



Korea

PR Country Landscape 2004

Global Alliance for Public Relations and Communication Management

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Country Profile

Background

The capital of the Republic of Korea is Seoul and the official language is Hangeul. The country has a high literacy rate of 98.1% (CIA The World Factbook, 2003 est.). Korean won is the country's currency and 3.3% its unemployment rate (Korea Labor-statistics Information System <http://laborstat.molab.go.kr/>).

Korea has a population of more than 48 million inhabitants (CIA The World Factbook, 2003 est.). The population's race composition is homogeneous (except for about 20,000 Chinese). The predominant religion is Christian 26%, Buddhist 26%, Confucianism 1%, other 1% with 46% having no affiliation.

Korea's climate is regarded as continental from a temperate standpoint and a monsoonal climate from a precipitation standpoint. The climate of Korea is characterized by four distinct seasons: spring, summer, fall and winter. The Korean peninsula extends southward from the eastern end of the Asian continent. The peninsula is roughly 1,030 km (612 miles) long and 175 km (105 miles) wide at its narrowest point. South Korea covers 99,500 sq.km with mountains covering 70% of Korea's land mass, making it one of the most mountainous regions in the world. The mountain range that stretches the length of the east coast plunges steeply into the East Sea, while along the southern and western coasts, the mountains descend gradually to the coastal plains that produce the bulk of Korea's agricultural crops, especially rice.

History

Archaeological findings have indicated that the first settlements on the Korean Peninsula occurred 700,000 years ago. According to the legend, the mythical figure Dan-gun founded Go-Joseon, the first Korean Kingdom, in 2333 B.C. Subsequently, several tribes moved from the southern part of Manchuria to the Korean Peninsula.

The three kingdoms, Goguryeo, Baekje and Silla, were established in the 1st century A.D. During this period, the kingdom's political systems, religions (Buddhism and Confucianism), and cultures developed.

The Unified Silla Kingdom promoted the development of culture and arts, and the popularity of Buddhism reached its peak during this period. The Unified Silla Kingdom declined because of contention for supremacy among the noble classes, and was annexed by Goryeo in 935.

The Balhae Kingdom began to emerge just as the Goguryeo Dynasty was on the verge of collapsing. Goguryeo General, Dae Joyeong founded Balhae along with his army of displaced peoples. At one point, Balhae became so powerful that it was able to acquire territories in northern and eastern parts of China, as well as many other developments within the kingdom. At those times, the Tang Dynasty of China referred to Balhae as 'the strong country by the sea in the east.' The significance of the Balhae Kingdom is greatly inherited from Goguryeo, including the land that it was able to retrieve.

The Goryeo Dynasty was established in 918. Buddhism became the state religion during this time and greatly influenced politics and culture. Famous items produced during this time include Goryeo celadon and the Tripitaka Koreana. During the Goryeo Dynasty, Jikji, the world's oldest movable

metal type was published. It was invented 78 years before the German movable metal type created by Gutenberg. The Goryeo Dynasty's strength decreased gradually in the latter half of the 14th century.

The Joseon Dynasty was formed at the end of the 14th century. Confucianism became the state ideology and exerted a massive influence over the whole of society. The Joseon Dynasty produced Hangeul, the Korean alphabet, which was invented in 1443, during the reign of King Sejong. The dynasty's power declined sharply later because of foreign invasions, beginning with the Japanese invasion of 1592.

In 1876, the Joseon Dynasty was forced to adopt an open-door policy regarding Japan. The Japanese annexation of Korea concluded in 1910, and Korean people had to accept Japanese colonial rule until the surrender of Japan, which ended World War II.

Korea was liberated from Japanese oppression in August 15, 1945, but it soon faced the tragic division of North and South along the 38th parallel. Both regions were placed under temporary military rule by the U.S. and Soviet armies. In 1948 with the help of the United Nations, South Korea held an election on May 10th and elected Dr. Rhee Syngman president. In August 15th of that same year, an official declaration was made about the birth of the South Korean government. On the other hand, North Korea formed the Provisional People's Committee for North Korea, led by Kim Il-song, in February 1946. On September 9th of 1948 founded the Democratic People's Republic of Korea.

In the early hours of June 25th 1950, North Korea attempted a forcible unification of North and South Korea by invading South Korea over the 38th parallel. In response, military help from over 16 nations helped defend South Korea against the threat of communism under the leadership of UN General Douglas MacArthur. China and the Soviet Union lent their military might to North Korea. The war continued over the next 3 years until coming to an end in July 27th 1953, with a peace agreement signed at Panmunjeom, located in the DMZ. Not only did the war ravage the peninsula, it heightened hostile sentiments between the North and South, making reunification a difficult task.

