

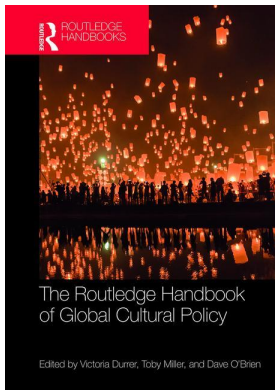
This article was downloaded by: 10.2.97.136

On: 30 Mar 2023

Access details: *subscription number*

Publisher: *Routledge*

Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: 5 Howick Place, London SW1P 1WG, UK



## The Routledge Handbook of Global Cultural Policy

Victoria Durrer, Toby Miller, Dave O'Brien

### No exceptions

Publication details

<https://test.routledgehandbooks.com/doi/10.4324/9781315718408.ch7>

Graham Murdock, Eun-Kyoung Choi

**Published online on: 26 Sep 2017**

**How to cite :-** Graham Murdock, Eun-Kyoung Choi. 26 Sep 2017, *No exceptions from:* The Routledge Handbook of Global Cultural Policy Routledge

Accessed on: 30 Mar 2023

<https://test.routledgehandbooks.com/doi/10.4324/9781315718408.ch7>

**PLEASE SCROLL DOWN FOR DOCUMENT**

Full terms and conditions of use: <https://test.routledgehandbooks.com/legal-notices/terms>

This Document PDF may be used for research, teaching and private study purposes. Any substantial or systematic reproductions, re-distribution, re-selling, loan or sub-licensing, systematic supply or distribution in any form to anyone is expressly forbidden.

The publisher does not give any warranty express or implied or make any representation that the contents will be complete or accurate or up to date. The publisher shall not be liable for an loss, actions, claims, proceedings, demand or costs or damages whatsoever or howsoever caused arising directly or indirectly in connection with or arising out of the use of this material.

## No exceptions

### Cultural policy in the era of free trade agreements

*Graham Murdock and Eun-Kyoung Choi*

---

We are free traders. I guess next to John Wayne ....Adam Smith is one of our favourite people, at least insofar as a free market is concerned...The minute anybody tries to erect trade barriers, there is a viral contagion effect which spreads all over the world.

*Jack Valenti, President of the Motion Picture Association of America, speaking in 1977 (quoted in Yecies 2007:4)*

#### Style and substance

Most commentary on cultural policy focuses on developments within nation states, analysing the genesis, career and impact of selected central and local government initiatives. There are secondary literatures comparing countries and examining policy processes within the European Union and other regional blocs, but studies exploring the interplay between national polices and global trade regimes remain few and far between. Taking the changing relations between the United States and South Korea (hereafter simply Korea), from immediately after World War II through to the present, as an illustration, this paper aims to show how placing developments in cultural policy within the wider frame of trade relations helps to illuminate them in new ways.

In July 2012 the South Korean entertainer Psy released a song, *Gangnam Style*, mocking the residents of Gangnam, an affluent suburb of Seoul, accompanied by a promotional video based around a dance routine featuring a parody of horse riding. Within weeks it was a world-wide phenomenon and by the year's end the first video to achieve one billion views on You Tube.

In May 2013, Park Geun-hye, the newly installed President of South Korea, selected the United States for the first state visit of her tenure. The daughter of Park Chung-hee who had headed the country's military government for almost two decades, until his assassination in 1979, she symbolised the country's double transition, from authoritarianism to electoral democracy and from strong state direction of the economy to a market-centred approach to growth. In his speech welcoming her to the White House President Obama joked, "my daughters have taught me a pretty good Gangnam Style" before turning to the Korea-US free trade agreement, KORUS, finalised in 2007 but only ratified by the legislatures of both countries in the autumn of 2011.

Hailing the Agreement as “historic”, Obama seized the opportunity to underline its advantages to the United States pointing out that “On our side...it will boost US exports by some \$10 billion and support tens of thousands of American jobs”, noting that car industry “exports are up nearly 50% and our Big Three – Ford, Chrysler and GM – are selling more to Korea”, adding, almost as an afterthought, that “obviously it will be creating jobs in Korea” (White House Office of Press Secretary 2013). Given that the crisis in the US automobile industry required an \$80 billion government bail-out and became emblematic of America’s decline as an industrial power, it was a politic choice, but KORUS was also strongly informed by the push to further open export markets for the information and cultural goods that a growing consensus of analysts and commentators saw as the primary engine of future economic growth.

A reading anchored in models of globalisation would be tempted to see Psy’s symbolic presence in the White House as strong evidence of a new pattern of cultural flows and confirmation of Korea’s successful transition from one of the world’s poorest nations immediately after World War II to a major economic power whose information and cultural industries are achieving global reach. Critical analysis however needs to move from style to substance and detail how Korea’s cultural industries have been progressively captured by ideologies and conditions of practice promoted by the major US communications companies. To unpack this process we need to return to a revised model of cultural imperialism.

### Cultural imperialism revisited

The argument that cultural goods play a key role in sustaining America’s global economic ascendancy is not new. In a 1926 essay entitled “When the movies go abroad” written for *Harper’s* magazine, the journalist Charles Merz, who later edited the *New York Times*, saw the lavish displays of consumer goods in Hollywood films as persuasive ambassadors, stoking international demand for American brands. “Trade”, he argued, “no longer follows the flag, it follows the film”:

Automobiles manufactured here are ordered abroad after screen shadows have been observed to ride in them. China wants sewing machines; rich Peruvians buy piano players; orders come from Japanese who have admired mission armchairs in the films.

*(Merz 1926:159/165)*

Cultural artefacts are not only promotional vehicles for other goods or commodities to be traded in their own right. They also provide the major imaginative spaces in which individual nations and social groups explore and project their sense of themselves and affirm their way of life and core values. This makes them both unique and ambiguous. They persistently escape the confines of particular policy domains and stoke rival claims from competing interests intent on recapturing them.

The argument that cultural goods are not like other commodities was forcefully restated in 2005 by Jacques Chirac in a speech opposing their inclusion in the areas covered by the newly launched World Trade Organisation (WTO). “What is at stake”, he argued,

is our vision of what it means to be human. The cultural exception is based on a political and moral affirmation of the utmost importance: that there are human activities that cannot be reduced to their status as merchandise.

*(quoted in Littoz-Monnet 2007:21–22)*

This view was summarily dismissed by Jack Valenti, the long-serving head of the Motion Picture Association of America (MPAA), the leading US entertainment industry group lobbying for the removal of all barriers to open trade. Before moving to the MPAA, a post he held for almost four decades, from 1966 to 2004, Valenti had been an advisor to Lyndon Johnson and retained a network of influential political contacts. He was adamant that counting popular film and television as exceptions “had nothing to do with culture, unless European soap operas and game shows are the equivalent of Moliere [it] is all about the hard business of money” (quoted in Grant and Wood 2004:359). Discounting the role of popular cultural forms as valid spaces of expression was a necessary rhetorical move in defence of his Association’s primary “mission”, which, as he candidly admitted elsewhere, was “to make sure that American film [and] television can move freely and unhobbled around the world in marketplaces that are competitive” (quoted in Wasko 1994:225–226). What is being exported however is not simply an array of cultural commodities but a cumulative vision of a way of life.

In his path-breaking 1969 analysis, *Mass Communication and American Empire*, Herbert Schiller argued that commercialised American popular culture promotes an enveloping “vision” organised around “a mountain of artefacts, privately furnished and individually acquired and consumed” (Schiller 1969:3), adding in a later work, that this “American life style, from its most minor details and deeply felt practices reflects an exclusively self-centred outlook” (Schiller 1973:10). By insistently addressing people in their role as consumers, making personal choices, this vision of plenty and its pleasures pushes the collective identities of citizen and worker to the margins, elevates corporate interests over the public interest and confirms markets as the preferred form of economic organisation.

