

## CHAPTER I

### INTRODUCTION

#### 1.1 Background

The meaning of philosophy is the study of fundamental values and norms, such as those concerning thoughts, existence, language, reasoning and knowledge.<sup>1</sup> In the context of this study, philosophy played an important role in South Korea's successful economic and industrial growth, following the research of South Korea's development in the 1950s and the influence of Confucianism on Koreans. In the culture of Asia, the tiger holds a great symbolic meaning which means strength, bravery and a subject which people look up to for its elegance, majestic and beauty. The Asian Tigers or also known as Four Little Dragons consists of four countries in East Asia – Taiwan, South Korea, Hong Kong and Singapore.

In South Korean culture, the tiger plays a major role. From the start, the tiger has historically been connected with Korean culture as it is considered the representative of Korean identity.<sup>2</sup> Korea's tigers are a symbol of power and strength and are often seen as the Korean people's guardians and protectors. In much Korean folklore and history, tigers are often featured. Some scholar even remarks the Korean peninsula itself is like a tiger waiting to attack. People in Asian cultures also respect and value status, prestige and hierarchy far more than people

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<sup>1</sup> Josh Park, "Confucianism in Korea's Economic Revolution," *October*, no. September (2010): 116–25.

<sup>2</sup> Tomasz Śleziak, "The Role of Confucianism in Contemporary South Korean Society," *Rocznik Orientalistyczny*, no. 1 (2013).

in Western culture who are less concerned with their social order and more prone to the individualistic character.

According to Alex Inkeles, A cultural divergence theorist asserts that the structure of cultural values is a relatively stable portrayal of a society's socio-historical legacy.<sup>3</sup> And as a consequence, the theory of cultural divergence advises that East Asia's thrift, earnestness and eagerness to prioritize social development over individual interests can be traced back to their mutual Confucian heritage and also values.<sup>4</sup> To understand and grasp the distinctive thought and behavior patterns of East Asian cultures, one must first fathom the culture of Confucian, which has a long and storied history. Confucianism is a Chinese spiritual and ethical code that has spread across East Asia over the centuries. And by the late nineteenth century, the entire region of East Asian had been comprehensively "Confucianized," indicating that Confucian beliefs and traditions had permeated people's everyday lives, and the entire political system had been formulated in terms of Confucian principles.<sup>5</sup> The four-country of Asian Tigers have the same roots and similarity in their philosophy which is Confucianism. According to the virtue of Confucianism, in order to keep the harmony in society, we have to behave and act according to our rank and not according to what we personally want to accomplish or even how we feel because we have to set it all aside to keep the balance.

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<sup>3</sup> Alex Inkeles, *Traditional Asia Meets the Modern West* (Hoover Institution, 1998), <https://www.hoover.org/research/traditional-asia-meets-modern-west>.

<sup>4</sup> Inkeles.

<sup>5</sup> Daniel A. Bell and Hahm Chaibong, "Confucianism for the Modern World," 2009, <https://doi.org/10.1017/CBO9780511509964>.

In Asian Tigers' country, particularly Korea, embarrassing oneself or someone else is often averted in order to preserve the harmony and peace. It perfectly illustrates why Asians have the inconvenience of saying "no" straightforwardly to your face at times. If the other individual refuses to agree with you, you are also expected to understand the message and read between the lines to save them the humiliation of saying "no." As a matter of fact, we can actually see that some key aspects of Confucian culture such as the belief in generosity and hard work, the value of family ethics and focus on collectivism tend to have major benefits for social modernization, one of it is with East Asia being one of the world's most modernized continent outside of the West.<sup>6</sup> This sustained rate of principles served as the foundation for each country's development into newly industrialized economies and, ultimately, fully developed nations. This group of countries has been dubbed the "Four Asian Tigers" because of their rapid economic growth and development.

The evolution of the Asian Tigers commences after the traumas of World War II. These countries decided to reconstruct their infrastructures after the collapse of Japanese rule in an attempt to correct for the demise left by the war. During those periods, industrialization was known to be certainly driven by the local governments which were also capitalizing on local assets and economies which was based on export.<sup>7</sup> At that time, integrated with the significant advances in

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<sup>6</sup> Alex Inkeles, "Continuity and Change in Popular Values on the Pacific Rim," 1997, <https://www.hoover.org/research/continuity-and-change-popular-values-pacific-rim>.