The Rhee Syngman government focused on an anti-communist approach to government beginning in 1954, but in 1960 the government's power collapsed with the student's anti government movement, the 4.19 Revolution. In 1963, President Park Chung-hee was elected and ruled with a controversial iron fist for the next 17 years. President Park Chung-hee's 'Saemaoul Undong' (New Community Movement, an effort to modernize Korea than began in 1970) brought about much progress in South Korea, and the systematic approach to economic development also yielded increased exports and positive returns. But with the democratic movement in progress and the citizens becoming wary of such extended rule, Park Chung-hee's life ended in a 1979 assassination. Afterwards in 1980, Jeon Du-hwan came into power and led the nation with an authoritarian slant, but his rule also came to an end in 1987 with the June protest. The 1988 Roh Tae-woo government started off the year on a good note by joining the UN and successfully hosting his 1988 Seoul Olympics. The Kim Young-sam government which began in 1993 implemented a new system in which people were required to use their real names when making financial transactions, a much needed revolution at the time. In 1998, Kim Dae-jung was elected president and threw his efforts into overcoming the IMF financial catastrophe that hit Asia in 1997, and also hosted the 17th FIFA World Cup in 2002. President Kim Dae-jung was also the winner of the 2000 Nobel Peace Prize for his Sunshine Policy regarding North Korea. President Rho Mu-

hyun's term in office, begun in 2003, has fostered continuing economical growth through a highly democratic, anti-authoritarian approach to government.

*****On the other hand, North Korea has been ruled by Kim Jeong-Il since the death of Kim Il-Sung in 1994. Faced with dire economical situations, North Korea has begun to implement partial free trade in an effort to remedy the situation.

North and South Korea jointly signed an agreement on July 4th 1972 concerning the reunification of the two Koreas, and in 2000 Kim Dae-jung and Kim Jong-il took early steps to explore reunification, improving the economy, and solving the problem of separated families. The family reunification program, started in 1985, continues until this day. In 1998, South Korean citizens began to be admitted into North Korea to tour the Geumgangsan Diamond Mountains.

Culture

In traditional Korea, the typical family was large with three or four generations usually living together. Because infant mortality was high and a big family was thought of as a blessing, having many children was desired. However, the rapid industrialization and urbanization of the country in the 1960s and 1970s were accompanied by an effective birth control drive, and the average number of children in a family dramatically decreased to two or less in the 1980s.

Having a long Confucian tradition under which the eldest son takes over as head of the family, a preference for sons was prevalent in Korea. To tackle the problem of male preference, the government has completely rewritten family-related laws in a way that ensures equality for sons and daughters in terms of inheritance.

Industrialization of the country has made life more hectic and complicated. Young married couples have begun to separate from their extended families and start their own homes. Now almost all families are couple-centered nuclear families.

Names

The majority of Koreans have family names within one of a small set: Kim(about 21% of all Koreans), Yi(or Lee or Rhee, 14%), Park(or Pak, 8%), Choi(or Choe), Jeong(or Chung), Jang(or Chang), Han, Lim, etc. A Korean name consists of a family name, in almost every case one syllable, plus a given name usually of two syllables. The family name comes first. A Korean woman does not take her husband's family name, but their children take their father's family name.

Koreans think marriage is the most important passage in one's life and a divorce is regarded as a disgrace not only for the couple but also for their families — even though the divorce rate is growing rapidly these days. Today's typical wedding ceremony is somewhat different from what it was in old times: first a Western-style ceremony is usually held at a wedding hall or a church with the bride wearing a white dress and the groom wearing a tuxedo, then later in the day the bride and groom have a traditional ceremony at a different room in the venue, in colorful traditional costumes.

According to a traditional Korean belief, when people die, their spirits do not immediately depart; they stay with descendants for four generations. During this period the deceased are still regarded as family members and Koreans reaffirm the relationship between ancestors and descendants through jerye on the special days like Sollal (Lunar New Year's Day) and Chuseok (Korean

Thanksgiving Day), as well as on the anniversary the ancestors passed away. Koreans also believe that people can live well and happily thanks to benefits their ancestors bestow upon them.

Traditional Korean rooms have multiple functions. Rooms are not labeled or reserved for a specific purpose; there is no definite bedroom or dining room for example. Rather, tables and mats are brought in as needed. Most people sit and sleep on the floor on thick mats. Underneath the floors are stone or concrete flues. Traditionally hot air was vented through the flues to provide heat. Clay or cement would be placed over the stones to protect the residents from noxious gasses. This type of under floor heating is called "ondol." Nowadays hot water is piped through cement floors covered with linoleum.

A diverse array of foods and dishes can be found throughout Korea. Korea was once primarily an agricultural nation, cultivating rice as their staple food since ancient times. These days Korean cuisine is characterized by a wide variety of meat and fish dishes along with wild greens and vegetables. Various fermented and preserved food, such as kimchi (fermented spicy cabbage), jeotgal (matured seafood with salt) and doenjang (fermented soy bean paste) are notable for their specific flavor and high nutritional value. The prominent feature of a Korean table setting is that all dishes are served at the same time. Traditionally, the number of side dishes varied from 3 for the lower classes to 12 for royal family members. Table arrangements can vary depending on whether a noodle dish or meat is served. Formal rules have developed for table setting, demonstrating the attention people pay to food and dining. Compared to neighboring China and Japan, a spoon is used more often in Korea, especially when soups are served.