The present era of Free Trade Agreements, of which KORUS is a leading example, is the latest phase in an unfolding history of shifting relations between national cultural polices and a global trading regime in which the United States has taken a leading role in promoting this consumerist ideology by pressing for perceived blockages to ‘free trade’ in cultural goods to be abolished.

Over and above the tariffs (customs duties) charged on imports governments may introduce a range of ‘non-tariff barriers’ designed to secure space and resources for local cultural production. Restrictions typically take the form of quotas limiting the amount of overseas material that can be imported and ceilings on foreign ownership or investment in domestic communications and media companies. Active support for local production is advanced through public funding or tax exemptions for selected cultural initiatives and projects. All these interventions are roundly condemned by militant advocates of ‘free’ markets, as granting unfair preferences to domestic institutions and companies and placing unwarranted restrictions on open-market entry and competition. They accept no exceptions.

Companies wishing to realise the full value of their entry into overseas markets also require their goods be protected from use and copying without payment, a demand that has led in recent decades to intellectual property provisions being incorporated into trade agreements for the first time. On the face of it “inserting intellectual property into the multilateral trade regime makes no sense” since the aim of trade liberalisation is to “increase consumer access to goods and services, intellectual property policy cuts across this by constructing scarcity and rationing access “ (Sell 2010:763). Its integration into debates on trade is the result of concerted pressure from major US rights holders intent on maximising returns, in conjunction with policy agencies concerned about international competitiveness.

Copyright rules have traditionally sought to strike a balance between originators’ claims to a reasonable return on their labour and the open circulation of the full range of cultural

resources required to support current and future creative activity and innovation. The US-led drive to extend the scale and scope of intellectual property provisions has been a major point of contention in recent debates on global trade, with audio visual products and services emerging as a flash point.

We can usefully think of the promotion of Free Trade Agreements as the pursuit of cultural imperialism by other means. This may seem a surprising, even foolhardy, assertion since for the last three decades dominant approaches to understanding cultural flows have been organised around theories of globalisation animated by sharp criticisms of cultural imperialism as a drastically oversimplified account operating with an outdated centre-periphery model that casts the US as a dominant power able to impose its interests with only weak opposition. This, it is argued, fails on three counts. Firstly, it ignores the rise and significance of alternative centres of cultural production, in India, Latin America, and Asia. Secondly, it underestimates the growing strength of counter flows and regional markets. Thirdly, it plays down the consistent evidence that given an effective choice between equivalents, audiences prefer local productions or imports that resonate with their values and sense of self.

An attentive reading of Herbert Schiller's formulation, however, suggests a more layered conception than many critics allow. Schiller defines cultural imperialism as:

the sum of processes through which a society is brought into the modern world system and how its dominating stratus is attracted, pressured, forced and sometimes bribed into shaping social institutions to correspond to, or even, promote, the values and structures of the dominating centre of power.

*(Schiller 1976:9)*

Three aspects of this conception are central to the present argument:

Firstly, by insisting that cultural imperialism is a process, it underlines the need to examine how the strategies and points of pressure employed shift over time in response to changes in the economic and political operating environment.

Secondly, by placing class centre stage and focusing on relations between the 'dominating centre of power' and the 'dominating stratum' in the target nation, it draws attention to the ways that the deals struck between elites consistently privilege corporate interests and exclude the general public from full participation. Negotiations around Free Trade Agreements, which take place behind closed doors, away from parliamentary scrutiny and accord privileged access and participation to leading corporations, are a clear instance of this process in action and have been met by mounting public suspicion and anger.

The third key point in Schiller's definition of cultural imperialism is his insistence on the central role played by conceptions of modernity and the deployment of 'attraction' alongside 'force' and 'pressure' in securing compliance.

Over the post-war period Korean economic policy has moved from the drive for reconstruction and growth organised around manufacturing and heavy industry to a vision of a new modernity that takes full advantage of innovations in communication technologies and the expanded markets for information and cultural goods opened up by the global embrace of commercial enterprise and competition. External pressure has certainly played an important role in Korea's transition to a market-centred economy, but this movement has also been fuelled by Korean corporate and governmental ambitions, which have been shaped in turn by shifts in the wider global economic and political order.

Economically the post-war period has been dominated by the retreat from comprehensive state management and the ascendancy of neo-liberalism's promotion of marketization.

Originating in the UK and the US in the early 1980s, its militant advocacy of selling state assets, opening monopoly or protected markets to new entrants and loosening regulations on corporate activity has been widely adopted in emerging economies as a necessary precondition of the next phase of economic expansion. Dominant conceptions of future prosperity have also been strongly influenced by the growing academic and policy consensus that information, cultural, and service industries are displacing manufacturing as the major engines of capitalist growth and that nations wishing not to be left behind need to modernise their infrastructures and develop their cultural and service sectors. As a consequence, the emphasis in the term ‘cultural industries’ has shifted from ‘culture’ to ‘industries’ and symbolic goods have increasingly come to be evaluated for their potential economic returns rather than as symbolic spaces for exploring the state of the nation and its complexities and contradictions. Korea exemplifies these shifts.

The sections that follow examine in more detail how this transition has been shaped firstly by US moves to incorporate cultural goods into the global trading system while extending protections for the intellectual properties controlled by the major US media corporations and secondly by the strategies developed by successive Korean government in response to these pressures and in pursuit of their own ambitions.

### **Consolidating corporate interests: US strategies**

The initial US push to secure the free movement of cultural goods was pursued through the General Agreement on Tariffs and Trade (GATT), one of a cluster of institutions designed to regulate global capitalism that the Allied powers put in place in the immediate aftermath of World War II. They also included the International Monetary Fund (IMF), which came to play a significant role in advancing the liberalisation of markets through the ‘structural adjustment’ requirements attached to the loans made to struggling emerging economies, including, in 1987–8, Korea.

Launched in January 1948, the GATT agreement was aimed at securing substantial reductions in tariffs and other trade barriers by requiring imported goods to be treated in the same way as equivalent domestically produced goods. This gave the United States, which had boomed economically during the War, a significant competitive advantage over economies that had been disrupted and damaged in the conflict. At the same time, the cultural industries’ pivotal role as spaces for the construction and repair of national identities placed them at the centre of contention. Initial disputes centred on film, the major popular entertainment medium of the time. Fearing that the global ascendancy of Hollywood would derail attempts to revive domestic film production and undermine the vitality of the national language, France pressed for an ‘exclusion’ clause to be added to the GATT agreement, setting cultural industries apart from its general provisions (Grant and Wood 2004).

The American delegation was adamantly opposed. As Jack Valenti insisted in an interview with *Le Monde*: “The United States will not sign a GATT agreement which makes culture an exception. There would be commercial war about it if we don’t set competition and free access to market” (quoted in Magder 2004). Talks ended in stalemate but the French did win a concession allowing countries to reserve screen time for “films of national origin”. It was a conditional victory, however, since Article IV(d) of the Agreement specified that questions around screen quotas remained open for later negotiations over their “limitation, liberalisation or elimination”.

Having failed to secure a multilateral agreement on quotas, the United States increasingly turned to unilateral channels of pressure and strengthening protections for the intellectual

property rights of major corporate rights holders. One of the principle agencies employed was the Office of the United States Trade Representative (USTR) established to advise the President on trade policy. Deliberations were conducted in closed meetings that excluded both the press and the public but relied heavily on the analysis and advice provided by the major copyright holders, opening the process to comprehensive corporate capture (Kaminski 2014). The 1974 US Trade Expansion Act contained a provision that instructed the USTR to compile a special annual report under Section 301 identifying “those foreign countries that deny adequate and effective protection of intellectual property rights, or deny fair and equitable markets access to United States persons that rely upon intellectual property protection”. Countries failing to meet these requirements could be subjected to sanctions. As we will see, this provision was deployed against Korea.

