all three electoral rules examined. The GNP acquires 157 to 162 seats in the 299-member assembly (where 150 constitutes a majority) in Tables 2 and 3. It acquires 131 to 137 seats in the 250-member assembly (where 126 constitutes a majority) in Tables 2 to 4. The situation is somewhat different when the results of the 1998 local elections are used as a proxy for the future performance. The coalition of the NCNP and the ULD secures a majority in PR systems (158 to 166 seats in the 299-member assembly and 132 to 138 in the 250-member assembly) while the GNC secures a majority in the mixed system with 129 seats out of 250.

At first, it looks surprising that the NCNP and the ULD with their more concentrated geographical support than the GNP actually perform better in the PR systems than the mixed system when we use the results of the local elections. I believe the answer is in these parties' electoral strategy. For the local elections of 1998, the NCNP and the ULD jointly fielded candidates for governors and mayors to avoid overlapping their candidates in the same provinces or specially administered cities. Whichever party had an edge in the province was asked to nominate a candidate for that province. This means that these two parties acted as if they were a single party. In this way, these parties fielded the most competitive candidate in each province. The result of my examination above shows, then, that, although these parties are more geographically

concentrated than the GNP *individually*, they *collectively* appealed to a broader segment of the electorate than the GNP.

The question is whether this kind of cooperation between the NCNP and the ULD is feasible in the next national assembly elections if indeed a PR system is adopted. This kind of cooperation amounts to one of the parties' not presenting a slate of candidates for some provinces where the other party is stronger. It amounts to one of them not seeking any national assembly seats if a nationwide district is adopted. As anyone would agree, this kind of cooperation is highly improbable. Even a compromise solution of a mixed slate between the two parties for some districts would take an extreme level of coordination. In sum, given the results presented in Tables 2 through 4 and the implausibility of the kind of cooperation necessary under the PR system, we are left pessimistic about the NCNP-ULD coalition's chances of achieving a stable majority within the national assembly under *any* kind of electoral system, including the current (primarily) SMD system (see Table 1).

How about the NCNP's last objective of preventing an opposition party, in this case, the GNP, from acquiring one third of the seats in the national assembly, or guaranteeing that the NCNP itself acquire one third of the seats? One third of the seats amounts to 100 seats in the 299-member national assembly and 84 in the 250-member assembly. A cursory look at the three tables above shows that, no matter which electoral system is adopted, the NCNP simply cannot prevent the GNP from acquiring one-third of the seats in the assembly given the latter's support base. As the tables show, the GNP *always* secures a lot more seats than one-third. About the NCNP's own attempt at securing one-third of the seats, my results based on the 1996 national assembly election

results give a rather pessimistic diagnosis. It is impossible to tell using the 1998 local election results, since we cannot distinguish the NCNP seats from the ULD seats.

I now sum up the findings in this paper. The Kim government and the NCNP proposed a series of political reforms in 1998. The electoral institutions examined in this paper seem to be able to achieve, to a certain degree, the NCNP's stated objectives of lowering the cost of elections, more accurate reflection of public opinion, and transforming itself into a party with nationwide appeal. My findings in the previous two sections show, however, that it is highly unlikely, under any electoral system, that the NCNP can achieve its more important goal of allowing the governing NCNP-ULD coalition a stable majority in the national assembly. Further, it was shown that an equally pressing objective of preventing the opposition GNP from controlling over one-third of the seats in the national assembly or allowing the NCNP itself to control that many would be almost impossible, again under any electoral institutions including the current (primarily) SMD system (see Table 1).

So the verdict is in and the message is clear. The NCNP's last two objectives of political reform are simply not compatible with any of the proposed, democratic forms of electoral institutions. *Electoral reform is simply insufficient to achieve these objectives.*

Discussion

In 1998, the governing party politicians began to stress the need for "the reorganization of the political circle (*jeonggye gaepyun*)" on top of "political reform." As abstract as the term, "reorganization" can be, the NCNP's version of "the

reorganization” turns out to be any or all of the following: (i) somehow inducing the opposition GNP assemblymen to change their party affiliation to either the NCNP or the ULD; or (ii) somehow causing a split within the GNP so that some portion of it leaves the Party to form a new political party; or (iii) some corrupt GNP assemblymen either voluntarily or involuntarily retiring from politics altogether.

How do these seemingly incredible events occur? In the spring of 1998, newspapers began to report that the government prosecutors had uncovered a corruption ring involving failing corporations and politicians. Rumors surfaced that the prosecutors had made up a list of corrupt politicians, and that inquiry into their finances was imminent. The government prosecutors actually acted on these threats by charging and/or arresting several assemblymen in September 1998. Interestingly, politicians already under investigation by the government prosecutors or those rumored to be on the “black list” were predominantly the GNP assemblymen. The opposition accused the NCNP of using government prosecutors to intimidate the GNP members so that they would leave the party. In a survey of the general public carried out by *Joongang Ilbo* in September 1998, over half of the respondents (50.8 percent) agreed that the government investigation of politicians was aimed at harassing and intimidating the opposition rather than a fair application of the rule of law (*Joongang Ilbo*, September 22, 1998).