The hanbok has been the Korean people's unique traditional costume for thousands of years. The beauty and grace of Korean culture can be seen in photographs of women dressed in the hanbok. Before the arrival of Western-style clothing one hundred years ago, the hanbok was everyday attire. Men wore jeogori (Korean jackets) with baji (trousers) while women wore jeogori with chima (skirt). Today, the hanbok is worn on days of celebration such as wedding, Seollal (Lunar New Year's Day) or Chuseok (Korean Thanksgiving Day).

Hangeul was invented in 1443, during the reign of King Sejong. It is composed of 10 vowels and 14 consonants. Hangeul has 11 compound vowels, 5 glottal sounds. The chart below represents the 24 Hangeul letters and their romanized equivalents. 'The Hunminjeongeum,' a historical document which provides instructions to educate people on the use of Hangeul, is registered with UNESCO. UNESCO awards a 'King Sejong Literacy Prize,' every year in memory of the inventor of Hangeul.

Korea Links

The following are English-language Korean websites that provide information on culture, government, social issues, and the communication (public relations and advertising) industry:

Bank of Korea

<http://www.bok.or.kr/eng/index.jsp>

Economic outlook & monetary policy as a central bank system, information on currency & economic statistics

Cultural Properties Administration

http://www.ocp.go.kr/english/new_eng/index_new.html

Korea's cultural properties information & pictures, information on the cultural heritage restoration program, tour guide on royal palaces

Financial Supervisory Commission

<http://www.fsc.go.kr/eng/index.asp>

Periodicals on financial reforms & supervisory activities, laws and decrees related to the financial market, financial statistics related to the bank

Korea Customs Service

<http://english.customs.go.kr/hp/eng/main/index.html>

Procedures & directions of importing into Korea, requirements & procedures of investing in Korea, directions on moving into Korea, regulations on drugs

Korea Fair Trade Commission

http://ftc.go.kr/eng/body_n.php

Government agency improving market structure and competition through trade & antitrust laws

Korea Food and Drug Administration

<http://www.kfda.go.kr/cgi-bin/t4.cgi/eng/main.taf>

Mission statement & major duties of KFDA; inspection guidelines for imported foods; description of KFDA's evaluation groups; introduction to NITR & its affiliate departments

Korea Forest Service

http://www.foa.go.kr/2003_forest/eng/index.htm

Forest development plans & related activities such as forest protection, reforestation. Analysis of forest resource & wood industry, international cooperation

Korea Government Homepage

<http://www.korea.net>

General information on Korean culture, history, etc. & directory of government affiliates (ex. The executive branch, the legislature, the judiciary, etc.)

Korea Industrial Property Office

<http://www.kipo.go.kr/ehhtml/eIndex.html>

overview of intellectual property system including application procedures, industrial property laws, press releases related with patent policy and training program, official announcement of legislation and practice changes, statistics and publication

Korea Meteorological Administration

<http://www.kma.go.kr/kmas/kma/english/main.html>

Weather forecasting and current weather information including aviation weather, research activity information from meteorological research institute

Korea National Railroad

<http://www.korail.go.kr/ROOT/main-top.top?lang=eng>

Tourist information on Korea's railroad & subway system such as railroad time tables, fares, route maps and listing of places to visit in Korea

Korea Tripartite Commission

http://www.lmg.go.kr/english/e_index.asp

Information on basic goals and operational principles for labor-management consensus of tripartite (workers, employers, government), activities information in chronicle order

Ministry of Agriculture and Forestry

<http://www.maf.go.kr/english/index.asp>

Agricultural policy directions, facts & figures of the agricultural economy, reports on recent development

Ministry of Commerce, Industry and Energy

<http://www.mocie.go.kr/eng/default.asp>

Press releases, speeches, reports related with Korea's commerce, industry, and energy market & activities with emphasis on industrial restructuring & market trends; information on services & utilization of TIFO & KISC

Ministry of Construction & Transportation

<http://www.moct.go.kr/EngHome/index.htm>

Construction & transportation statistics related with urban planning, housing & infrastructure, transportation from real estate information center, directory of organization

Ministry of Culture and Tourism

<http://www.mct.go.kr/english/index.jsp>

Images representing Korean culture & cultural heritage of Korea; information on cultural events & facilities for travel

Ministry of Education

<http://www.moe.go.kr/en/index.html>

Information on education system and trends in Korea

Ministry of Environment

<http://eng.me.go.kr/user/index.html>

Basic policy for nature conservation and regulation rules including toxic chemicals control act, natural resource pictures (national parks, wild flowers)

Ministry of Finance and Economy

<http://english.mofe.go.kr/main.php>

Economic trends analysis for economic & financial policy, information on marketplace

Ministry of Foreign Affairs and Trade

<http://www.mofat.go.kr/en/index.mof>

Diplomacy & trade policy for foreign relations, economy & trade information, news on diplomatic events