By then, however, mounting US frustration with the overall failure to advance the commercialisation of cultural exchange through the GATT system, had fed into growing pressure for a major reorganisation of the international trade regime. The final round of talks began in 1986 and ended in 1994 at a meeting in Marrakesh at which it was decided to replace GATT with a new body, the World Trade Organisation (WTO). Launched in January 1995, the WTO incorporated the GATT provisions, while adding two new areas of oversight and control that directly addressed the perceived problems posed by the audio-visual industries: the General Agreement on Trade in Services (GATS) and the Agreement on Trade-Related Aspects of Intellectual Property (TRIPS).

The GATT regime had been built around a model that identified trade primarily with flows of physical goods, with services occupying an uncertain status. GATS resolved this and extended the WTO’s reach unambiguously to key areas defined as ‘services’, including broadcasting and telecommunications. At the same time, TRIPS responded to mounting concerns over unauthorized copying and loss of revenues on the part of major rights holders by incorporating protections for intellectual property into the international trading regime for the first time, a move that one influential commentator has described as “one of the most dramatic instances of international market regulation in the twentieth century” (Sell 2010:762). Taken together, these innovations opened a second phase in the push to fully incorporate cultural goods into the global trading regime. This initiative did not go unopposed, however, as advocates of cultural exception regrouped and sought to work through the United Nations Education, Scientific and Cultural Organisation (UNESCO), founded in 1945 to protect cultural heritage and promote international understanding through cultural exchange.

In 1980, UNESCO had issued the McBride Commission report on the global communications system, *Many Voices, One World*. The subtitle announced it as work towards a “more just and more efficient” order. The Report’s guiding conception of cultural justice however sat very uneasily alongside dominant market driven definitions of ‘efficiency’, a tension highlighted in the passage pointing to the “grave danger of the distorting power” arising “on an international level” from structures of communication that “reflect the life-styles, values and models of a few societies, spreading to the rest of the world certain types of consumption and certain development patterns” (UNESCO 1980:24) Supporters of free markets perceived this stance as openly antagonistic towards commercial cultural trade and the US withdrew from the organisation in 1984, re-joining in 2003 to find that the issue had once again moved to the centre of UNESCO’s agenda under the banner of promoting cultural diversity.

The argument that cultural diversity was a public good essential to the full realisation of democracy had been formally stated in *Our Creative Diversity*, a report produced by the World Commission on Culture and Development for the UN General Assembly (Graber 2006).

Two later reports on ‘World Culture’, in 1998 and 2000, expressly identified the rise of integrated media conglomerates, led by the US majors, as the principal threat to diversity.

The rhetoric of diversity moved the locus of debate from the predominantly defensive stance underpinning the argument for exception to a positive advocacy of citizens’ access to the full range of available experiences and views as a cultural right. Diversity of provision was presented as a necessary guarantor of diversity of expression and representation, an argument that lent added weight to the case for publicly owned media, including public service broadcasting, operating outside the commercial system.

In 1998 Ministers of Culture from a range of countries supported by an association of creative workers and civic groups met to discuss how to advance the case for diversity (Acheson and Maule 2004). Coinciding with the launch of the WTO, this new coalition set out to insulate cultural products from the new trade provisions (Hahn 2006). In October 2003, the UNESCO General Conference responded to this initiative and asked the Director General to draft a legally binding convention protecting diversity of cultural expression.

The resulting *Convention on the Protection and Promotion of the Diversity of Cultural Expression* announced itself as the first international “instrument of its kind to recognize the very specific nature of cultural goods and services, having both an economic and cultural dimension” (UNESCO 2013:Foreword v). This restatement of the unique nature of cultural activity was followed by a strong commitment to creating “an enabling environment in which artists, cultural professionals, practitioners and citizens worldwide can create, produce, distribute, disseminate and enjoy a broad range of cultural goods, services and activities” (UNESCO 2013:op cit). This elevation of the cultural rights of creators and citizens over the economic requirements of corporations was widely interpreted as undermining arguments for extending market driven trade in cultural goods and intellectual property provisions.

The US, which had only just re-joined the organisation, saw this as an unwarranted erosion of the WTO’s remit, but when the draft Convention was put to the vote at the General Conference in 2005, they found themselves isolated in opposition with only Israel supporting their position.

The Convention’s comprehensive definition of diversity as all “the manifold ways in which the cultures of groups and societies find expression” covered all established and emerging media and gave signatories unlimited discretion to decide which policies they saw as necessary to ensure diversity (Graber 2006). At the same time, signatories who were also members of the WTO remained bound by their endorsement of the organisation’s general agreement to progressive liberalisation. With no clear guidance of how this circle might be squared, fractious disputes within the WTO were inevitable.

In this changed context, it became increasingly clear that the WTO would be unable to resolve this issue and remove perceived blockages to trade in cultural goods or enforce copy-right rules that fully met US requirements. As more members joined, including emerging economies with significant bargaining weight, led by India, Brazil and China, the scope for conflicts of interest grew. Under the old GATT provisions, agreements could be amended by a simple majority vote. WTO rules required that any changes that applied to all members be endorsed by three-quarters of the membership of the Ministerial Conference (Dunkley 2001). Added to which resolving disputes was a long drawn-out process with adjudication taking an average of 18 months and compliance a further 15 months, and even then there was no absolute guarantee that countries would act on decisions in a timely manner (Choi 2009). In contrast, disputes between parties within the US-led North American Trade Agreement (NFTA), the first major FTA the US had brokered, were fully resolved within four to five months.



The US had signalled its intention making audio-visual services a major focus of the talks launched in Doha in 2001. By 2005, however, discussion had reached deadlock and major decisions concerning market access put on hold, leading to predictions that the era of multilateralism was at an end. The US responded by increasingly seeking to extend the NAFTA model and secure Free Trade Agreements with single partners or a restricted range of carefully chosen participants, on the assumption that a favourable deal was more likely to be arrived at when the sharp clashes of interest characteristic of the WTO's broad membership were replaced by a clear recognition by all parties of the advantages of privileged relationships. The US has seized the opportunity offered by these more hospitable bargaining spaces to press for settlements in the areas of culture and copyright that go beyond those tabled in WTO discussions, including so-called TRIPS-Plus provisions in the field of intellectual property.

This move was a response to two developments. Firstly, the copyright on some of the most valuable intellectual properties owned by the major US entertainment corporations was about to expire under prevailing copyright regimes. Secondly, the rapid rise of digital technologies was not only expanding revenue-generating opportunities by creating new distribution platforms, it was undermining them by making unauthorised copying easier.

The first attempt to secure an international agreement on intellectual property came in 1883 with the signing of the Paris Convention for the Protection of Intellectual Property. Designed to safeguard patents, trademarks and industrial designs, it was matched in 1886 by the Berne Convention for the Protection of Literary and Artistic Works. This covered all forms of artistic expression but only applied to original 'work', excluding the ideas it contained and performances. It offered protection for the life of the author plus 50 years after his or her death and required signatories to treat domestic and foreign works equally. The US did not endorse the Berne Convention, but faced with the changing global arena that emerged after World War II it launched a rival system, the Universal Copyright Convention (UCC). Although it was firmly rooted in US national copyright law, the word 'universal' in the title announced a clear ambition to install US provisions as the *de facto* global standard. This perception was widespread and led to the UCC's attracting fewer signatories than the Berne Convention.

In 1967, the administrations of the Berne and Paris Conventions were merged to form the World Intellectual Property Organisation (WIPO). The fact that most signatories were drawn from emerging economies positioned it as an important new arena in which the US could pursue its aim of 'harmonizing' the global intellectual property regime around its nationally determined provisions. In 1996, in response to pressure to address concerns around piracy on the Internet, WIPO adopted two new treaties, the Copyright Treaty and the Performances and Phonograms Treaty. Taken together they had potentially far-reaching implications for copying and distributing digitised material. In implementing the provisions, however, signatories were free to determine whether their existing national regulations already met the terms of the treaties, opening the way for an uneven implementation that cut directly across the US drive to generalise its national intellectual property laws. The TRIPS provisions of the WTO were also seen as falling some way short in advancing this aim.

