# The Internet Revolution and Korea:

A Socio-cultural Interpretation

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In the 21<sup>st</sup> century in which knowledge and information are the sources of competitiveness, information technology is playing a vital role in providing that competitiveness. In particular, the increasing usage of broadband Internet services, as shown in recent years, takes on major significance. The world is now undergoing the Internet revolution, which means technological, economic, and socio-cultural changes in human history. The Internet in combination with the advances in other information technologies has obviously accelerated the pace of transformation of the industrial society—which centers around material resources such as labor, land and capital—into the information society—which places emphasis on knowledge, information and culture.

Korea has been successful in coping with the Internet revolution, particularly in the diffusion of broadband Internet; Korea is one of the most "wired" countries in the world, with an Internet usage rate of over 50 percent of its population base for high-speed access alone. Indeed, the number of Internet users in Korea has been increasing continuously ever since the introduction of commercial Internet services in 1994 and has now exceeded 27.8 million in May 2002, as well the scale of personal computers diffusion to 77.6 percent in January 2002 per household (*Korea Times*, June 5, 2002).

Not only in the quantitative numbers but also in the qualitative use of the Internet, a monthly mean page view or internet usage time per person is two to three times greater than that of other countries. The diffusion of the broadband Internet, the utilization rate of audio, video, or multimedia games, and the services that require broadband are the world's highest. And, the exploding Web culture has driven economic growth and spawned civic movements that have powerfully affected everything from politics to consumer culture in Korea (Schofield 2002).

Nor is broadband Internet an isolated example of Korea's success: the number of mobile phone subscribers in Korea has reached 30.3 million in March 2002. As compared to its total population of some 46 million, an incredible 80-90 percent of Korean adults and adolescents, excluding infants and young children, are mobile phone subscribers (MIC 2002).

Moreover, Koreans have been among the pioneers in embracing the futuristic potential of the mobile phone; Korea is the first country to launch a third-generation (3G) mobile phone service around the world. The available models and designs seem to change daily. In usage as well, Korea is a hive of communal activity. Almost everyone in Seoul seems to have a phone with a color screen that can show photos and play games. Internet services with wireless connection, such as Internet banking and checking instant news, are increasingly being popular in recent years (Larkin 2002; Schofield 2002).

To investigate the successful adoption of broadband Internet and mobile phones in Korea, existing studies have focused on the interaction between demand and supply in technological, economic, and political factors (NCA 2002). The main points of these studies can be summarized as an argument that technological development, quality infrastructures, active investment, and proactive government policies are influential on the diffusion of the broadband Internet and mobile phones in Korea.

In particular, some of these studies recently pay attention to the role of the government as one of the key contributors in supporting the information infrastructure and information technology (IT) industries. In fact, the government has been pushing

a strong IT policy in line with its ambitious vision of an *e-Korea*, to become one of the ten leading nations in the creation of knowledge and information (S. Kim 2002).

However, such technological, economic, or political variables alone cannot adequately explain how Korea has achieved a rapid and widespread diffusion of the broadband Internet and mobile phones. It is because there are certain socio-cultural conditions that intrigued Koreans to enthusiastically embrace them. In other words, the diffusion of IT in Korea is closely associated with the socio-cultural transformations that are manifest in the transition to the information society. However, we should note that this association does not imply cause-and-effect relationships. Rather, it implies that there is an interaction between IT and corresponding socio-cultural contexts; socio-cultural changes act as conditions which determine in part the way IT are diffused in society. In turn, IT creates new and different socio-cultural conditions (P. Kim 2002).

In this context, this paper attempts to understand such an association between the diffusion of IT and the contemporary socio-cultural contexts in Korea. It investigates the underlying socio-cultural factors inherited from the traditional Korea and amenable to the diffusion of the Internet and mobile phones. In this sense, this paper might be placed within the continuing debate on "Asian values," which relies on cultural orientations—a combination of the work ethic, respect for community and authority, and a tradition of paternalistic government—in understanding the Asian economic success during the period of industrialization. This paper attempts to identify the socio-cultural conditions that have affinity with the information age, as "Asian values" seemingly did with the industrial age. In short, it explores the traditional aspects of Korean culture, which could re-boot the "Korean miracle" in the information age.

To investigate these questions, this paper outlines the socio-cultural ingredient of the Korean information society in a preliminary fashion. In particular, it focuses on three aspects of traditional Korean culture that influenced the diffusion of IT during the last decade.