Ministry of Government Administration and Home Affairs

<http://www.mogaha.go.kr/webapp/home/en/home.action>

Information on main functions such as fostering of local administration, central government services, disaster prevention activities, affiliated organizations & laws

Ministry of Health and Welfare

<http://english.mohw.go.kr/index.jsp>

Press releases related with health & social welfare policies, medical care, food sanitation, national pension plan, pharmaceutical regulation activities

Ministry of Information and Communication

<http://www.mic.go.kr/eng/index.jsp>

Policies of the development of the communication & information industries such as telecommunications, broadcasting, postal services & postal banking services

Ministry of Justice

<http://www.moj.go.kr/english/index.php>

Judicial administration news including legal affairs & immigration laws; guide to Korean laws for investors, information on justice system, legal services, related links

Ministry of Labor

<http://www.molab.go.kr:8787/English/index.jsp>

Information on labor laws & regulations, policies, services including Korean labor market information

Ministry of Legislation

http://www.moleg.go.kr/english/page_link.php?left=left.php&main=first.php

Coordination of government legislations, Korean bills & laws review (Korean only), authoritative interpretation of laws & regulations

Ministry of Maritime Affairs and Fisheries

<http://www.momaf.go.kr/eng/main/main.asp>

Policy direction and statistics of marine industries, guide for investment in Korean ports and related links, rules for maritime affairs

Ministry of National Defense

http://www.mnd.go.kr/cms.jsp?p_id=01900000000000

News release collection from various media resources; history & duties information of MND; current military status of North & South Korea and defense policies; weapons acquisition announcements

Ministry of Planning and Budget

<http://152.99.157.42/hp30000ht/hp30000ht12.html>

Organization structure directory & explanation of its responsibilities, location map, press & public information on economic trends, fiscal plans & budgets

Ministry of Science and Technology

<http://was.most.go.kr/most/english/index.jsp>

Outlays of science and technology R&D activities in Korea focused on nuclear-related promotions

Ministry of Unification

<http://www.unikorea.go.kr/en/main.php?dat=1089242402>

Korean unification bulletin & major government announcements; unification policy; library of intra-Korean documents & North Korean facts; gallery of North Korean life & nature

National Institute for International Education Development

http://niied.interedu.go.kr/index_e.asp

Overview of the international training program, guide for foreign students who want to study in Korea

National Statistical Office

http://niied.interedu.go.kr/index_e.asp

Advanced report of statistics including current economic statistics and demographics; indicators of Korea in graphic forms, accessible statistical data in database

Office of the President, ROK

http://www.cwd.go.kr/warp/app/home/en_home

Biographical information on the current president of Korea & the first lady, listing of presidential activities, description of the Chong Wa Dae, government policy news

Public Relations

The History of the Public Relations Industry

The domestic public relations industry was originated from the U.S. military whose main role was to inform government activity and public information to Korean citizen around the restoration of Independency Day of Korea (August 15, 1945).

In mid-1970s, Chaebols (Korean conglomerates) began to develop progressive corporate public activities which became the basis of Korean public relations development. Since then, public relation was practiced mostly by Chaebols and government bodies. It was in 1987 when the first public relations agency, Communications Korea, was set up. Several public agencies were established before and after the 1988 Seoul Olympic Games. Since then, the Korean public relations industry has shown steady growth thanks to the demands by multinational firms who need public relations support for the marketing activities in the Korean market.

Around 1998, economic turmoil brought on the IMF (International Monetary Fund) bailout system in Korea, casting a chill upon the growth of public relations industry. The IMF system had a negative impact on domestic corporations while it benefited foreign corporations to expand their business in the Korean market. Korean banks, corporations and even media cut off their public relations activities and dismissed public relations practitioners to survive. This made the number of public relations agency increase as many of them joined public relations agencies or set up their own agencies.

In 1999, Korean government inaugurated the Government Public Relations Department. Also, the Korean government developed the public relations program for rehabilitating international trust of the Korean economy, employing the global firm Burson-Marsteller. It was significant for the public relations industry for it was a landmark decision, recognizing public relations as an important national-service activity.

Since then, public relations industry has rapidly increased more than any other times thanks to the restoration of domestic economy, brisk information technology industry, recovery of semi-conductor industry, and geometric increase of venture companies. Once only about 20 public relations firms in the public relations industry in early 1990s, but today more than one hundred public relations firms are providing diverse services.

Corporate Public Relations and the Public Relations Industry

In these days, many Korean conglomerates entrust their public relations projects to professional public relations firms, not to advertising firms which have public relations departments under their branch. This trend makes the public relations functions produce more effective outcomes as well as become specialized. In the past, public relations function was considered as one of several subsidiary functions of advertising.

In particular, the scopes of activity and functions in public relations firms have magnified. It is not limited to publicity any more, but is expanded to more diversified services such as event management, integrated marketing public relations, crisis/issue management, reputation management, investor relations, PPL, sponsorship, and online public relations.