Since Kim Dae-jung took office, 2 GNP assemblymen died, 3 lost their seats after having been found guilty of various charges, 6 resigned (some of them to run for other offices), 27 changed their party affiliation (18 to the NCNP and 9 to the ULD), and 2 broke away from the party to become independents (*Joongang Ilbo*, various dates, 1998,

1999).¹⁶ On August 29, 1998, the NCNP and the NPP announced the merger of their parties. For all practical purposes, however, the latter was absorbed by the former, and the NPP disappeared after only 10 months of existence. Of the 8 NPP national assemblymen, 1 chose to join the ULD instead of the NCNP and 1 became an independent (*Joongang Ilbo*, September 1 1998). Table 5 shows the seat distribution within the national assembly after these events and represents a significant change from Table 1. The number of seats held by the NCNP and the ULD combined has gone over the simple majority mark (with 160), and the NCNP has secured more than one-third of the seats in the national assembly, all without electoral reform!

PARTIES	NUMBER OF SEATS
NCNP	105
ULD	55
GNP	133
Independents	5
Total	298*

Table 5. The National Assembly Seat Distribution as of September 1999.

*A GNP assemblyman resigned in September 1999 for his role in the illegal contribution gathering scheme during the presidential election campaign in 1997. The supplementary election is yet to take place.

Two comments are in order here. First, ever since its democratic opening in 1987, Korea has gradually democratized its political processes, culminating in the first-ever change of government from one party to another in the history of the country,

¹⁶ It is widely known that many of the GNP assemblymen who changed their party affiliation had been under some kind of investigation, with charges varying from corruption to campaign finance violations. Interestingly enough, in many instances, investigation stopped, charges were dropped, or sentences were reduced once they switched parties. This produced what journalists sarcastically call the *yeodang mujue yadang yujue* (governing party-innocent, opposition-guilty) phenomenon (*Joongang Ilbo*, September 5, September 18, 1998). In the survey of the general public mentioned above, 70.5 percent of the respondents stated that the opposition assemblymen's party switching was caused by the government's investigation and intimidation tactics aimed at the GNP (*Joongang Ilbo*, September 22, 1998).

through direct elections in 1997. The Kim Dae-jung government came into power as a result and declared itself to be “the people’s government.” In its first year in power, however, the Kim government embarked on “reorganization,” which basically nullifies the results of the 1996 national assembly elections.

It is generally assumed in studies of institutions and democratic transitions that political actors have many goals and objectives that go into their calculus of institutional choice at the time they bargain for new institutional arrangements. As we saw above, the governing NCNP has several stated and unstated objectives of political reform. In the seeming absence of an electoral institution that can simultaneously and feasibly satisfy its objectives, the Kim Dae-jung government appears to have opted for the quick fix of political reorganization.¹⁷

The second point to be made here is about the applicability of the rational choice paradigm to Korean situations and Third World politics in general. As I mentioned above, the reorganization effort nullifies the results of the 1996 National Assembly elections, and thus entails a certain level of risk that has to be borne on the part of the

¹⁷ In a survey of U.S. politicians, businesspersons, and reporters in July 1998, sponsored by the Korean Trade Association, the most frequently cited reason for the lack of American investment in Korea was “political instability caused by the small governing coalition and the large opposition (28.7 percent of the responses given).” Respondents gave this reason more frequently than “the tension between North and South Korea (24.4 percent),” “the exclusive nature of Korean culture, which makes it difficult for foreigners to do business in Korea (14.5 percent),” and “the unstable business-labor relations (9.2 percent).” (*Joongang Ilbo*, July 10, 1998). In a survey of Korean voters on the 100th day of the Kim government in June, 83.5 percent of the respondents stated that some sort of political reorganization was necessary. Among them, 49.6 percent said the reorganization should happen through electoral processes in a natural fashion, while 43.7 percent were willing to endorse the NCNP’s reorganization attempts before the next national assembly elections (*Joongang Ilbo*, June 6, 1998). Given the country’s urgent need to implement economic reform policies based on a stable political system, and from the reactions of both Korean voters and international opinion leaders toward the current

Kim government and the NCNP. The fact that they nevertheless are pushing for the reorganization implies (i) that there has been a certain kind of calculation, on the part of the governing party, of the feasibility of achieving its objectives of political reform through democratic means such as electoral reform, the kind of calculation included in this paper; and (ii) that they also concluded, as I did in this paper, that their more important objectives would not be satisfied merely by implementing electoral reform. I do not mean that they did exactly the same calculation that I did in this paper, or that they used exactly the same election statistics that I use in this paper to predict the future electoral consequences of different kinds of electoral institutions. I simply mean that it appears there has been some kind of calculation and a conclusion based on that calculation. This further implies that the government's action is based on rational expectations. They attempt to use available information to weigh available options, and choose the best available options to achieve their objectives (van Winden 1988. See Brady and Mo 1992, Kim and Kim 1995, and Kim 1997 for recent applications of rational choice theory to Korean politics).