In the first two sections, this paper examines how traditional ties in the realm of private spaces and intimate relationships accelerated the diffusion of two IT devices, the broadband Internet and mobile phones respectively. In the third section, it examines how the culture of discussion and participation on the Internet, deeply rooted in the Confucian participatory tradition since the 16<sup>th</sup> Century, has been associated with the emergence of the Internet and the possibility of the "public sphere" in cyberspace. In the fourth section, this paper points out that the macro-level traditional ties in the realm of the state and the economy, which have risen throughout industrialization in Korea, are reviving as a key element of social solidarity in newly rising information sectors.

By these investigations, this paper attempts to bring socio-cultural variables into the studies of informatization, and to conceptualize them from the perspective of social science with an expectation that the possibilities and limitations of Korea's informatization could be interpreted within those socio-cultural contexts.

### The Internet and Traditional Ties

Many kinds of traditional ties, which have played an important role in Korean history, exemplify socio-cultural conditions supporting the diffusion of IT in Korea. Indeed, there have been traditional communities highlighting the sharing of emotional sympathy or the building of ideational bond rather than the maximization of material interests in Korea. Familial, regional, and school ties have been formed for specific purposes, and those traditional ties and behaviors had been revealed throughout industrialization (Ha 2002).

The continued existence of these traditional ties has very close affinity with the diffusion and adoption of IT in Korea. For instances, those socio-cultural factors are found in the rapid growth of "PC bangs" (PC rooms) and the boom of online communities.

The rapid growing popularity of "PC bangs" reflects a certain aspect of sociocultural conditions in Korea inherited from its tradition. PC bangs are Korea's version of game-oriented cyber cafes. PC bangs spread across the nation rapidly from the end of 1999. Now, these can be found almost everywhere in Korean cities, but particularly in student areas. In Korea, at the peak, more than a thousand were being opened every month, and there are now more than 20,000 PC bangs throughout Korea (Schofield 2002).

Korean teenagers go to PC bangs, and spend about \$1-2 an hour playing multimedia network games such as Star Craft, which played a remarkable role in promoting the use of broadband Internet. The malls have high-class PC bangs, but more typically, they are badly lit basement rooms with, on average, 30-40 fast PCs. They are regarded as cool places in which teenagers spend hours at a stretch (Kirk 2001).

Of significance, the spread of broadband and PC bangs created a new culture of social grouping especially among the young generation. Game rooms have quickly become a part of Korea's unique "bang" or room culture, along with "noraebang" (karaoke room) and "video bangs," where friends or couples can watch movies on video in private. Interestingly, for example, very few of young customers come to PC bangs alone. Of course, they could play at home, but they say it is more exciting to be surrounded by other gamers, especially if they are friends.

Moreover, in PC bangs, they can do something that they cannot do at home. In fact, most Korean parents do not allow their children to do PC games at home for a long time—they are supposed to be studying. Therefore, what teenagers do is to stop at a PC Bang after school, and spend three or four hours playing. If their parents ask, the teenagers tell the parents they were somewhere else. Through the Internet in PC bangs, Korean teenagers, socially pressured by fierce competition to enter colleges, tend to seek an outlet in which they can rehabilitate their identities and establish their own social networks (French 2002; interview with a teenager).

In this sense, we can interpret that the rapid diffusion of the Internet was accelerated within the context of a search for the "private realm" in the world where we find it difficult to forge meaningful connections between our "life world" and the "public realm." Indeed, the Internet enables us to explore this private realm as it offers a free leap to the world of cyberspace leaving behind the real world, which is alienating.

At this point, we should note the fact that, in questing for the networks of private realms, Koreans do not move alone as an individual, rather they prefer to

move in bunches. This may be the most important point to understand the so-called cyber culture in Korea. Koreans tend to stay away from the feeling of deviation or alienation by forming small groups even in cyberspace, and further build emotional ties with their peers. In participating in online activities, therefore, they are not likely to mingle with strangers; rather they tend to organize on-line networks built on the already existing off-line networks, to which they already belong. In this respect, the Internet plays an effective role in sustaining and facilitating the operation of traditional ties such as familial, regional, and school connection.