For instance, KorCom Porter Novelli, which has set up an Institute of Communication Strategies in 2001, the first specialized public relations-related institute in Korea, provides its clients with integrated public relations consulting services as well as media relations services. Some of their services are provided based on their patented intellectual products such as KorCom Crisis Management Index (KCMI) and Reputation Management Index (RMI) developed in conjunction with renowned Korean universities.

The increased number of public relations agencies also resulted in diversified forms of boutique public relations agencies specializing in specific areas such as IT, medical and pharmaceutical, entertainment, tourism, investor relations, broadcast, production, cosmetics/beauty products and so on. As of the end of 2004, it is estimated that the total public relations market volume is approximately US\$140 million with 200 public relations agencies. However, there is no confirmed data on these numbers.

Overall, majority of small and medium sized public relations firms provide their clients with basic publicity services including media relations, media monitoring and analyses, dissemination of news releases, arrangements of news conferences, media roundtable and/or one-on-one interviews, and development of feature articles. It means that the majority of the public relations practices are belong to either one of the two public relations models such as public information model or two-way asymmetrical model according to the public relations models developed by J. Grunig and his colleagues.

According to a survey conducted by KPRA in 2003, the majority of public relations practitioners in corporations in Korea perceived media relations as the most important activities. In particular, in evaluating their public relations activities, they mainly used number of publicized articles and feedback through internet as evaluation methods. This means that the mainstream is still communication is flowing from corporations to target audiences.

However, there were some cases that a corporation has responded according to public's feedback and has further changed its policies. For example, LG Electronics, one of the largest conglomerates in Korea, voluntarily recalled its defective rice-cooker when they found the fact. They actively publicized this issue to their consumers who bought the product, and showed unprecedented efforts to change the rice cooker as quickly as possible as well as providing the consumers with incentives. As a result, the company was able to win consumer satisfaction and achieved a more positive reputation. This means that for some leading corporations, the level of communication is advanced to two-way symmetrical model, but not always.

In addition, some conglomerates conduct active community relations, sponsor cultural and sports events, philanthropy activities, and NGO relations to help themselves as well as to take a role of a responsible corporate citizen. Surely, in most of these activities, public relations firms are involved.

Public Relations Associations

Since the Seoul Olympic Games in 1988, Korea Public Relations Association (KPRIA: www.koreapr.org) was formed by public relations professionals and professors. This association is the oldest and the largest public relations association in Korea with 300 members as of December 2004. The members are composed of public relations professionals from agencies, corporations, organizations, universities, and students majoring in public relations. As main activities, KPRIA operates regular education programs for its members including series of lectures and seminars, and organizes the annual KPRIA PR Award since 2001.

KASPR (Korean Academic Society of Public Relations: www.kaspr.or.kr) was established in 1997 by public relations scholars. The members consist of professors or professionals in public relations or related fields with over three years (with a master's degree) or ten years (with a bachelor's degree) experiences. KASPR publishes the *Korean Journal of Public Relations Research* (quarterly), holds seminars and conferences and cooperates with other public relations related organizations. Currently, it has 150 members.

KPRCA (Korea Public Relations Consultancy Association: www.kprca.or.kr) was founded in 2002 by 17 leading public relations agencies and has 25 member agencies as of the end of 2004. The members are composed of public relations consultancies with over the years with its major revenue source being arisen from public relations and who abide by the Code of Ethics. KPRCA strives to protect and support the members, to enhance the industry's image, to contribute to the development of Korea's PR industry. As regular activities, KPRCA holds staff education programs including seminar and workshops.

In addition, KADPR (Korea Association for Advertising and Public Relations: www.kadpr.or.kr) that has changed its name from Korea Advertising Education Association in 2001, publishes *Korea Advertising Research* (Quarterly). KADPR has 270 members as of December 2004.

Major Public Relations Agencies

KorCom Porter Novelli	www.korcom.com
Fleishman-Hillard Korea	www.fleishman.co.kr
Incomm Brodeur	www.incommbrodeur.com
Merit Burson-Marsteller	www.meritbm.com
Communications Korea	www.commkorea.com
Edelman Korea	www.edelman.co.kr
KPR	www.kpr.co.kr
Communication Shinhwa	www.prbank.co.kr
Dream Communications	www.dreamcom.co.kr

Media

The recorded number of currently published periodicals was over 7,033 as of the end of 2003. They include 124 daily newspapers, 2,447 weeklies and 2,652 monthlies.

The Current State of Newspapers

As of December 2003, there were a total of 124 daily newspapers across the country. Of these 60 are general newspapers; 10 nation-wide papers; seven economic dailies; three foreign-language newspapers; five sports papers; and 38 are local dailies. One unique feature of Korean newspaper publishing industry is that 22 of the general dailies, including all the 10 nationwide papers, are concentrated in Seoul. Its share in the total newspaper circulations and ad revenues reaches more than 75% of the national total.