TRIPS followed the Berne convention in guaranteeing copyright protection for literary and artistic works for the life of the author plus 50 years, but extended the principle to computer software, databases and rental rights for sound and visual recordings. This imposed significant new burdens of compliance on signatories, particularly in emerging economies, since it required them to establish and fund new oversight agencies, diverting public funds away from other areas. But it failed to match the far-reaching provisions of the two major

revisions to US law introduced in 1998: the Copyright Term Extension Act and the Digital Millennium Copyright Act.

In 1993, the European Union extended copyright protection for authors' works from 50 to 70 years after their death, as a temporary measure to compensate cultural producers for the interruptions to income caused by the disruption of two World Wars on the continent. Spared from invasion and saturation bombing US cultural industries boomed both during and after both wars allowing them to strengthen their international reach, but major interests in the entertainment industries seized the opportunity to argue that US law needed to match European provisions in order to maintain international competitiveness. The Walt Disney Company, whose exclusive rights to the character of Mickey Mouse were about to run out, was particularly vocal and found a forceful advocate in the person of Sonny Bono, a popular singer who had become a Republican politician. The term for collective productions was set at 120 years after creation or 95 years after publication, whichever endpoint was the earliest.

In response, other US politicians rallied to defend the principle that authors' rights needed to be weighed against the need to ensure that resources for new intellectual and creative work circulated without undue restrictions. As Senator Herb Kohl argued, copyright provisions should be deployed in the public interest and not "for the sole purpose of improving the balance of trade [or] ensuring that the heirs of copyrighted works can enjoy an unfettered income stream... yet [the Act] is justified upon precisely these bases" (US Senate 1995–6). The argument that by adding 20 years to the term of copyright, Congress was failing in its constitutional duty to advance progress in the "useful arts" was tested in the Supreme Court, which ruled in the Act's favour.

Lengthening the term of copyright was accompanied by an extension of its principles to the new arenas created by emerging technologies of digital copying and distribution. The Digital Millennium Copyright Act made it illegal to disable or evade devices designed to prevent unauthorised copying or to distribute information that would allow users to do so. By criminalising any and all attempts to circumvent copy protection, these provisions ran counter to widely accepted understandings of fair use that legitimated copying as a resource for personal education and creativity.

This issue was at the centre of popular opposition to a major revision to the country's copyright provisions that the Korean government introduced in 2005, under pressure from the US. The protests coincided with the US administration's decision to draw up a list of priority countries with which to initiate Free Trade Agreements. There were several reasons Korea was on that list. Firstly, the balance of trade between the two countries was worsening as Korean exports gained ground. Secondly, China had risen to become Korea's largest trading partner and was exercising increasing economic influence in the Asia-Pacific challenging US power in the region. A Free Trade Agreement with Korea was expected to strengthen US influence by encouraging other Asian countries to seek similar arrangements.

As a precondition for commencing talks, however, the US demanded concessions in a range of areas. They included ending the ban on imports of US Beef, imposed in the wake of an outbreak of 'mad cow' disease, the elimination of import tariffs and domestic taxes on American cars and a relaxation of screen quotas on film (Lee 2009). The Korean government acceded to these demands but entered into negotiations with ambitions to advance their own global position as an economic power and cultural force, shaped by the country's double transition from authoritarian rule to democratic process and from a managed economy centred on heavy industry to a marketized economy organised around information technology and cultural production.

## From national reconstruction to cultural industrialisation: Korean ambitions

The early post-war years were defined politically by the ideological Cold War between the US and the Soviet Union and successive wars of decolonisation. Korea was caught in the crosshairs of both conflicts. Over three decades of military rule (between 1961 and 1992) it pursued a strategy of economic and cultural nation building, supported by comprehensive state direction and control. Industrial regeneration was built around a select group of large companies, the *Chaebols*, whose size and scope enabled them to act as ‘national champions’, competing effectively in export markets. Despite recurrent scandals around corrupt business practises and bribes to politicians and persistent calls for reform, these family owned conglomerates continue to dominate the Korean economy. Samsung, founded in 1938, remains the country’s largest company followed by three concerns launched in the immediate post-war years: Hyundai in 1947, LG in 1947 and SK Group in 1953.

Industrial policy was accompanied by an ideological policy of defending national cultural markets and imposing strong limits on public speech and expression. With Japan’s wartime defeat in 1945, Korea, which had been part of the Japanese empire since 1910, became an independent nation but was partitioned along the 38th parallel. Following the failure of attempts to create a unified national government in 1948, Syngman Rhee was elected as the first president of South Korea. In 1950, North Korean communist troops, supported by China, crossed the demarcation line precipitating a three-year-long civil war that ended with the North’s defeat and the reestablishment of partition, creating a de facto Asian ‘Iron Curtain’. Although US troops played a leading role in the UN force that defended the South, the ideology of the Korean government was organised around the drive to foster a distinctive and durable sense of national identity coupled with militant anti-communism. These aims were reinforced when a coup in 1961 installed a military government led by Park Chung-hee. The country remained under military rule for three decades until 1992 (three years before the launch of the WTO) when the election of Kim Young-sam restored civilian government on a permanent basis. Building the nation, both economically and ideologically, dominated the years of military rule with major consequences for cultural policy.

As the leading audio-visual medium, film was seen as central to the construction of national identity. Japanese films, which had dominated Korea screen under imperial rule, were banned and not readmitted until 1988. Koreans however had already acquired a taste for Hollywood movies, which under the US Army Military Government, which had administered the country between 1945 and 1948, were distributed directly to cinemas. The seductive visions of affluence and individualism they offered sat uneasily alongside the appeals to sacrifice and collective effort at the heart of the drive for national reconstruction.

Efforts to ensure a flow of film production that supported national objectives were pursued through a combination of financial support and the imposition of export quotas. Following the 1953 armistice the film industry was exempted from taxation, an intervention that saw locally made productions increase from 8 to 108 between 1954 and 1959 (Song 2012:4). Direct subsidies to the film industry were introduced in the 1963 Motion Picture Law.

Support for domestic production was accompanied in 1958 by the imposition of limits on the number of foreign films that could be imported. Licenses were given to local companies that had been successful in exporting films as reward for generating overseas revenues that could be ploughed back into local production. Only companies making a minimum of 15 commercial films a year were admitted to the scheme. The result was a rapid move towards

consolidation with the number of small film companies falling from 71 to 6 between 1959 and 1963. This highly concentrated market structure offered little incentive to diversity or competition, and in 1966 the minimum annual production requirement was cut from 15 to 2, opening opportunities for small and medium-sized enterprises.

Support for local production was accompanied by limits on the volume and visibility of overseas films. Import quotas were established at the beginning of each year. In 1965, only 53 were imported, and in 1966 cinemas were required to screen domestic productions for a minimum of 90 days a year.

This led to a marked increase in cheap local productions, ‘quota quickies’, produced solely to retain the right to import movies from overseas. This had two negative impacts. It reduced the foreign earnings returned to domestic production and boosted the popularity of imported movies, which had much higher production values, almost all of which originated in the US. The first priority for the military regime was to limit American influence.

In 1973 the number of days allocated to domestic films was increased to 121, and imports were reduced. In 1974 only 39 films from overseas were screened, down from 60 the year before. In the 1980s, under the presidency of General Chun Doo-hwan, efforts to promote a distinctively Korean cultural identity were intensified (Yim 2002:40), and in 1981 the number of domestic screening days was increased to 165.

The US, however, kept pushing and successfully brokered Korea-US Film Agreements in 1985 and 1988. These produced two major gains. The import quota system was abolished, and US film companies were allowed to establish local branch offices to distribute their productions directly, rather than employing Korean intermediaries (Shim 2006). The impact was immediate. In 1985 only 30 films were imported. By 1988 that figure rose to 176. In contrast, 1985 saw only two films exported overseas, earning a paltry total of \$20,000. In 1970, exports stood at 253. This situation provoked a strong reaction with protesting film industry workers, supported by academics and opposition politicians, demonstrating outside Seoul cinemas screening *Fatal Attraction* in full view of the overseas film crews in the city for the Seoul Olympics.