The popularity of alumni websites, for instance, helps us understand this socio-cultural phenomenon in Korea. The most remarkable example of alumni websites is "I Love School (ILS)." Since the website's launch in October 1999, ILS has become one of the most popular websites in Korea. The success story of ILS is impressive even by the standards of the current Internet venture world where an overnight success story is commonplace. According to a report in 2000, ILS is the 14<sup>th</sup> most visited site in Korea and 133<sup>rd</sup> in the world (*Korea Times*, July 6, 2000).

In fact, the online reunion trend had spread quickly among young Internet users. At ILS, one is most likely to find information about their schools and graduates—from elementary to high schools. All they need to do is to type out the name of the school and the graduation year. And then, messages and photographs will appear on the monitor, though not always, informing users of the whereabouts and the latest news about their old classmates. It is reported that on-line encounters in the website often lead to off-line meetings.

Interestingly, the reason for such phenomenal success was a mystery even to those at the company. For months, the company's marketing team has been trying to find clues for their rather unexpected success. What the company has been relying on most is the word of mouth advertising by the website members themselves. According to a survey by ILS, which asked members how they came to know of the site, the majority answered, "friends told me" (*Korea Times*, July 6, 2000).

Along with PC bangs and alumni websites, we have to pay more attention to other socio-cultural factors that influenced the adoption and diffusion of the broadband Internet in Korea. In a slightly different context from the above cases, for instance, Korea's unique housing environment has been one of the key elements that have contributed to the growth of the broadband Internet service. Significantly, more than 70 percent of the Korean population lives in densely populated urban areas. Consequently, service providers could initially profit from deploying services in the high-density metropolitan areas. And in those areas, the proportion of so called "apartment complexes" was so high that service providers could deploy and provide their facilities and services to thousands of consumers very quickly and easily (*Korea Times*, June 5 2002).

In a similar vein, some attribute the acceleration of the Internet to the more peculiar traits of Korea's national character. Among them is "ppali ppali syndrome." It translates as "hurrying syndrome." The Internet quickened the pace of communication and commerce considerably, the argument goes, but Korea was already so infatuated with speed that its residents had a pre-existing phrase for the national obsession. In Korea, everything is done as rapidly as possible. When Koreans do adopt something new, they are also more likely to focus on it obsessively and go to extremes.

This is largely responsible for the rapid growth of the Internet in Korea. For example, young people crowding rooms full of computers, housewives in apartment blocks, executives and office workers hustling to ride the crest of the information revolution—all wanted the same thing: quick communication, quick games, and quick contact. There was growing demand, responsive supply and appropriate government policy. These elements created synergism to prompt explosive growth (Hopfner 2000; Kirk 2002).

#### Mobile Phones and Traditional Ties

The case of mobile phones provides a more vivid example that socio-cultural factors in Korea have profoundly influenced the diffusion of IT. Indeed, mobile phones have now become an essential part of life for Koreans. The current trend of mobile phone shows that new types have developed from a simple mobile talking device into a multi-functional communication medium—which has the ability of transmitting and disseminating written messages and the Internet contents such as information search and mobile electronic commerce (m-commerce). Mobile phone users can now visit to chatting rooms, play cyber games, keep track of latest breaking news and download thousands of cartoon images from the mobile Internet website. Moreover, teenagers see the mobile phone more as a medium of self-expression, a part of their way of life, or even an extension of themselves. It is the teenagers who are realizing the full potential of this communication technology to create their own generational culture, which warrants our special attention (Park 2002; Sung 2002).

Moving beyond teenagers' culture, the rapid diffusion of mobile phones reflects the unique cultural and emotional aspects of the whole Korean society. Of course, for Koreans, the general reason to buy a mobile phone is to make and receive a call more conveniently. However, the concept of convenience in Korea seems to be located within a different context from other cultures. The ones who bought their mobile phone relatively later than others said they felt the need because they felt inconvenient and other people felt inconvenient since they did not have mobile phones (interview with a college student).

The gap between people who have mobile phones and others who have not is more deeply connected with emotional motive. To Koreans, the need for a mobile phone is basically related to making and receiving a call through mobile phone, but it also articulates with the concept of being connected with others through mobile phones. Getting involved with their intimate group is a significant concept to explain the mobile phone usage by Koreans (Kang 2000; Na 2001; S.H. Kim 2001).