With regard to the question of ownership, the Chosun Ilbo and Dong-A Ilbo are both owned by individual stockholders. The Joong-ang Ilbo, on the other, is financed by large industries, the Segye Times and Kookmin Ilbo, by religious foundations, the Korea Daily News, by a public enterprise, and the Hankyoreh Shinmun, by citizen stockholders. The Korea Times and the Korea Herald are two foreign language dailies in Korea.

The major sources of income of the newspaper industry in Korea are ads and subscription fees. The ratio of ad revenues to subscription fees is 90-80 to 10-20, showing that newspapers depend almost entirely on ad revenues. Before the IMF crisis, many newspapers enjoyed hefty profits. The Chosun Ilbo and Dong-A Ilbo, for example, both leading Korean papers, recorded surpluses of tens of billion Won per year. Lately, however, newspapers have been faced with a number of financial difficulties caused by sharply declining ad revenues and surging production expenses.

Most newspapers have their own delivery system. Home delivery accounts for more than 90% of sales while news stand sales represent less than 10%.

By kind, the publications vary greatly ranging from those specializing in home life, sports and leisure activities, to professional journals of science, technology, health, literature, art, film, travel and women. Lately, fashion magazines have become very popular. Foreign magazines, too, enjoy a large circulation in Korea.

Broadcasting

Television broadcasting began in Korea in 1956 with the opening of a privately owned station in Seoul. The first TV station was destroyed by fire in 1959, however. In December 1961, the official KBS-TV was inaugurated as the first full-scale television service in Korea. A commercial operation, TBC-TV, began broadcasting in December 1964 and the MBC-TV followed in August 1969.

There are four nationwide TV networks in Korea. These include the state-controlled Korea Broadcasting System's KBS-1 and KBS-2; MBC (Munhwa Broadcasting Corp.) which is owned by a public corporation; EBS which is under the control of the Ministry of Education & Human Resources Development; and the privately owned broadcast station SBS and its affiliated stations.

KBS-1 and KBS-2 became part of the public broadcasting system in the 1970s. 40 percent of the total programming of KBS-1 is news, with the rest allocated to largely cultural matters. By contrast,

KBS-2 is supported through advertisement. Forty-nine percent of its programming is cultural-events related shows. Foreign broadcasting programming makes up 8.2% of KBS-1, as compared with 15.3% of that of KBS-2.

MBC started television broadcasting in 1969. News makes up 20.3% of its programming with 9.8% being imported foreign programming. The rest consists of culture and entertainment shows. MBC started as a private broadcasting company, but due to the media policies of the government in the 1980s, 65% of MBC stocks are held by KBS. However, those stocks were later transferred to the The Foundation for Broadcast Culture which is a public corporation. MBC now maintains itself as a half public and a half private broadcasting corporation.

SBS began broadcasting in 1990, and it is owned by 29 different private companies, including the construction company Tae Young. By signing contracts with the regional broadcasters for its programming, it has grown to become another competitive nationwide network. Under current government regulations, terrestrial broadcasting places limitation on private broadcasting ownership in order to maintain diversity. As a result, no one entity can own over 30% of a broadcasting station. SBS and the regional broadcasting stations are able to be seen by about 85% of the population. SBS also supplies 80% of the programming for regional broadcasters. These programs are mainly entertainment-oriented.

Educational Broadcasting System (EBS), which used to be a part of KBS, transformed itself into a state-owned broadcasting system after the implementation of the Broadcasting Act in 1990. It is now under the control of the Ministry of Education & Human Resources Development. EBS takes up not only extracurricular educational programs, but also a variety of cultural programs such as documentaries, children's shows, and so on. It has been said that EBS now functions as an alternative institution for civic education which is not based on commercial interest. EBS, however, suffers from chronic deficits. Fortunately, however, its financial outlook is improving as the government currently allows it to sell its airtime to noncommercial advertising (which is close to public service announcement).

As television has grown as a popular mass media, the radio has also gained a following. The public broadcasting cooperation, KBS, owns two AM radios, 2 FM radios, and one international broadcasting radio channel. MBC and SBS each own AM and FM channels. Besides these, CBS, which was deprived of news reporting function due to the media policy of the government in 1980, resumed news and advertising broadcasting. As the broadcasting industry began to employ multi-media strategies, other broadcasting stations like PBC (Catholic) and BBS (Buddhist), in association with various other religious groups, were launched in 1990.

Since the 1960s, CATV, also called Community Antenna TV, has been popular among the people who lived in regions where the TV viewing conditions were poor. There were small operators who covered just a few thousands of households, as well as gigantic operators who had 200,000 or more subscribers. The number of CATV subscribers has since risen to over 6.5 million.

Multichannel cable TV was first launched in 1995. Cable TV in South Korea has a unique tripartite structure which consists of the program provider (PP), system operator (SO), and network operator (NO). The PP provides programs by way of producing or purchasing for the SO. The SO, in turn, provides services to subscribers according to district and airs the self-produced programs through local channels. Finally, the NO transmits these programs from PP or SO to subscribers.

Media Links

Journalist Association of Korea

<http://www.journalist.or.kr/new>

An association of Korean journalists.