Domestic films continued to lose market share steadily and by 1993 were accounting for only 16% of cinema admissions (Song 2012:5). By 1994 Hollywood movies were enjoying an 80% share, up from 53% in 1987 (Shim 2006). As one observer noted, the “domestic film business barely survived, while foreign players extended their dominance” (Kim 2006:9).

In an effort to protect the newly emerging television system, a quota system was introduced in the 1987 Broadcasting Law specifying that stations could allocate a maximum of 20% of their total screen time to entertainment programming, the area where US imports enjoyed the greatest competitive advantage. Alongside continuing battles over quotas, there was escalating pressure from the US to increase protection for intellectual property.

The original Korean Copyright Act of 1957 established a copyright term of 30 years from the death of the author. In 1968, under pressure from the US, as a condition of renegotiated general trade relations, the term was extended to 50 years. The US continued to press for further measures, and in 2004 the USTR 310 Report placed Korea on the Priority Watch List of countries, not providing an adequate level of intellectual property protection.

That same year the Korean government addressed the issue of digital copying with a twelfth revision to the Copyright Act. This gave copyright owners a monopoly right to transmit material over the Internet or on mobile devices and criminalised “the uploading or sharing of copyrighted music files, visual images, and video clips on individual blog sites, online fan club cafes, and personal web sites” (Lee 2009:2). Many users saw the ban on non-commercial sharing as an unwarranted expansion of “citizen’s liability for copyright infringement” and an unacceptable restriction on free cultural expression. Pushed through

parliament without public consultation, the Act's implementation in 2005 was met by protests outside parliament, the mobilisation of a broadly based coalition of opposition, and the construction of an alternative licencing model (Lee 2009:2–3).

It is over simple to see the Korean government's adoption of increasingly restrictive copyright regimes solely as a response to US pressure. This was certainly a factor, but later decisions were also informed by the perceived need to provide greater protection for the intellectual properties owned by major domestic entertainment, corporations that were driving an increasingly successful export push. The resulting subordination of citizens' cultural rights to the interests of corporate rights holders is a further indication of the ascendancy of an officially promoted economic view of culture that had been gathering momentum for some time.

The final years of authoritarian rule saw government policy take a neo-liberal turn towards deregulation and reduced state intervention. In 1990, in the expectation that competition would generate more value-added services, monopoly control over the two major telecommunication sectors, Korea Telecom and Korea Mobile Telecommunications, was relaxed and new entrants admitted. 1991 saw the public broadcasting monopoly end with the launch of the first terrestrial commercial channel, SBS, and the foundations of the cable television laid by the Composite Cable Broadcasting Act (Kwak 2010).

This embrace of neo-liberalism intensified with Kim Young-sam's election in 1992, as the first civilian president since the military coup of 1961. The new government initiated two major shifts in policy. Firstly, there was a concerted drive to rebalance the economy away from labour-intensive manufacturing industries to cultural and knowledge-based sectors (Lee 2006). Secondly, international policies moved from a fortress mentality to positive evaluation of the opportunities presented by globalisation.

The internal realignment was reinforced in 1997 when the International Monetary Fund required the Kim Young-sam government to implement a program of comprehensive economic restructuring, financial and corporate-sector reform and trade liberalisation as conditions attached to the bailout addressed Korea's severe economic crisis, which had been initiated by shortages of overseas currencies the financial difficulties and bankruptcies of leading Chaebols.

There was a strong sense that the Chaebols had overreached themselves, acquiring interests in too many unrelated areas. Companies still operating were instructed to divest themselves of their peripheral holdings and refocus on core businesses. CJ, one of the major forces that emerged in the media sector, had spun off from Samsung in 1993, before the crisis, and quickly moved to capitalise on the shift towards a more positive evaluation of globalisation. In 1995 it entered into a strategic alliance with Steven Spielberg's Dreamworks studio, taking an 11% stake, and in 1998 it opened Korea's first multiplex cinema in partnership with Golden Harvest of Hong Kong and Village Roadshow of Australia. Another leading media company, Lotte Entertainment, was launched in 2003 as a subsidiary of Lotte (a major food company with a portfolio of interests spanning hotels, financial services, and heavy industry). As one recent analysis concludes, the economic crisis combined with the acceleration of marketization increasingly concentrated control over key media markets in the hands of chaebol groups with access to overseas partners or foreign capital generating an increasing polarization between the major players and the smaller independents (Kim 2014).

There was a parallel restructuring of the labour market with a growing divergence between employees on continuing contracts, with their associated company supported benefits, and the growing ranks of irregular and insecure workers. By 2011, over a third (34.2%) of the labour force was in this second group, earning on average only 60% of a regular worker's wage (Keo 2014). As a result, while "the Korean economy recovered from the crisis as swiftly

as it had succumbed ... income inequality sharply worsened” (Cheong 2011). In the years between 1990 and 1995, the Gini coefficient measure of income inequality (where 0 equals perfect equality) averaged 0.258. By 2010, it had risen to 0.315 with the top ten per cent of earners seeing their share of income rising from 29% in 1995 to 46% in 2016.

Alongside these structural realignments, the 1997 crisis and its aftermath had a major impact on popular attitudes, which “dramatically shifted toward individualism from cooperativism /collectivism, moving much closer to western culture” reinforcing the appeal of the consumerist culture being promoted by the new media majors. (Lee and McNulty 2003:54).

The shift from a defensive to a proactive stance towards external pressures was announced in 1994 with the launch of “an official globalization drive known as *segyeohwa*” (Jin 2006:9). Domestic and international ambitions came together in 1999 in the Cyber Korea 21 project aimed at improving “national competitiveness” and “raising the quality of life to the level of the more advanced nations” by creating nationwide broadband Internet networks that would provide the backbone of “knowledge based society”. In 2003, these aims were extended in the E-Korea Vision 2006 programme designed to promote a national “information society” and develop strong “international cooperation” in pursuit of a global information society. Two years later, in 2005, the Ministry of Culture and Tourism published its C-Korea 2010 vision for a new creative economy in which increased exports of film, popular music and television dramas would play a central role.

In these projections for the nation’s economic future building state-of-the-art digital infrastructures and developing the country’s cultural industries assumed a central position in policy thinking. Government would play a facilitating and enabling role, but innovation would be driven primarily by market competition.

The huge success of *Jurassic Park* in 1993 famously prompted President Kim to remark that “this movie is worth sales of 1.5 million Hyundai Sonata sedans”. In an effort to boost the industry, film was reclassified as a manufacturing sector allowing filmmakers to claim tax exemptions and encouraging banks to lend to them (Kim 2007). There were government subsidies but they remained modest. In 2011 the highest estimate for the total amount of subsidy going to the Korean film industry was USD 106 million, which was less than 12% of the total received by the French film industry that year (Parc 2014:18). Here, as elsewhere, growth was primarily driven by commercial interests.

By outperforming *Titanic* to become Korea’s highest grossing film of all time, with box office returns of \$25 million earning its backers, KBB Capital a 300% return on their original investment, Kang Je-gyu’s blockbuster *Shiri* in 1999 seemed to offer incontrovertible proof of the effectiveness of the market-oriented policies announced in the 1995 Motion Picture Promotion Law and promoted under the banner of ‘Learning from Hollywood’. The success of *Shiri* reinforced two lessons: the need to have large integrated corporations in order to compete effectively and the value of tapping into audience tastes for narrative styles formed by American films.

The film industry was given an additional boost in October 1996 when the Constitutional Court ruled that the system of pre-censorship that had been in place since 1948 was unconstitutional and should be abandoned. Its replacement, a system of ratings classification, gave filmmakers much more flexibility, although it could still be used to impose restrictions.

In the years between 1999 and 2006, the Korean film industry enjoyed what one leading commentator has characterised as a “never-before-seen success both at home and abroad” (Shim 2011:214). From 2001 domestic productions achieved an average 50% share of box office receipts, and the number of titles exported rose from 14 in 1993 to 202 in 2005 (op cit:2014).