Concerning advantages in using mobile phone, Koreans refer to it as one of their belongings rather than a mere communication tool. One of their belongings differentiates with comparison to a useful tool while the rest of them responded that a mobile phone is "one of familiar things with themselves" (interview with a salary man). For example, the response of the question, "how do you feel when you can not use mobile phones?" shows the unique connections of Koreans—their experience and feeling when they cannot use mobile phone. Korean said they feel anxiety about whether someone makes a call even though he or she knows there are no important calls. In short, it seems that Koreas are more sensitive to the situation in which they cannot receive a call than any other situation such as the inconvenience of not being able to make a call (Lee 2002, p.178).

"In Japan, the camera; in Korea, the mobile phone," a phrase used by international media reporters during the 2002 World Cup Korea-Japan, contrasts the two host nations of the 2002 World Cup soccer game. In both countries, spectators flocked to the stadium whenever there was a match, but they came bearing different gadgets: the camera and the mobile phone. Japan's stadiums sparkled with camera flashes like a spectacular fireworks display; a wholly different spectacle was seen in Korea. When the Korean soccer team scored its first World Cup victory against Poland on June 4, the rate of mobile phone usage in the area within earshot of the stadium was eight times higher than usual—the highest call surge in history (Park 2002).

Indeed, the scene was simply a reflection of the mobile phone's significance in Korean daily life. At climactic moments, Korean spectators hurriedly called their friends and families on their mobile phones so that they could enjoy the exhilaration of the roaring crowd. The sight of so many spectators yelling excitedly into their mobile phones amazed journalists from around the world. If the Japanese impulse is to document and record, the Korean urge is to connect and share with others. Transcending the bounds of space and time with its total portability and unlimited connectivity, it is no exaggeration to say the mobile phone has become a driving force of contemporary Korean society.

In summary, to Koreans, using the mobile phone is defined as connection with other persons who also have mobile phone. They no longer differentiate the mobile phone as the social phenomenon but take it for granted as vital. Their appeal to connection first, is linked with trying not to estrange from a mobile phone group. "Getting involved," is reflected in the motive to buy mobile phone, sustained by "instrumental convenience" and reassured with feeling of comfort. The feeling of connectedness is violated when they cannot use the mobile phone, which makes them nervous while instrumental inconvenience is secondary. And, the most frequent mobile phone calls are made with some of friends with whom they can contact without a mobile phone. Within this context, we can imagine another dimension of online community, basically expanded from the original relationship through mobile phones (Lee 2002, p.179).

# The Web and Confucian Tradition

One of the unique potentialities of Korea seems to have been emerging from an active civil society backed up by the tradition of intellectual's participation in social and political issues. Korea's experiences for the last decade have revealed that this tradition also influenced the diffusion of the Internet, and facilitated communications via the Internet. Historically speaking, the origin of intellectual participatory tradition may be traced back to the 16<sup>th</sup> century when private academies began to be formed as moral centers where intellectuals and students studied Confucian teachings.

Originally, the separation between scholarship and politics was presupposed. As academies increased in number from the 17<sup>th</sup> century, however, "procedure evolved and a network developed among private academy students that allowed them to address matters they thought required attention." In the memorials to be sent to the throne, they dealt with not only political issues but also "a wide variety of topics pertaining to local affairs, social issues, and scholarly concerns." In particular, the

year 1666 marked the beginning of "private academics' participation in national political discourse" (Han 2000: 247-8).

This Confucian participation was limited to the upper classes, but it has had great influences on Korean history, giving rise to a strong civil society, middle class, and active student movements. In fact, this Confucian culture was more conspicuous in Korea than any other East Asian country, and activates itself in the Internet environment. In fact, Korean politics and social movement today are increasingly associated with the use of the Internet, not simply as an instrument of self-interest, but also as a "public sphere" where netizens freely meet and discuss matters critically (Habermas 1989; Papacharissi, 2002; Yoon 2001).