Korea Press Foundation:

http://www.kpf.or.kr/d4u/info_html/eng/index.html

Provide general Information on Korean Press

Terrestrial Broadcasting Companies (Nationwide)

Korean Broadcasting System (KBS)

<http://english.kbs.co.kr/>

Munhwa Broadcasting Corp. (MBC)

<http://aboutmbc.imbc.com/info/english/>

Korea Educational Broadcasting System (EMS)

http://www.ebs.co.kr/Info/infomation/abt_evision.asp

Seoul Broadcasting System (SBS)

<http://sbsi.sbs.co.kr/english/eAboutSBSi.html>

Newspapers (Nationwide)

General daily

Dong-A Ilbo <http://english.donga.com/>

Joong Ang Ilbo: <http://english.joins.com>

The Chosun Ilbo http://www.chosun.com/g__.html

Hankook Ilbo <http://www.hankooki.com>

Hankyoreh <http://www.hani.co.kr>

Kukmin Daily <http://www.kukminilbo.co.kr>

Kyunghyang Daily News <http://www.khan.co.kr>

Munhwa Ilbo <http://www.munhwa.com>

Naeil Shinmun <http://www.naeil.com>

Seoul Shinmun <http://www.seoul.co.kr>

Financial daily

Financial News <http://www.fnnews.com>

Herald Business <http://www.heradlbiz.com>

Jeil Economic Daily <http://www.jed.co.kr>

Korea Economic Daily <http://www.hankyung.com>

Maeil Business Newspaper <http://www.mk.co.kr>

Money Today <http://www.moneytoday.co.kr>

Seoul Economic Daily <http://www.sedaily.com>

Sports daily

Daily Sports <http://ilgan.joins.com/>

Sports Seoul 21 <http://www.sportsseoul.com>

Goodday <http://www.hot.co.kr>

Sports Chosun <http://www.sportschosun.com>

Sports Today <http://www.stoo.com>

English daily

Joongang Daily <http://joongangdaily.joins.com>

Korea Herald <http://www.koreaherald.co.kr>

Korea Times <http://www.koreatimes.co.kr>

IT daily

Digital Times <http://digitaltimes.co.kr>

Electronic Times <http://etnews.co.kr>

Internet news media

E-Daily	http://www.edaily.co.kr
I News 24	http://www.inews24.com
Ohmynews	http://www.ohmynews.com
Pressian	http://www.pressian.com

News agencies

Yonhap News Agency	http://english.yna.co.kr/
Newsis	http://www.newsis.com/index.aspx

Economy

Korea was a typical underdeveloped, largely agrarian country up until the turn of the 1960s. However, thanks to the success of export-oriented industrialization within a short period of three and a half decades, it was transformed into a modern industrialized country. Helped by the rapid growth, which averaged over 8 per cent per annum for more than thirty years, its GDP volume soared from only 2.1 billion U.S. dollars in 1961 to 520.0 billion U.S. dollars by 1996, while its per capita GNP also leapt from 82 dollars to 11,385 dollars over the same period.

Based on this remarkable development, Korea emerged on the world stage as one of the front runners among the newly industrializing economies so that it was able to become a member of the OECD in 1996. This outstanding economic achievement was truly remarkable considering the poor endowment of natural resources and the limited domestic market. For these reasons, the economic development strategy of Korea was widely held up as a suitable model for other countries on the road to development.

However, from early 1997, foreign currency liquidity conditions continued to worsen and by November Korea was on the brink of defaulting on its debts. Consequently, the government had to turn to the IMF to request stand-by funds. If one thing had to be pointed out as the primary cause of the currency crisis, it would be the country's loss of credibility in the eyes of international investors.

From the beginning of 1997, non-performing loans of financial institutions had rapidly accumulated due to a string of large corporate insolvencies. The Southeast Asian currency crisis that started in July further unsettled foreign investors who had been apprehensively observing the weakening of both companies and financial institutions in Korea. Reflecting this, the leading international credit rating agencies such as S&P and Moody's downgraded Korea's sovereign rating very sharply in October. Accordingly, foreign investors repatriated their capital from Korea and the country's usable foreign exchange reserves became severely depleted.

The large mismatch between demand and supply in the domestic foreign exchange market was also attributable to the heavy external debt taken on to finance the current account deficit, and to

the excessive reliance on short-term external borrowings. Besides these factors, the building of expectations of a massive depreciation of the Korean won, due mainly to the persistent wide current account deficit, played a substantial part in the worsening of the foreign exchange situation.

In signing up for the financial aid package on December 3 of 1997, the Korean government agreed with the IMF that it would pursue macroeconomic stabilization and structural reform in the financial sector, the corporate sector, and the labor market, and accelerate trade and capital account liberalization.