In the broadcasting sector, the rapid growth of commercial and cable television Korea experienced was being repeated in other Asian nations, significantly expanding the export markets for Korean broadcast productions. In the competition for sales Korea could capitalise on the ‘cultural proximity’, which attracts audiences to productions featuring people like themselves, in situations they can relate to, underpinned by values they endorse.

The growing force and reach of Korea’s popular cultural exports, collectively dubbed, *Hallyu*, translated as the Korean Wave, was confirmed in 2003 when the popular television drama, *Winter Sonata*, recounting the careers and romances of four young people, was aired on Japan’s national public broadcaster, NHK, and received a spectacular 20.6% programme rating (Jung 2009). It marked a highly resonant symbolic reversal of the historical relations of domination and subordination and confirmed Korea’s arrival as a regional cultural force. By the end of 2003 Korean television productions were generating export earnings triple the sum for 1999, almost all from markets in Asia (Shim 2006). The distinctive Korean hybrid style of pop music, K-Pop, was also becoming a major regional phenomenon. This success, and the desire to establish a greater presence in major western markets, fed into the economic roadmap the Korean government drew up in 2003. It included the possibility of entering into a free trade agreement with the United States, but it was not until two years later, in 2005, that bilateral talks were officially launched.

### Contested visions, conflicting interests: KORUS and after

In 2002, the US was running an overall trade deficit with Korea of 13.0 billion US dollars (Tong and Tung 2012). Against this background, government projections of the gains from KORUS were unremittingly positive. Their optimism was strongly endorsed by the business community.

Through the public relations activities of their lobby group, The Federation of Korean Industry, established in 1963, the chaebols had tirelessly promoted themselves as indispensable engines of economic growth and pushed aggressively for market-oriented policies that allowed them maximum freedom of operations. They consistently “deployed their significant economic resources to strategically dominate both public media and state-generated policy debate about the economy” (Lee 2016:2) squeezing out “the voices of labour, reform civil society groups and small and medium companies” (op cit:6). They played a pivotal role in promoting the case for KORUS and co-ordinating the pro Agreement lobby (Kim 2011). They were supported by leading mainstream economists who predicted gains for the key export sectors of automobiles and electronics goods of core concern to leading chaebols but saw significant adverse impacts on agriculture. This proved to be a flash point.

In early 2008, while negotiations on KORUS were continuing, the Korean government announced that they were revoking the ban on imports of US beef imposed in 2003. The decision sparked widespread popular protests fuelled by immediate fears of ‘mad cow’ disease and wider anxieties that KORUS was a ‘Trojan Horse’ for the further advance of US interests. Peaceful candlelit rallies in the centre of Seoul were met with water cannons, a response that generalised popular discontent with overall support for KORUS falling sharply, from 75.4% to 45.4% and objections increasing from 22.3% to 43.7% (Kim 2011).

Opposition was particularly strong among young people where perceptions of the government’s heavy-handed response to legitimate protest were widely seen as a return to the authoritarian past and combined with a tide of anti-Americanism that had been steadily rising since two Korean middle school girls had been accidentally killed by a US army vehicle in 2002 and the soldiers involved acquitted by a US military court. In an opinion poll

conducted in 2003, over a third (35.4%) of those in their 20s nominated the United States as their “least favoured country”, compared to only 5.3% of those in their 50s who had grown up with the extensive US military and economic support granted in the wake of the Korean War (Lee 2006).

Opposition intensified after the public broadcaster, *Munhwa Broadcasting Company* (MBC) carried a current affairs program analysing the decision and was immediately attacked by the three leading conservative newspaper, all owned by families supportive of the government. In a move widely seen as an attempt to dampen dissent, President Lee appointed a personal friend as head of the public 24-hour news channel, *YTN*. The subsequent protests by journalists against government interference attracted widespread popular support. The government later moved to discipline MBC by appointing a member of President Lee’s inner circle, Kim Jea Chul, as president. Once in post, Kim cancelled the flagship current affairs programme *News Who* and dispersed dissenting employees to local branches. Those involved in the critical coverage of the ‘mad cow’ decision were a particular target. These moves were met by the longest strike of staff in the organisation’s history. Called by the union, it lasted six months, from January to July 2012, until eventually being discontinued.

In 2009, new legislation was introduced relaxing the restrictions on media cross-ownership, allowing press companies to take stakes in broadcasting companies from 2013 onwards, prompting concern that the leading conservative titles would see an opportunity to extend their ideological remit.

Concerns around restrictions over the range of views and positions represented in programming were also evident in cinema. In 2005, Im Sang-soo, one of Korea’s leading directors, released *The President’s Last Bang*, recounting President Park’s final hours before his assassination by the Director of Korea’s Central Intelligence Agency. Its black comedy and mixture of political archive footage and attention to Park’s sexual peccadillos ensured that it attracted controversy. Im was required to delete documentary inserts after a court ruling supported the case brought by Park’s son, but the major blow came when CJ Entertainment cancelled its agreement to distribute the film. As a result it was only shown in 190 screens, half the number allocated to the top five domestic films released that year (Yecies 2008:54).

Concerns over the resurgence of political conservatism were accompanied by mounting anxieties over the economic impact of KORUS on public broadcasting and the audio-visual industries more generally. The Agreement extended the opportunities for US companies to invest in Korean broadcasting, reduced quotas on foreign content and allowed more of that content to come from a single country.

Two years after KORUS was implemented, US controlled companies were free to invest up to 100% in Korean channel operators and from three years after to hold up to a 100% equity interest in programme providers not engaged in multi-genre programming or home shopping. Quotas for domestic films on non-terrestrial channels were reduced from 25% to 20% and from 35% to 30% for animation. The quotas for terrestrial networks remained unchanged at 25% and 45%. The percentage of quarterly broadcasting hours allocated to imported programs that can come from providers from a single country was increased to 80%.

Taken together, these provisions were widely seen within the industry as likely to significantly increase the amount of US programming on Korean screens while placing domestic broadcasters under additional pressure, making it difficult to sustain a national production system that spoke to the full diversity of contemporary Korean life and opinions. Surveys of broadcast professionals revealed increasing pessimism. Between 2005 and 2008 the percentage expecting KORUS to have more positive than negative impacts on the broadcast sector dropped from 62% to 24% (Choi 2013:155–56). When asked, in the aftermath of the mad cow



protests, if public service broadcasting was likely to come under increasing challenge in the coming years, three quarters (74.6%) answered ‘yes’. The figure for older professionals, who had experienced the cumulative impact of marketization, was even higher at 86.7% (Choi 2013:171).

The terms of the KORUS agreement also required significant changes to the intellectual property regime to reinforce protections for digital content, including temporary copies held on hard drives. These were introduced in a 2008 bill that required websites hosting illegal content to be shut down, the suspension of users’ accounts found to be actively duplicating or transmitting such material and the interception of the networks of online service providers involved in distributing illegal content. The side letter within the Agreement specified only that “Korea will strengthen enforcement” with no provision for reciprocal guarantees on the US side. Responsibility for overseeing compliance within Korea lay with the Korean Communication Commission, established in 2008 to oversee both the telecommunication and broadcasting industries. Critics complained that this potentially gave the government the ability to monitor and control both users and Internet service providers.

In 2004, the year before KORUS talks began, the US dollar value of Korean film imports from the US stood at 51.82 million. In contrast, film exports to the US only generated 2.36 million. This highly asymmetrical pattern of exchange was repeated for broadcast programming, with US imports valued at 24.14 million as against only 1.4 million in Korean exports to the US (Choi 2013:122). By 2010, Korean exports of terrestrial broadcast programs were booming, but three-quarters (74.3%) of the returns were coming from three Asian markets led by Japan (38.4%), followed by Taiwan (23.2%) and mainland China (12.7). The US accounted for only 1.7%, the same percentage as in 2001. (Song 2012: Table 10: 13). In December 2011, a month after the implementation of KORUS, the Lee Myung-Back Government licenced four new general service broadcasting companies opening more spaces for overseas programs and putting additional pressure on local production.

