CHAPTER I
INTRODUCTION

A. Background

The Korean Republic or South Korea is a country in East Asia region located in the southern part of the Korean peninsula, bordered to North Korea. Before the end of the Korean War (1950-1953), both countries were united. To the east, South Korea bordered with Russia and China, and bordered with Japan in the South. Seoul is the capital of South Korea.

By 1945, Soviet Union as a part of the leading allies in the WW II, made a special policy toward Korean peninsula. In purpose, the policy was to establish a socialist government in Korea and implemented for 5 years. However, some of Korean non-socialist refused, because it is considered as harassment to their effort and struggle for independence from Japan’s colonial during 36 years. Apparently, both socialist and non-socialist leaders of Korea were support the policy because Soviet Union enforced it. Nevertheless, about 2 million people opposed the plan and fled to the southern part of Korea. The Soviet Union gave full support to the communist leader in Korea. On contrary, the United States supported the anti-communist leaders in the South Korea meanwhile the national army does not support Unoted States.

South Korea was developed through democratic government and commanding in turn. The first Republic was claimed to be democratic government and altered to autocratic until finally fell on 1960. After war happened between South Korea and North Korea emerged the second Republic in July 1960. The new government and the ruling Democratic Party still has not able to improve the condition of the economic, shown by the political leadership and control the influence of communist in South Korea. At the time, the sixth Republic was a stable government and applied the principle of liberal democracy.
It is difficult for countries to be independent of foreign cultural influences. Since 1960, several theories and models regarding international information flow, which includes news and popular culture, have been published, based on a fundamental belief that the information flow is considered to be imbalanced and inappropriate. Dependency was the result of developed countries having influence on undeveloped countries from the 1960s to the 1980s. Outside sources have heavily influenced South Korea. It has colonial experience under Japanese rule and was influenced politically, economically, and culturally by the US military administration from 1945 to 1948 (KIM, 2011). All public influences left by Japan in Korea or on Korean culture since it has been banned. However, US’ influence on Korean culture remains strong. At the time, Korea also started exporting its TV dramas and films to other Asian countries. Its cultural industry has steadily grown and now extends its influence to different cultural regions, including the Middle East, Russia, and South America.

Since 1960s South Korea was an increase in economic growth. Miracle in Han's river, a term refers to the economic growth of South Korea. In this period begin since the set of plan five years on the 1960s. The Miracle in Han's River showed that South Korea had become the 13th largest economy country in the world. Many peoples considered it impossible for that, with a background of South Korea had war, fight poverty and at the time it was difficult to get a job. However, in less than four decades, South Korea was changed become one of the center economies in the world. The growth of industrialization sector, the resurrection technology, urbanization, modernization, globalization have become the main factor that encourages economic progress of South Korea. One of the most prominent factor which can be seen from South Korea in economic growth is Hallyu.
Hallyu refers to the popularity of Korean cultural objects, it is another case of the complex flow, as Korea has been an information receiver in the international community for a long time. Vogue of Popular Culture of Korea in RCC and Southeast Asia beginning in the end on the 1990s. The term of Hánliú in the Korean Language is Hallyu. Korean Wave or Hallyu is a form of flow to increase popularity of the Korean culture in the world. Hallyu for the first time taken by Korean drama, then continue to Korean pop music, or K-pop, in this time was spread not only in Asia but also in the world (Korean Government, 2009). The Korean Wave has influence to China which proven there was an album of Korean pop music released in China. Moreover, series of Korean drama beginning to show in televisions of China and spread to others countries, such as Hongkong, Vietnam, Thailand, Indonesia, Philippines, United States of America, Latin America, and the Middle East. In this time, Hallyu followed by the product of South Korea, such as food, electronics, music, and film. This phenomenon promotes Korean language and Korean culture to others country too.