As an empirical example of this, we should look at the role played by the "Citizen's Alliance for the 2000 General Elections (the Alliance hereafter)," an umbrella organization of non-governmental organizations (NGOs) in Korea. The Alliance wielded great influence on the general elections of April 2000. Composed of about 600 individual NGO groups, the Alliance published a blacklist of 86 candidates they concluded unfit to run for the National Assembly and conducted aggressive campaigns through various means including the Internet. They collected all the information of candidates' military service, tax payments, criminal records, and other public records and disclosed the hitherto unknown facts through the Internet. These campaigns were so successful that 59 of the 86 candidates, about 70 percent, lost, including several political heavyweights (Yoon 2000; Chung 2001)

The Alliance took maximum advantage of the Internet by disseminating information directly to voters. "Cyber electioneering" first attracted the attention of voters when the Alliance revealed the military and tax records of 1,176 election candidates on its Internet homepage, which attracted more than 150,000 hits during the March 28-29 candidate registration period. An additional 300,000 Internet users visited the government election watchdog's site when the candidates' criminal records were posted on April 6. Their website registered more than a million hits on Election Day alone (*Korea Herald*, April 14, 2000).

In contrast to the massive rally-style campaigns which prevented voters from getting complete information on candidates, the Internet made it possible for citizens to check within the comfort of their homes about political visions as well as past deeds and misdeeds of candidates in their personal and professional lives. This can be interpreted as an important change in the paradigm of election. Indeed, this change forced the political parties to see the Internet as a particularly important means of targeting younger and first-time voters who are often seen as apathetic or disenchanted with politics. Certainly, politics in Korea is no longer a monopoly of parties and politicians (*Korea Times*, April 16, 2000).

Two years after the general election, "Nosamo," the shortened Korean name of the group calling itself "People who love Roh Moo Hyun," has emerged in the very similar context. Nosamo started out as an online group in 2001 after Roh, a Millennium Democrat, was defeated in his bid for a National Assembly seat in a Busan district election in the April 13, 2000. The group credited Roh with the courage to give up a chance to run in the safer Chong-Ro district of Seoul, for a much more conservative district in Busan. Roh persisted in running as a candidate of President Kim Dae Jung's party three times there, although support for the party and for the president is very weak in the region (*Joongang Daily*, April 15, 2002)

Nosamo, which now boasts 32,000 members, played a key role in Roh's victory at the primaries. The group launched an Internet campaign for Roh in the Millennium Democratic Party's presidential primaries. This new form of political power helped Roh to win. The group not only engineered a comeback for Roh during the earlier stage of the primaries, but also induced more people to participate in politics. Certainly, Roh's sudden rise was largely due to his Internet-based supporters' organization (*Korea Herald*, April 19, 2002; *Joongang Daily*, May 14, 2002)

Another example, which the Korean seem to be very enthusiastic in using the Internet as a forum of discussion, emerged during the 2002 World Cup as a form of "Red Devils," an Internet-based support club that is more bottom-up oriented. Years ago, stunned by the unexpected success of the Korean side, foreign media described the players as Red Devils storming the field after the color of their uniforms. The phrase was soon translated into Korean and became popular in the domestic media as well. An Internet-based support club organized a cheering squad for the Korean national soccer team in early 1997 and kicked off its activities in the qualifying rounds of the 1998 France World Cup. The club was dubbed "Red Devils" after an Internet-based exchange of ideas in August 1997. The club has since become the dominant soccer-related cheering squad in Korea. The Web played a critical role in the mobilization and communication of the members (*Korea Herald*, June 11, 2002).

Moreover, the Web was a thrilling channel for many soccer fans across the country to satisfy their craving for information on the Cup. The 2002 World Cup provided Koreans with an opportunity to facilitate the dynamic exchange of information on the Web. In particular, the existence of the high-speed Internet encouraged the dynamic exchange of information about World Cup matches, players and rules. The Internet, which has become an essential part of everyday life for a majority of Koreans, helped raise public awareness about soccer and prompted millions of people to participate in outdoor cheering campaigns. Major portal sites were flooded with postings on thousands of online bulletin boards. Online users scoured the Web to absorb detailed real-time match reports, player-by-player descriptions, disputes about poor officiating and other soccer information. Instant messengers also played a role in spreading real-time news and lively stories to millions of people. Korea has more than 10 million instant messenger users and many of them exchanged views and feelings about World Cup matches through the new Internet communications tool (*Korea Herald*, July 1, 2002).