If they concluded that reorganization is necessary to achieve their objectives, then it is entirely rational for the NCNP to attempt reorganization *before* political reform. As mentioned above, the reorganization includes inducing the opposition GNP assemblymen to change their party affiliation to the NCNP. Also, voter support for the NCNP primarily comes from Cholla Provinces and the capital region. Many of the GNP assemblymen who cross the party line represent districts outside of the NCNP's strongholds. This will have the effect of expanding the party's support base, assuming

political situation in Korea, the Kim Dae-jung government's "reorganization" efforts appear to be a low-cost political maneuver.

that these incumbents continue to garner the level of support they generated in previous elections.¹⁸ It is important to remember that my conclusion about the implausibility of the NCNP's achieving its objectives through electoral reform was based on its performance, and thus its support base, in the 1996 national assembly elections and the 1998 local government elections. If the support base itself changes, through political reorganization, then my pessimistic assessment may not hold any more. Indeed it may become possible for the governing coalition to maintain a stable majority in the national assembly and to prevent the opposition GNP from controlling over one-third of the national assembly seats in the future, *if they implement significant political reorganization ahead of electoral reform*. As more vote- and seat-delivering GNP incumbents join the NCNP (and the ULD), the specific outcome of the electoral reform may become less meaningful to the NCNP. Or better yet, the NCNP may become even more ambitious in setting its goal for political change.

New Political Issues in 1999 and Beyond

In their negotiation with the ULD about electoral reform in 1999, leaders of the NCNP indicated their willingness to accept a mixed electoral system that had not been discussed previously. Under this system, a certain percentage of the national assembly members are elected, using plurality rule, in multi-member districts (2-3 members per district) with the remaining seats selected through PR in 6 large districts (*Joongang Ilbo*,

¹⁸ Korean voters have traditionally been very generous to incumbents and unwilling to punish them, even after revelations of scandals, financial wrong-doing, or party switching. See Kim 1994 for empirical evidence of Korean voters' unwillingness to punish incumbents in previous elections.

May 26, 1999). First of all, this is a rather unique system. It is known among political scientists that the SMD system tends to produce a stable political system with a handful of (if not just two) parties and often with a majority party. Its weakness is the lack of proportionality; that is, the proportion of votes parties receive does not always translate into a comparable proportion of seats in the parliament. The PR system best approximates a party's electoral support to its level of representation but tends to create a large number of parties, and oftentimes, an unstable political system.¹⁹ The plurality system with MMDs inherently have some characteristics of both PR and SMDs. Therefore, a mixed system of the plurality-rule MMDs and PR is rather unusual.

Secondly, the fact that the NCNP is willing to accept the plurality system with MMDs as part of the electoral package is rather a dramatic turnaround given their narrow and concentrated support base in previous elections (see above). This may indeed reflect the NCNP's estimate of its expanded support base through the absorption of the GNP assemblymen. It may also reflect the two factors mentioned in footnote 11, which are not analyzed in this paper. Namely, in the next national assembly election scheduled in 2000, the leaders of the NCNP may expect to have incumbent advantage, as the business community will be more prone to contribute to, and the local bureaucrats will be more willing to work with, the governing party. Furthermore, there is a common perception that the Korean economy is reviving from the devastating crisis of 1997 and 1998, and it is widely accepted that the Kim government's economic policies are at least partially responsible (*Joongang Ilbo*, February 24, 1999). As discussed earlier, this good

¹⁹ To mitigate the weaknesses of these electoral systems while taking advantage of their strengths, many countries have adopted an electoral system that mixes the (majority-rule) SMDs and PR. Obviously, alternatives (iii) and (iv), above, fall in this category.

performance in office will expand the level of support for the governing party, and it may be able to win more votes at the margin.

The second new political issue in 1999 concerns a potential realignment of political parties before the next national assembly election in 2000. There is some indication that a chasm is developing among different factions within the GNP. In the summer of 1999, some leaders of the NCNP started to argue for a grand plan to create a mega-party by merging the NCNP, the ULD, the dissident factions of the GNP, and those “fresh new faces” currently outside of the political arena (*Chosun Ilbo* July 23, 1999). Initially the ULD vehemently denied considering such a scheme, but in September 1999, Kim Jong-pil hinted that such a plan was not totally out of the picture (*Hankuk Ilbo* September 18, 1999).

If this plan materializes, then the new governing party would enter the 2000 election as a single majority party. The party would also have a vast support base with virtually all the regions and social groups represented in it. This plan would certainly minimize the potential coordination problem in the nomination process in the next election, the kind of coordination problem I discussed earlier. If the NCNP and the ULD remain as separate parties and are asked to coordinate their candidates in electoral districts and their slates of PR candidates, then conflicts are likely. Many disgruntled politicians who are not nominated as candidates or put on party slates would run as independents, which would damage the electoral prospects of the governing coalition. If they become a single party first and then field candidates, there would be much less room for the coordination problem.

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