The Hallyu's phenomena has known since the appearance Korean drama at the time. South Korea is one of the world's top ten countries as the cultural exporter and Hallyu began from Korea export drama in whole East Asian and Southeast Asia. South Korea has interest in watching drama and film and also listening to music. The television company gives much money to drama production and some of that to create a success. Because of plot the story looks more emotional as well as describes a side of romanticism, and tell about the story of family class medium in the social status. It has advantages which a lot of teen's audience who are interested in the storyline that describes the real life like shown in a K-Drama and also give much moral value. Because of that by the culture of the Asian people, the concept of true love, sacrifice, and the concept of another life. It reflected in the Korean Drama does not be in contradiction too far with the concept of
life that exists on the Asian peoples. That is the reason why Korean drama emotionally similar to Asian peoples compared with Western Drama. Television drama also has become part of the cultural product of South Korea which gets attention and achievement of first popularity than others cultural content. Therefore, television drama was one of cultural content that become the most interest and considered as the product who led the spread of Hallyu. The example of Korean Drama that triggered Hallyu, there are Winter Sonata, Dae Jang Geum, Stairway to Heaven, Beautiful Days and Hotelier (Culture, 2010).

In additional, spreading of Hallyu not only from the Drama or Korean film, but Korean Drama was an image of the popular origin products too from South Korea which includes music, food, and fashion. Moreover, the beauty product promoted by the actors in Korean Drama, but also the industrial, commercial product used by the actors when they did role in film/drama until a lot of people are interest in Hallyu. It is shown by they are interest to Korean music, food, fashion, and language. It makes South Korea existence known in the world because South Korea has influence enormously through their culture and presented different culture.

All forms of Hallyu make South Korea got popularity in the world and has a purpose of changing image of South Korea as the country belongs to a lot of unique and exciting culture. Sometimes, Korean Drama was become the government of South Korea effort to export cultural product with manufacturing and food and its products placed with other countries’ products in Asian market. Before the existence of Hallyu in 1997, South Korea has global crisis with the weaknesses of the economy in South Korea. (Park, 2012). Therefore, the government of South Korea more emphasizes the export of cultural products. The result of the cultural product of South Korea has increased its popularity, especially from the Korean Drama and film industry. The contribution of Korean Drama, plays an insignificant role in export activities
turned out has influential in increasing number of tourism also in South Korea every year which increasing the existence of Korean Drama until now.

Korean drama or movie are always show how wonderful of Korea and its social values which it can attract the audiences to come to South Korea to see the location Korean drama films directly. It makes the economy of South Korea has improved which it is proven by tourism sector becomes the center of South Korea economy which at the time had fallen because of the crisis that hit in Asia. It was utilized by the government of South Korea to bring tourists through Korean Drama which using location in Korea that showed beautiful places and its cultural. The changes of the economic pattern from traditional society to industrial society happened in South Korea, it bring the economics of South Korea in Asia Pacific is grow rapidly.

The popularity of Korean Drama in Southeast Asia was already has social influence in Southeast Asia countries. Nowadays, Korean Drama makes a change significantly enough to national interests of South Korea with government's efforts to maintain and develop of Korean Drama. Considering Korean Drama was already favor not only in Asia countries but also outside Asia, as we know that Korean Drama is one of a form of. Hallyu. Hence, Hallyu is not the phenomenon given, but Hallyu is the result of the construct from the role of the government to increase the economic growth, and Korean Drama became one of the the factor to increase the economic and has significant influence of South Korea.

**B. Research Question**

How did the South Korean Government use Korean Drama as an instrument to gain economic advantages?
C. Theoretical Framework

1. Soft Power

To explain the problem there is a theory that will be adopted, that theory is soft power. Because of the closeness of the concept of foreign policy and diplomacy, so often identified with political diplomacy aboard or hard power, but it should be understood too in modern times at the moment, diplomacy can be finished in many ways. Diplomatic power that can be run without asking for political costs and a sizable military force (Seung Yoon, 2004). There are other forces or other instruments in determining foreign policy. Soft power can manifest national interest of a State in the International arena without the used of violence or pressure to other parties.

According to Joseph Nye Soft power as the ability to make the other party running what we want through attraction rather than coercion or payments. It arises from the attractiveness of a country's culture, political ideals, and policies. Nye outlines that a country's soft power based on three primary sources, i.e., the culture that makes the country attractive to others, the value of these countries embraced politics inside and outside the country and foreign policy create a country has the moral authority and legitimacy. Soft power is an attractive power that can only produce when the resources mobilized through public diplomacy has the appeal of a pretty attractive to affect target preferences or the intended recipient of the soft power.