Bolstered by the Korean government's restructuring efforts, the Korean economy pulled itself out of the crisis from 1999 and began to regain vitality and stability. Having suffered a severe recession during 1998, the economy saw its real GDP growth register 10.9% in 1999 and 9.3% in 2000 thanks to the briskness of domestic and overseas demand. The current account posted a large-scale surplus of 40.4 billion dollars during 1998. With the economic recovery and the subsequent increase in imports, the scale of the surplus narrowed to stand at 24.5 billion dollars in 1999 and 12.2 billion dollars in 2000. The unemployment rate remained high in 1999, registering 8.8% in February that year. Spurred on by the revived briskness of production activities, however, it declined to the 3~4% level during 2000. Consumer prices showed a rapid pace of increase during January~February 1998, due to the increased cost of imports following the steep depreciation of the Korean won. They gradually moved to a more stable pattern of movements.

After having overcome the currency and financial crises and pulled out of the post crisis recession, the Korean economy experienced a slowing of growth in 2001 due to the sluggishness of facilities investment and the decrease in exports following a slowdown of the world economy, notably in the U.S. The Korean GDP growth fell from the previous year's 9.3% to 3.1% in 2001. In the first half of 2002, however, domestic demand, including consumption, turned brisk and exports recovered rapidly. In consequence, annual growth rate rebounded to 6.3%. Accordingly, GNI per capita registered more than 10,000 dollars (10,013 dollars) during 2002 for the first time since the 1997 currency crisis.

Banks/Financial Links

The Bank of Korea

<http://www.bok.or.kr/eng/index.jsp>

Korea Asset Management Corporation

<http://www.kamco.or.kr/eng/index.htm>

Ministry of Finance and Economy

<http://english.mofe.go.kr/main.php>

Korea International Trade Association

<http://www.kita.org>

Offers information and consulting services on international trade; maintains well-stocked, computerized library; publishes weekly, monthly, periodical magazines and references

Korea Securities Dealers Association.

<http://www.ksda.or.kr> (Korean)

Introduction to Korea's stock markets such as KSE, KOSDAQ, etc. with links providing information on each market

Korea Stock Exchange

<http://www.kse.or.kr/webeng/>

Summary of daily statistics from Korea's stock market

Resources

National Digital Library

http://www.dlibrary.go.kr/NEL_ENG/Index.jsp

South Korean Virtual Library

<http://www.skas.org/>

The National Assembly Library

<http://www.nanet.go.kr/english/index.html>

The National Library of Korea

<http://www.nl.go.kr/nlen/index.htm>

Think Tanks

Samsung Economic Research Institute

<http://www.koreaeconomy.org/index.html>

Hyundai Research Institute

<http://www.hri.co.kr>

Korea Development Institute

<http://www.kdi.re.kr>

An advisory research institute to help the government establish any economic policies; performs research on the North Korea's economy; KDI school of international policy and management

Korea Economic Research Institute

http://www.keri.org/eng/index_eng.asp

Performs research on Korean and global economies; quarterly review of Korea's economy; collection of research papers

Korea Energy Economics Institute

http://www.keei.re.kr/keei/main_eng.html

Quarterly energy outlook of Korea; archive of research papers, periodicals, seminars, and conferences; research projects on alternative energy sources

Korea Institute for Industrial Economics & Trade

http://www.kiet.re.kr/e_main.html

Provides collection of research papers on industrial economics and trade; industrial economics review in chronically order; journals on industries' competitiveness

Korea Institute for International Economic Policy

<http://kiep.go.kr>

Korea Institute of Finance

http://www.kif.re.kr/english/about_kif/chairman_message_start.html

Conducts research in the financial sector, and provides useful information and advice on financial policy; features an economic databank containing finance-related periodicals and non-periodicals

Korea Institute of Industrial Technology

<http://www.kitech.re.kr/en/index.php>

A research organization with global network for exchange of R&D results and technology to improve the nation's industrial competitiveness; introduces specific technological statuses in specific industries

Korea Institute of Industry and Technology Information

http://www.kisti.re.kr/kisti/english/index_english.jsp

Information network of industry & technology to improve international competitiveness by developing on-line information system, search tools, and training system

Korea Institute of Public Administration

<http://www.kipa.re.kr/eng%20site/guide/function.html>

Holds international symposium on administration; research and publications on administration; policy forum

Korea Institute of Public Finance

<http://www.kipf.re.kr/index-e.html>

A research institute of public finance with emphasis on Korea's tax system

LG Economic Research Institute
<http://english.lgeri.co.kr/>

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<http://www.bok.or.kr/index.jsp>

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<http://www.odci.gov/cia/publications/factbook/geos/sf.html>

Korea National Tourism Organization Retrieved June 25, 2004 from

<http://www.knto.or.kr/eng/>

http://english.tour2korea.com/01TripPlanner/KoreaInBrief/location.asp?kosm=m1_1&konum=1

Korean Overseas Information Service Retrieved June 25, 2004 from

<http://www.korea.net/>

Samsung Economic Research Institute Retrieved June 29, 2004 from

<http://www.seri.org>

<http://www.koreaeconomy.org/>

Contact information

The Global Alliance is always interested in cooperating with local institutions and associations to provide profiles of the social, economic and media context of member countries, along with details on the local public relations industry, its main activities and tips on successful local practice.

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