Throughout the process of socio-cultural maturation, we should pay attention to those in thirties or forties whose have actively engaged in social movement organizations or civil society organizations. They deserve special attention for many reasons, but important for our discussion is the fact that they represent the first generation of personal computer and Internet users, thus being capable of using the IT-related devices of communications for their own purposes. Similar to the 16<sup>th</sup> century when Confucian reform-oriented groups were formed on the basis of private academies' education for several decades, this distinctive social group has been formed today as a consequence of student movement especially during the 1980s. Significantly, the contemporary social group has initiated by intellectuals, and thus was highly elite-oriented rather than purely grass-rooted. However, it is an irony that the Internet related the social group to mass in very effective ways. As seen in the case of Red Devils, however, Korean youngsters opened a new possibility that the

social movement in Korea has been rapidly changing toward a form of bottom-up, consisting of netizens in teens or twenties.

## Neofamilism and Informatization in Korea

Traditional socio-cultural factors supporting informatization in Korea are not found only in private space and civil society, but also in a broader context of social structure. Without addressing the macro-structural implications of traditional ties for informatization, we cannot clarify the socio-cultural foundation of informatization in Korea. In this respect, moving beyond episodic issues discussed above, we should examine how, why, and which aspects of traditional social relations have been working in the realm of the state and the economy, linked adequately to the macro-level social structure.

Throughout informatization as well as industrialization, familism, regionalism, and school ties formed a nexus of relationships, and built structural frameworks of the related sectors in the Korean society. For example, in public bureaucracies, transfers and promotions are based largely on school and regional ties. And, in business, blood, school, and regional ties are also salient features in the management structure. In fact, the reinforcement of these traditional ties was the socio-economic consequences of Korea's industrialization, which were turned up as the amalgams of "tradition," inherited from the Korean history, and "modernity," pursued by the Korean society.

This kind of amalgams of modernity and tradition in Korea was conceptualized as "neofamilism" (Ha 2002). "Neofamilism denotes the dynamic process of reinforcement of a social ethos and social relations based upon primary solidarity. The prefix 'neo-' emphasizes that traditional relationships have been revived and transformed in an industrial setting. 'Familism' does not refer to the conventional family, but is an inclusive term incorporating broader primary ties based on kinship, region, or school. But familism denotes a narrower and thus more specific structural configuration than a broader concept like traditionalism" (Ha 2002).

Neofamilial phenomena have frequently been regarded as anecdotal, transient, and partial ties that eventually disappear. Western macro-sociological frameworks often treat them as aberrations or partial continuations of traditional social behavior. However, Korean neofamilism is systematic and thorough at the identity, life strategy, and at social and institutional levels, it is a unique social process of Korean-style industrialization (Ha 2002).

In fact, certain traditional primary social ties were unintentionally reinforced rather than weakened in the process of Korea's industrialization. In bureaucracies, for example, the regional representation of government officials from the southeastern region of Korea increased significantly under the Park Chung Hee regime, from 18.8 percent of all ministerial level officials during the Rhee Seungman regime in the 1950s to 30.1 percent under the Park regime in the 1960s-70s. This was a tremendous change from the Rhee regime, when the southeastern region had been underrepresented. Even within the state apparatus, school and regional ties were ubiquitous and were frequently invoked on individual cases and in an organized fashion. Of significance, this core neofamilial relationship in the realm of the state was emulated by business and the rest of society. The regime character and functional requirements for rapid industrialization, the political need for business to succeed, and

business's need for state financial resources and other support had fostered neofamilial ties as a means of survival (Ha 2002).

In this context, it was only natural for business people to establish connections through blood, school, and regional ties. Korean business ownership is heavily concentrated in the hands of family members of the founders. The next managerial layer consists largely of top university graduates with regional ties to the owners. At the lowest level, solidarity among average workers is based largely on regional ties. Government and business shared a common personnel pool. Koreans know each other through introductions based on school, regional, and blood ties. Business systematically uses these. Consequently recruitment patterns in business sectors were heavily influenced by changes in government agencies. School ties were used most frequently, but in many cases they overlapped with regional ties. Among white-collar employees who entered *chaebols* and later became high-ranking managers, most were graduates of big three universities in Korea—Seoul National University, Yonsei University, and Korea University (Ha 2002).

Such neofamilial ties continued to exist as a part of the unique processes of Korean-style informatization. It is usually said the development of information technology requires new institutional and socio-cultural environments, which have less centralized governance structures than those in the industrial age. At least in the early stage of informatization, however, there is little big difference between the policies for industrialization and informatization in Korea (S. Kim 2002).

