## ■ REPUBLIC OF KOREA

# Suicides, credit default, natural catastrophes and the threat of war



Korea, the last remaining divided country, is in a state of high military tension, and the threat of war is a source of fear to all Koreans. South Korea's economic troubles and structural social problems have led to an unprecedented spate of suicides. In addition, the lack of effective countermeasures to respond to large-scale accidents and natural catastrophes has deepened South Koreans' feeling of insecurity.

Citizens' Coalition for Economic Justice (CCEJ), Policy Research Dep.

Daehoon Kim

#### The threat of war

Korea has been divided into South and North since its independence from Japan in 1945. During the Korean War (1950 to 1953), both South and North Korea suffered massive casualties, and the whole country was devastated. For the last 50 years, South and North Korea have perpetuated their historical military and political rivalry and maintained very large armies to defend themselves against each other. The division of the peninsula and the history of military confrontation have inhibited the political, economic and social development of both countries and generate a climate of fear for all Koreans.

Although in recent years the Governments of the two Koreas have made attempts to reduce the tension and find a peaceful solution to their differences (leading to the unprecedented summit on 15 June 2000 and the "Co-declaration by North and South"), the threat of war per-

More recently, North Korea's nuclear development programme and the suspicion that it possesses nuclear weapons prompted the United States, in its most important stance on all issues concerning the peninsula, to impose restraints on North Korea in political, economic and military matters. This unstable situation has cast a cloud of uncertainty over the peninsula. In August 2003 the so-called Six Party Talks among North and South Korea, the United States, Japan, Russia and China were held to discuss possible ways to improve North-South relations, but these talks did not have any visible positive effects.

## Civil society in action

For several decades, South Korean civil society has denounced the use of the military confrontation between North and South as an attempt on the part of the Governments of the two Koreas to keep themselves in power indefinitely. By encouraging co-operation and mutual under-

TABLE 1

Human Development Indicators 2003		
Human Development Index rank	2003	30
Total population (millions)	2001	47.1
Urban population (as % of total)	2001	82.4
Population under age 15 (as % of total)	2001	20.6
Population over age 65 (as % of total)	2001	7.4
GDP (USD billions)	2001	422.2
GDP per capita (USD)	2001	8,917
Adult literacy rate (% age 15 and above)	2001	97.9
Population with access to an improved water source (%)	2000	92
Population with access to improved sanitation (%)	2000	63
Births attended by skilled health personnel (%)	1995-2001	100
Physicians (per 100,000 people)	1990-2002	173
Life expectancy at birth (years)	2000-05	75.5
Infant mortality rate (per 1,000 live births)	2001	5
Under-five mortality rate (per 1,000 live births)	2001	5
Maternal mortality ratio reported (per 100,000 live births)	1985-2001	20
Public expenditure on education (as % of GDP)	1998-2000	3.8*
Public expenditure on health (as % of GDP)	2000	2.6
Military expenditure (as % of GDP)	2001	2.8
Total debt service (as % of GDP)	2001	6.2
Total armed forces (thousands)	2001	686
Total armed forces Index (1985=100)	2001	115
Source: UNDP. Human Development Report 2003; * preliminary UNESCO estimate, subject to further revision.		

standing, South Korean NGOs have been in the forefront of the movement for peace and reunification of the two Koreas. Before the 1990s these efforts by NGOs were subject to great pressure from the Seoul Government. But as South Korea evolves into a more democratic society, the question of reducing tension and building a peaceful and stable situation, which were the main tasks of NGOs, have become important issues for the Government to solve.

At present South Korean public opinion is divided over the question of Seoul's policy on North Korea. One current of opinion favours reducing tension and resolving the conflict between the two countries; the other is in favour of military security and military alliances with the United States. This division has also influenced, both directly and indirectly, the policy of reconciliation and co-operation that existed prior to the inclusion of North Korea in the "axis of evil" defined by the White House.

Meanwhile, South Korean civil society has worked hard towards including the following aims in its agenda: to establish a peaceful coexistence and reduce armaments as a means of resolving the threat of war on the peninsula; to urge the international community to resolve the nuclear problem of the North; to monitor the policies of the Seoul Government and neighbouring countries regarding the peninsula; to insist that the two Koreas carry out the action plan which was co-signed at the summit; and to promote exchanges between both Koreas as a means of furthering mutual understanding.