The success of the genres and style associated with the Korean Wave in Asian markets has generated economic returns that go well beyond program sales and the promotion of goods featured in the shows to provide a major boost to the tourist industry as fans visit the locations featured in the most popular productions. At the same time, it has created a barrier to effective entry into the US market where until the beginning of 2016 no attempts to produce a remake of a successful Korean production had progressed past the pilot program stage.

At first sight, Korean film is thriving. The number of multiplex screens since 2000 has tripled, from 720 to 2184, opening more potential exhibition windows for Korean films, and by 2011 domestic productions were achieving a market share of 51.1% by box office receipts with US imports taking 45.5% (Song 2012:6/9). This pattern has been sustained with Korean films accounting for 52% of ticket sales in 2015, and six of the top ten box office hits, with two releases, *Veteran* and *Ode to My Father*, becoming the second and third most successful releases of all time (Kil 2016). As one observer noted approvingly “The Korean film industry is flourishing because, unlike Europe, it has an industry with an increasing portion of big commercial films” (Kim 2004:208). The fusion of *Hallyu* and Hollywood has produced an economic complex widely dubbed ‘Planet Hallyuwood’ (Yecies 2008:39).

This industrial success, however, conceals the increasing closure of production around established blockbuster formulas and the marginalisation of alternatives. As one industry analyst noted, box-office records “have come at the cost of intense polarization with huge-budget blockbusters dominating screen counts and leaving increasingly low budget indies to pick up the scraps” (Lee 2016). In 2015, only 1.37% of the total titles released were shown on 50 or more screens and on an average weekend three-quarters of available screens were

showing the top three box office hits (Lee 2016). Access to those screens is largely controlled by the vertically integrated entertainment conglomerates led by C J Entertainment, which accounted for 40% of distribution in 2011, followed by Lotte with 18.9% and Showbox with 13.3% (Shim 2011:221) This effective oligopoly exercises decisive control over which films gain wide public circulation. In 2010, Han Sang-soo's *Oki's Movie* won the prestigious critics' award, Un Certain regard, at the Cannes Film Festival but was only shown on 20 screens in Korea (Shim 2011:215), pointing to restricted diversity and increasing closure of production around established stars and already popular genres, led by thrillers. That same year the thriller *The Man from Nowhere* sold 6.22 million tickets.

Recent years have also seen a significant increase in product placement in films and television dramas as companies seek to promote their commodities as indispensable to the desirable styles of life and self-presentation shown on screen. Activity has been particularly intense in broadcasting since popular drama episodes are shown uninterrupted by spot advertising and a significant share of viewing is moving from scheduled transmission to on demand. The main beneficiaries of these shifts are the leading chaebols who use placements to cement positive associations around their familiar brands. One of the most successful Korean soap operas of recent years, *My Love from the Star*, screened in 2013–14, offered prominent windows to CJ's mini snacks and Samsung's smart phones. Industry insiders estimate that Samsung is involved in around two-thirds of all domestically produced popular dramas and aims for "a full package, meaning all visible consumer electronics like smartphones, computers, cameras, air conditioners, TVs and refrigerators are Samsung products, from beginning to end," (quoted in *The Japan Times* 2014). This production economy has two major consequences. Firstly, it favours narratives set in glamorous settings that generate a positive aura around the products displayed and militates against depictions that engage with poverty and deprivation. Secondly, it reinforces the individualised address to audiences as consumers to the exclusion of identities built around social solidarities.

With more and more program making being allocated to independent producers, with the attendant insecurities of employment, an ethos of individuality is also becoming more prevalent among broadcast professionals eroding "their willingness to band together for bargaining power to defend their rights" (Kim 2014b: 576) and reinforcing the control exercised by the major corporate players.

In recent years the *chaebols'* close relations to successive governments have been tainted by repeated instances of bribery and corruption. Soon after leaving office, former President Roh Moo-hyun (2003–2008) committed suicide when faced with allegations of accepting \$6 million in bribes. The brother of his successor, Lee Myung-bak (2008–2013) was sentenced to two years in prison for accepting payments from business in return for exerting political influence. The persistence of these collusive relations was dramatically confirmed in May 2017 when former President Park Geun-hye was brought before a criminal court charged with collaborating with her long term confidant, Choi Soon-sil, to pressure leading corporate heads into paying massive sums in return for business favours. Those charged with paying bribes included central figures in concerns with a significant presence in the cultural industries. Lee Jae-yong, the acting head of Samsung, was alleged to have paid £20.5 million in return for government help in facilitating the contested merger of two of the company's subsidiaries smoothing the way for him to assume control of the family business empire from his father. Prosecutions were also brought against the chair of Lotte Group and Cha Eun-taek, one of the best known K-pop video entrepreneurs who had worked with Psy. In May 2017 Moon Jae-in, a former human rights lawyer, was elected President by a landslide promising to end the collusion between government and big business.

## Conclusion

Some observers have celebrated the resurgence of Korean cinema and the success of the Korean Wave in television production as exemplary case studies in resistance to American cultural domination. Against this, the argument presented here offers strong support for Herbert Schiller's conception of cultural imperialism as the sum of the processes through which a society's dominating strata are both pressured and attracted to reorganise its core cultural institutions around the values of the dominant centre of power. We have traced the way that relentless US pressure for open cultural markets has combined with shifts in internal policy to construct a cultural system characterised by increasing corporate concentration, geared to capitalizing on already established styles, saturated with product promotion and reinforcing the centrality of consumer identities. The result is a system unable to address the full range of social experiences and political debate in the core sites of public culture.

In 1995 the top 10% of the population accounted for 29% of earned income. By 2016 that figure had risen to 45% making Korea the most unequal society of 20 nations surveyed by the IMF (Kim 2016). The 'structural adjustments' demanded in 1997 laid the basis for an economic recovery that has progressively widened gender and generational inequalities and marginalised the poor. These lives and voices find it increasingly difficult to secure a sustained hearing in a media system where the space not occupied by imported material is increasingly commanded by a small number of vertically integrated domestic conglomerates.

President Obama may have learned to dance Gangnam style, but critical observers in Korea are more inclined to note that Gangnam is the area of Seoul where a number of chaebols have their headquarters and to see "the Korean Wave [as] the embodiment of the West penetrating our bodies" (Hae-Joang 2005).

## References

- Acheson, K & Maule, C (2004) 'Convention on Cultural Diversity', *Cultural Economics*, Vol 28, No 4, pp. 243–256.
- Cheong, K S (2011) 'Economic Crisis and Income Inequality in Korea', *Asian Economic Journal*, Vol 15, No 1, pp. 39–60.
- Choi, W-M (2009) 'Aggressive Regionalism in Korea-US FTA: The Present and Future of Korea's FTA Policy', *Journal of International Economic Law*, Vol 12, No 3, pp. 595–615.
- Choi, E-K (2013) *Digitalising Korea-Transformations and Tensions: The Case of Audiovisual Service Trade and Intellectual Property Rights*. Loughborough University. Department of Social Sciences. Unpublished Doctoral Thesis.
- Dunkley, G (2001) *The Free Trade Adventure: The WTO, the Uruguay Round and Globalism-A Critique*. London. Zed Books.
- Graber, C B (2006) 'The New UNESCO Convention on Cultural Diversity: a Counterbalance to the WTO?', *Journal of International Economic Law*, Vol 9, No 3, pp. 553–574.
- Grant, P S and Wood, C (2004) *Blockbusters and Trade Wars: Popular Culture in a Globalised World*. Vancouver. Douglas and McIntyre.
- Hae-Joang, C (2005) 'Reading the "Korean wave" as a sign of global shift', *Korean Journal*, Winter, Vol 45, No 4, pp. 147–182.
- Hahn, M (2006) 'A Clash of Cultures? The UNESCO Diversity Convention and International Trade Law', *Journal of International Economic Law*, Vol 9, No 3, pp. 515–552.
- Han, S L (2010) 'A Study of the Role of Ideology in the Film Supporting Policy: The Case of the Korean Film Council', *Korean Journal of Public Administration*, Vol 48, No 2, pp. 309–337. [in Korean].
- The Japan Times (2014) 'Product placement puts South Korean TV Dramas on map' [www.japantimes.co.jp/news/2014/06/12/world/product-placement-puts-s-korean-soaps-map/](http://www.japantimes.co.jp/news/2014/06/12/world/product-placement-puts-s-korean-soaps-map/).
- Jin, D Y (2006) 'Cultural Politics in Korea's Contemporary Film Under Neoliberal Globalization', *Media, Culture and Society*, Vol 28, No 1, pp. 5–23.