In particular, IT policies adopted by the Korean state were predicated upon "developmental" mentalities in promoting various projects as industrial policies were in the past. Those path-dependent examples include five-year governmental master plan, strategic targeting of information industries, and "state-led informatization" in building communication infrastructure. To implement those projects and achieve the goal of informatization, the state seems to rely on traditional social relations in policy circles. In targeting and subsidizing venture firms in the information sector, for example, the criteria was often based on close traditional ties between bureaucrats and venture business, which a newspaper call "communication mafia" (*Electronic Times*, April 1, 1999).

The dynamic process of neofamilial ties is also observed within the circles of IT business, although it is obviously less vivid than the cases of *chaebols*. In IT sectors, information and knowledge are the key of competitiveness. Therefore, it is more important for IT ventures to establish complex networks for sharing know-how of management, business information, and technological knowledge than for other manufacturing sectors. It is certain that, producing synergism between firms, the networks usually contributed to invite private and public investment for launching new projects. Significantly, emerging are the networks based on experiences of working together in the same companies or other social groups.

But, traditional ties of school and region lie behind the seemingly unbiased world of information technology. The rise of such ties is not a special phenomenon for IT ventures, but a common reflection of the whole Korean society, which has put emphasis on school and regional ties. In particular, along with regional ties, school ties were used most frequently in IT ventures. It is not accidental that we can find a bunch of graduates from same high schools at a venture town in Seoul, called "Teheran Valley." It also notable that the student activists of the 1980s, who were

most active in defending public interests through the student movement, are running far ahead in developing IT-related venture firms (*Joongang Daily*, April 3, 2000).

# **Concluding Remarks**

The diffusion of the Internet and mobile phones in Korea has been associated not only with the supply-demand factors of technology, market and policy, but also with socio-cultural conditions that intrigued Koreans to adopt them. In other words, the diffusion of IT was deeply related to Korea's socio-cultural transition toward the information society, which should be understood in the continuum of Korea's quest for industrialization or modernization since the late 19<sup>th</sup> century. In the transformative process, traditional elements, which remained in the contemporary Korean society, have largely influenced the early success of informatization.

In particular, this paper argued that traditional socio-cultural factors propped up the adoption and diffusion of the broadband Internet and mobile phones at three levels. At the level of private sphere, traditional ties sharing emotional motive provided relevant social settings for the diffusion of PC bangs, online communities, and mobile phones usages. At the level of civil society, the heritage of Confucian participatory traditions was in support of Internet-based mobilization as well as the using of the Web as a forum of discussion. At the broadest level of the state and the economy, neofamilial ties, created throughout industrialization, also appeared as a form of networks for policy and business at the stage of informatization.

However, this paper is a preliminary investigation of relevant socio-cultural factors that helps us understand Korea's successful adaptation to challenges of the Internet revolution and the unique path toward informatization in Korea. In this sense, the research agenda raised in this paper should be further developed, and one of the research foci should be on how we conceptualize the socio-cultural orientations, deeply embedded in and shared by Korean ways of life.

As a further research agenda, this paper suggest to revive a debate on how to conceptualize the socio-cultural conditions of Korea's informatization, like the one on and Asia's economic miracle and "Asian values" in the industrial era. However, this paper has no intention to explore the "causal" relationship between Korea's informatization and what could be conceptualized as Asian values in Korea. In fact, it is true that the idea of Asian values was problematic from the start; and as for the relationship between Asian values and economic success, that is dubious at best (Fukuyama, 1998: 26). Whatever it is called, however, necessary and valuable is such conceptual investigation of socio-cultural foundations of Korea's recent success in informatization. It is especially because the investigation is expected to help us find appropriate strategies to re-boot Korea's economic miracle in the information age.

In exploring this academic and practical goal, however, we have to keep in mind that the limitations to Korea's informatization should also be thoroughly identified within these socio-cultural variables. It is undeniable fact that the so-called Korean model of economic development has produced phenomenal results in Korea since the 1960s. But, the situation has changed a great deal in the 1990s, and Korea began to face serious difficulties. After the 1997 financial crisis, the mood has shifted to the other extreme; from being the cause of Korea's success, the Korean model is now seen as the root of financial crisis and of the ensuing economic trouble across the country (Chun 1999).

Therefore, we cannot set the goal of informatization as an economic and social project without considering the limitations of the past model. Obviously, Korea seems to have faced another round of challenge, the Internet revolution. Here, it could be a very meaningful comparative study to examine how Korea has been coping with the challenge.

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