South Korean NGOs were actively involved in humanitarian activities to help North Koreans - particularly children - suffering economic difficulties. Finally, there have been attempts to reach a consensus within civil society in order to present workable policy suggestions to the Seoul Government with respect to Pyongyang.

South Korean civil society is currently very critical of the Government's decision to dispatch 3,000 Korean combat troops to support the war led by the United States in Iraq, and large demonstrations to oppose it have taken place throughout South Korea. We strongly believe that there is no reason whatsoever for there to be a war in Iraq, since it could further increase the threat of war on the Korean peninsula.

## Suicides and credit card defaults

The financial crisis of 1997-1999 exposed longstanding weaknesses in the country's development model, including high debt:equity ratios, massive foreign borrowing, and an undisciplined financial sector. Although growth (led by consumer spending and exports) reached 6.2% in 2002, poverty (as stated in Korea's Social Watch reports for 2001 and 2002) has become a serious problem. In 2001, the Government adopted a policy that guaranteed a basic livelihood to protect those living below the poverty line. Although 10% of the population are poor, the actual beneficiaries of this policy only amount to 3%. This is due to the inadequate sums allocated to this project in the budget and to the negative perception people have of the welfare system.

The effects of the crisis are illustrated by the massive and violent demonstrations and the shocking suicides of workers in protest against their working conditions that took place in 2003. On 9 November, a demonstration of 40,000 trade union members flooded the centre of Seoul in protest against the Government's repressive labour legislation. When attacked by the police, the workers responded with hand-to-hand combat and Molotov cocktails. Another motivation for the protests was the self-sacrifice of three workers who had killed themselves in separate incidents in October in a desperate gesture over their plight. The first to commit suicide was Kim Joo-Ik, former president of the Hanjin Heavy Industries Union, who hanged himself on the 129th day of a sit-in he was conducting on top of a crane. The other two workers killed themselves on two successive days later that same

The economic crisis also spiralled due to the rising number of credit card defaults. In the

five years since the beginning of the economic crisis, the number of South Koreans defaulting on their credit cards reached four million in a population of 48 million. Furthermore, 10% of the country's current credit card debt is overdue by at least a month. After the start of the economic crisis the Government pursued a policy of promoting the issuing of credit cards in order to stimulate domestic demand. But as a consequence of this, many citizens contracted enormous debts which they were unable to pay, and some people either abandoned their normal lives or reached the extreme decision of taking their lives. In July 2003, when the Korean Federation of Banks reported an all-time record of 3.22 million credit card defaulters, in the city of Inchon a woman struggling with a huge credit card debt killed herself and her three children.

If the Government does not take drastic measures to re-establish credit and support the poor, tragic suicides will continue to occur.

### **Accidents and natural catastrophes**

In February 2003, an arson attack on the underground in Daegu, the third largest city in South Korea, resulted in a toll of 192 deaths and 147 injuries. The arsonist, who was arrested, did not state any specific motive for committing the crime, and his attack caused grave fear among ordinary citizens that more acts of this nature could happen in the future. Government measures to counteract this kind of incident, however, are still in their early stages.

Meanwhile, Koreans cannot forget the series of large-scale accidents that took place in the recent past, such as the collapse of a department store in 1995, which resulted in many deaths and much damage to property.

Natural disasters such as tropical cyclones and sandstorms have also wreaked destruction. Typhoon Rusa, one of the strongest in Korean history, destroyed 650 ships and boats at the beginning of September 2002 and caused severe damage to the country's fish farms and harbour facilities. Many towns and villages were devastated too. Damage to property came to USD 4.9 billion, only USD 170 million of which were insured.

In March, April and August 2002 the country was hit by the worst sandstorms in recent history. Record dust concentrations were reported (maximum accumulation was 10 centimetres high). People suffered respiratory and eye diseases, schools were closed, flights cancelled, and huge losses to industry were reported. Typhoon Maemi battered South Korea in September 2003 with wind speeds of up to

210 km/h and massive flooding, which contributed almost USD 6 billion of damage to the total loss

#### Civil society's response

South Korean NGOs are calling the public's attention to the calamities caused by these disasters, and is monitoring the safety measures in public facilities such as cinemas, department stores and underground shops. Whenever large-scale accidents occur, civil society and NGOs are actively involved in humanitarian relief and fundraising for the victims. NGOs have urged the Government to take preventive measures, provide an efficient system for responding to disasters, implement effective safety regulations, and allocate sufficient funds to cope with accidents of this nature, yet the Government has been remiss about taking action.