Consolidating Public Sector Reform through Policy Transfer in Korea: Global Diffusion and Local Control*

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Abstract: In Korea, demands for economic and social democratization increased after 2000, as the country dealt with economic recession after the 1997 Asian financial crisis and with other problems resulting from mismanaged domestic policies. In response, the Korean state carried out unprecedented reform of the public sector to address these problems by streamlining state capacity. The primary objectives of this article are to understand Korean public sector reform together with its domestic political factors from a policy transfer perspective, and to suggest an alternate model for the reforms. The reforms, which took place during the Kim Dae-Jung and the Roh Mu-Hyun administrations, were consolidated through proactive policy transfer by politico-bureaucratic decisions in order to establish a new statecraft despite the global diffusion of policy trends. Investigation of its domestic political circumstances and historical context reveals that the reforms were not direct emulations of global norms, but rather an attempt to use a mixture of models to raise the quality of government.

Keywords: Korean public sector reform, reform consolidation, policy transfer, state capacity, neo-Weberian state

INTRODUCTION

Once it had achieved economic and social development (Caiden & Kim, 1999; Johnson, 1999; Kohli, 1999), the Korean state pursued a range of neoliberal policy reforms in the 1980s and 1990s. However, due to increasing demands for economic and social democratization to follow political democratization, coupled with the unde-
sired outcomes of some mismanaged policies, the state continued to streamline the public sector after 2000. As states transform the ways in which they govern society, they are influenced by various ideologies (Rockman & Hahm, 2011). Korean public sector reforms sought to improve a chaotic domestic situation with a new statecraft.

Korean reforms have in fact been affected by global policy trends as Korea has proactively undergirded globalization as a crucial policy agenda (Lee, 2000). However, its reform policies have been consciously adapted through politico-bureaucratic decisions in line with its internal circumstances rather than directly adopted from global norms. Accordingly, an alternate model for the Korean public sector reform can be established through investigation of its domestic political circumstances as well as its historical context, using the policy transfer approach. Nonetheless, scholars seem to either have kept silent on the nature of Korean public sector reforms, with some exceptions (e.g., D.-R. Kim, 2012; Kwon & Kim, 2011), or to have focused on comparing them with global norms (e.g., Chang, Park, & Yoo, 1998; Henderson, 1999; Weiss, 2000).

Some argue that the New Public Management (NPM) and the New Public Governance (NPG) models have been diffused as global governing norms across states by their eclectic feature (e.g. Hood, 1991, 2000; Rhodes, 1996, 2000a). This approach has rarely taken the domestic context of each state into consideration. Others, arguing that government reform has evolved differently in different states, advocate that it should not be linked simplistically to global norms but analyzed through deep examination of the policy transfer process in each state (e.g., Cheung, 2005; Common, 2001; Painter, 2001). According to this approach, public sector reform needs to be understood as the result of voluntary transfer, not the diffusion of global norms.

A few models, such as NPM and NPG, have been continuously asserted to describe and even prescribe government reform across states (e.g. Peters, 1996, 2000; Pierre & Peters, 2000; Stoker, 2006). Alternative models—such as joined-up government and the neo-Weberian state—have also continued to be addressed apart from the global norms (e.g., 6, 2004; Kavanagh & Richards, 2001; Newman, 2000; Pollitt, 2003; Pollitt & Bouckaert, 2011; Richards, 2008). Nonetheless, a plethora of studies have explicitly or implicitly argued in a less critical manner that the public sector reforms of the East Asian states have rested on widespread global norms or should do so (e.g., Bowornwathana, 2000; Painter, 2006). As a result, alternate models applicable to their government reforms are less likely to have been proposed in spite of a number of studies of government reform.

The Korean state initiated reform in a variety of policy areas in line with the NPM and NPG models during the transformational period after 2000. The reforms seem to have been constrained and shaped by domestic factors that affected the diffusion of