- Jung, E Y (2009) 'Transnational Korea: A critical assessment of the Korean Wave in Asia and the United States', *Southeast Review of Asian Studies*, Vol 31, pp. 69–80.
- Kaminski, M E (2014) 'The Capture of International Intellectual Property Law Through the US Trade Regime' *Southern California Law Review* [forthcoming]. Available at <http://ssrn.com/abstract=2354324>.
- Kil, S (2016) 'Korea Cinema Sets Box Office and Admissions Record in 2015', *Variety*, January 4th.
- Kim, E-M (2004) 'Market Competition and Cultural Tensions Between Hollywood and the Korean Film Industry', *The International Journal of Media Management*, Vol 6, Nos 3&4, pp. 207–216.
- Kim, J Y (2007) *Rethinking Media Flow Under Globalisation: Rising Korean Wave and Korean TV and Film Policy Since 1980s*. University of Warwick. Unpublished Phd Thesis. Available from [http://wrap.warwick.ac.uk/1153/1/WRAP\\_THESIS-Kim\\_2007.pdf](http://wrap.warwick.ac.uk/1153/1/WRAP_THESIS-Kim_2007.pdf).
- Kim, C-W (2011) *South Korea's Business Section and the Transformation of the ROK-US Alliance: A Case Study of the KORUS FTA*. Seoul. East Asia Institute. Asia Security Initiative Working Paper 16.
- Kim, C (2014) *A Family Affair: The Political Economy of Media Ownership in the Republic of Korea (1998–2012)*. Southern Illinois University. Department of Mass Communication and Media Arts. Unpublished PhD Thesis.
- Kim, C (2014b) 'Labour and the Limits of Seduction in Korea's Creative Economy', *Television and New Media*, Vol 15, No 6, pp. 526–576.
- Kim, K-R (2016) 'Income inequality in South Korea the most severe in Asia', *The hankyoreh*, March 17th [http://English.hani.co.kr/arti/English\\_edition/e\\_national/735462.html](http://English.hani.co.kr/arti/English_edition/e_national/735462.html).
- Koo, H (2014) 'Inequality in Korea' *East Asia Forum*, 1st July. [www.eastasiaforum.org/2014/07/01/inequality-in-south-korea/](http://www.eastasiaforum.org/2014/07/01/inequality-in-south-korea/) [accessed May 30<sup>th</sup> 2017]
- Kwak, K-S (2010) 'Broadcast Deregulation in South Korea', *Academic Paper Series on Korea*, Volume, 3. Seoul. Korea Economic Institute, pp. 81–93.
- Lee, K-S (2009) *The Electronic Fabric of Resistance: A Constructive Network of Online Users and Activists Challenging a Rigid Copyright Regime in Korea*. University of Woolongong. Faculty of Arts. Research Papers.
- Lee, B-H (2016) *The Corporate Takeover of Economic Discourse in Korea*. London. Goldsmiths London University. Political Economy Research Centre. PERC Paper Series No14.
- Lee, H C & McNulty, P (2003) *Korea's Economic Crisis and Cultural Transition Toward Individualism*. Tokyo. Cabinet Office Economic and Social Research Institute. ESRI Discussion Paper Series. No 71.
- Lee, H-W (2016) 'South Korea's Polarizing Film Market: Can Mid-Budget Genre Movies Survive?', *The Hollywood Reporter*, February 13th.
- Littoz-Monnet, A (2007) *The European Union and Culture: Between Economic Regulation and European Cultural Policy*. Manchester. Manchester University Press.
- Magder, T (2004) 'Transnational Medai, Interantional Trade and the Idea of Cultural Diversity', *Continuum: Journal of Media and Cultural Studies*, Vol 18, No 3, pp. 380–397.
- Merz, C (1926) 'When movies go abroad', *Harper's*, January, pp. 159–163.
- Parc, J (2014) *A Retrospective on the Korean Film Polices: Return of the Jedi*. [http://gem.sciences-po.fr/content/publications/pdf/audiovisual/Parc\\_KoreanFilmPolicies102014.pdf](http://gem.sciences-po.fr/content/publications/pdf/audiovisual/Parc_KoreanFilmPolicies102014.pdf) [accessed May 30th 2017]
- Sell, S K (2010) 'The Rise and Rule of Trade Based Strategy: Historical Institutionalism and the International Regulation of Intellectual Property', *Review of International Political Economy*, Vol 17, No 4, pp. 762–790.
- Schiller, H (1969) *Mass Communication and American Empire*. Boston. MA. Beacon Press.
- Schiller, H (1973) *The Mind Managers*. Boston. MA. Beacon Pres.
- Schiller, H (1976) *Communication and Cultural Domination*. New York. White Plains. M.E.Sharpe.
- Shim, D (2006) 'Hybridization and the Rise of Korean Popular Culture in Asia', *Media Culture and Society*, Vol 28, No 1, pp. 25–42.
- Shim, D (2011) 'Whither the Korean Film Industry?', *Acta Korana*, Vol 14, No 1, pp. 213–227.
- Song, Y (2012) *Audio Visual Services in Korea: Market Development and Policies*. ADBI Working Paper No 354. Tokyo. Asian Development Bank Institute.
- Tong, L-I & Tung, C (2012) 'The US and South Korea: Building a Win-Win Trade Relationship', *Competition Forum*, Vol 10, No 2, pp. 136–140.
- UNESCO (1980) *Many Voice, One World: Towards a New More Just and More Efficient World Information and Communication Order*. Paris. UNESCO.

- UNESCO (2013) *Basic Texts of the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions* [2013 Edition]. Paris. UNESCO.
- US Senate (1995–6) 2<sup>nd</sup> Session 104–315 Copyright Term Extension Act July 10<sup>th</sup> 1996 ‘Minority views of Mr Kohl’ [www.congress.gov/congressional-report/104th-congress/senate-report/315/1?q=%7B%22search%22%3A%5B%22copyright%22%5D%7D](http://www.congress.gov/congressional-report/104th-congress/senate-report/315/1?q=%7B%22search%22%3A%5B%22copyright%22%5D%7D)
- Wasko, J (1994) *Hollywood in the Information Age: Beyond the Silver Screen*. Cambridge. Polity Press.
- White House Office of Press Secretary (2013) ‘Remarks by President Obama and President Park of South Korea in a Joint Press Conference’ [www.whitehouse.gov/the-press-office/2016/09/06/remarks-president-obama-and-president-park-republic-korea-after](http://www.whitehouse.gov/the-press-office/2016/09/06/remarks-president-obama-and-president-park-republic-korea-after) [Accessed September 27th 2016].
- Yecies, B (2007) ‘Parleying Culture Against Trade: Hollywood’s Affairs With Korean Screen Quotas’, *Korea Observer*, Vol 38, No 1, pp. 1–32.
- Yecies, B (2008) ‘Planet Hallyuwood’s Political Vulnerabilities: Censuring the Expression of Satire in *The President’s Last Bang*’, *International Review of Korean Studies*, Vol 5, No 1, pp. 37–64.
- Yim, H (2002) ‘Cultural Identity and Cultural Policy in South Korea’, *The International Journal of Cultural Policy*, Vol 8, No 1, pp. 37–48.