<sup>7</sup> Abel B.S. Gaiya, "Tensions in Hegemonic Stability and Global Structural Transformation," 2019, <https://developingeconomics.org/2019/03/12/tensions-in-hegemonic-stability-and-global-structural-transformation/>.

telecommunication services and airline travel, ad-interim world peace indicated that countries' territory borders were opening up all over the world, and the four tigers were very well located to take advantage. The global economic growth is a phenomenon of macroeconomics that explains the major disparity in income and living standards between the countries. It is one of the most fundamental keys to overcome and resolve issues such as the disparities in growth rates and poverty levels between countries.

The Asian Tigers' solid post-colonial framework was mostly influenced by the colonizer such as Taiwan which was influenced by the Chinese, South Korea influenced by the Americans and lastly Hong Kong, Singapore which was influenced by the British. All four Asian Tiger countries aggrandize their solid post-colonial framework, abiding ports, well-educated populations, and most importantly their developed economies of commerce.<sup>8</sup> As time goes on, the revenue increased, new groups of consumers and entrepreneurs developed and the economies also expanded beyond the industrialization itself. And now with the advanced technology of the economy, the market from before, has one of the highest per capita incomes that no one would have predicted in the early 1960s.

These four country economies each benefit from an excellent and advantageous position which was near some of the world's most populated cities. All four Asian Tigers countries possess a very full-fledged infrastructure and framework which makes them exemplary economies for companies to expand into Asia, including the sterling and top due logistics. There is also some assertion which

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<sup>8</sup> Gaiya.

said that the Four Asian Tigers took the advantage of being at the right time and right place when World War II was over, the colonization was drawing to a close and the globalization was expected to call for at least one strong Asian trading center. But in reality, behind those curtains, if we go through the history of the countries, we can see that the one who was held responsible was actually the good virtue, philosophy and the governance itself.<sup>9</sup> Each of the four countries has put a high priority on strong regulation, while in the economic sector, their conservative policies of economies have conceded them to avert public arrears and accumulate significant savings reserves. The history line ensured that they were only vaguely affected when the recession struck and then revived just about as soon as the economies returned.

Taiwan, South Korea, Hong Kong and Singapore are currently at the top of almost all of the economic rankings globally, and there is also every evidence suggesting that they will remain there for the coming years as long as they continue to do what they have always done before. Economic organizations are rooted in and evolve out of the political, social, and organizational forces that exist inside each society. The organizations are influenced by the history, social structural conditions cultural characteristics and political economy of each nation. East Asian partnership economies were impacted by the complexities of developing business and maintaining business relationships with the outside world through networking systems globally.

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<sup>9</sup> G. John Ikenberry, "American Hegemony and East Asian Order," *Australian Journal of International Affairs* 58, no. 3 (2004): 353–67.

A deeper understanding of East Asian economies shows that the main “key” to the region's economic performance is not solely a matter of the economic policies.<sup>10</sup> The veracity is that East Asian development was fueled by effective implementation of pertinent policies, with the majority of central role economies played by the government. Nevertheless, the key to their success is the feasibility of economic policies, and the philosophy behind this phenomenon is the incorporation of these regulations into social norms and behavioral modes that served as a strategizing tool for the East Asian economies.

## **1.2 Research Question**

Recognizing the importance of Asian Tiger’s philosophical roots, the Confucian’s value as well as their contribution towards global economic growth, the following research question will be used for this thesis. The research question for this thesis would be:

1. What are the philosophical ideas behind South Korea’s strategy of economic development under Park Chung Hee’s administration?
2. How that strategy of economic development is implemented as the manifestation of Confucian philosophical ideas?

## **1.3 Research Objective**

The objective of this research in accordance with the research question is to analyze, highlight and explain the contribution of the philosophy of Asian Tigers towards the strategic economic development of South Korea. The final outcome of

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<sup>10</sup> William Kohnen, “The New Korea: An Inside Look at South Korea’s Economic Rise,” *Quality Management Journal* 18, no. 2 (2011): 62–63.



this thesis will explain and provide the broad perspectives of the philosophy of Asian Tigers and how it affects South Korea's economy and its strategic economic development.

#### **1.4 Research Significance**

This research will provide a better understanding of how the Asian Tigers' philosophy contributes towards the growth of the global economy. I hope that the findings from this research can highlight and outline the importance of understanding the philosophical thoughts of nations and how they can contribute towards the global economic sector. Furthermore, it is hoped that this research will serve as a source of information for a wide audience, especially scholars interested in learning more about the relations of philosophy and the economic sector. Last but not least, this thesis will also be useful to anyone out there who needs sources, reading materials and secondary data related to the topic of the thesis.