South Korea in the presence of Hallyu indeed used soft power approach in the dissemination and impact of the Hallyu. However, through soft power this is one way that intentional by the South Korean Government construct of soft power to improve the image of South Korea and can prove that there is political stability, and security maintained in South Korea, and generally managed to influence some important aspects such as economic and international relations of South Korea. Hallyu became one of the Government's strategy in an
attempt to introduce Korea aggressively outside the country. The construct of Hallyu as soft power South Korea involving elements such as the source of soft power, the actors involved ("referees" and "receivers") as well as agenda setting and attraction which carries with it the factors supporting the appeal of soft power. Hallyu, in this case, is the soft power of South Korea with a source of soft power in the form of popular culture. Hallyu may be formed as a soft power because the source of the popular culture is exported to various countries in the form of cultural products, among others, television dramas, movies, music K-Pop, animations, and games. Actors involved in the establishment of Hallyu as soft power of South Korea is the Government, the media (television, internet), cultural products industry (industrial television drama, music, film, animation, games), industrial commercial product (MNC like Samsung and LG) as "referees" as well as the public in countries of Asia, Europe and America as receivers.

As the Government of South Korea referee was involved in supporting the promotion of popular culture in the Korean Wave through his policies, while the media acts as reference sources to enjoy cultural products such as plays, films, animation, K-Pop, and online games. Industrial television dramas, movies, music, animation, and games are the parties involved in the creative production of popular culture. Commercial products such as multinational industrial corporations Samsung and LG are the parties involved in support while utilizing the Hallyu promotions as a commercial product. On the other hand, the receivers of the Hallyu is public in the countries of Asia, Europe and America who received South Korea popular culture exports and consume cultural products as well as either a commercial product that marketed by leveraging the popularity of Hallyu.

Hallyu as a soft power involves setting agendas and attraction as a positive power to be able to influence and shape what the other party wants (what others want)(Nye, 2005).
Agenda setting or the establishment of an agenda Hallyu as soft power, referring to South Korea's economy improvement agenda post-economic crisis with South Korea Government institutions as the referee who determine the agenda. According to The Economist, the Korean Wave agenda as a potential soft power since the fall of the economy of Korea during the Asian financial crisis year 1998 with a GDP plummeted by up to 7%. During the next decade accompanied by stagnation of the economy, three public administration of Korea began to see soft power as an instrument of Hallyu, in hopes that South Korea profile expansion abroad through the Hallyu followed with the demand for cultural products exports.

By giving South Korea Imaging in the Hallyu, it would like to form a profile which is known by the countries in the world that can then be used for the improvement of the economy through the 1998 post-crisis export products with South Korea's label. While the attraction finished in Hallyu as soft power in the products of culture exported to other countries, and involves actors like Government, media and the internet, the television industry's tv dramas, movies, music, animation, games as well as multinational corporations as their referees.

2. Cultural Diplomacy

Hallyu as soft power of South Korea, beside that the government of South Korea uses soft power as cultural diplomacy tool to South Korea. According to Wahyudi Wibowo (2012), the popularity of Hallyu was happen cause of the collaboration between government and individual. The Government Republic of South Kora, in this case, have been consisting since the period of government Kim Dae Jung did the development cultural policy with the release of "The Basic Law of Cultural Industry Promotion." The policy with allocating a total budget around 148,5 USD to develop of cultural industry(Shim, 2006) and 125 USD to promote
Korean film in the period around 1999-2003 (Yong, 2006). Kim Dae Jung also gave the slogan "Provide Support but do not interfere" in its policies towards the film industry (Kim, 2007). While during Lee Myung Bak, the Hallyu used as a tool of cultural diplomacy that also became part of the vision of the Ministry of culture, sports, and Korean tourism.

Tulus Warsito and Wahyuni Kartika Sari (2007) describes the cultural Diplomacy as an effort of a country to fight for the interests of the nation through the cultural dimension, whether micros such as education, science, sports, and the arts, or macro for example Propaganda. The goal of Diplomacy is to influence public opinion (the society of other countries) in order to support a particular foreign policy. The Subject of the activities of cultural diplomacy is the Government also non-government, individual or collective, or every citizen. As for the materials used in cultural diplomacy is all things considered the utilization of cultural aspects, among other things, the arts, tourism, sports, tradition, technology up to the exchange of experts and so on. Meanwhile, according to Shin Seung Jin (2008) in his writings entitled Strategic Directions for the Activations of Cultural Diplomacy to Enhance the Country Image of the Republic of Korea explained that the activity of cultural diplomacy is another way that is done a country to achieve its national interests, aside from the ways the military.

So the existence of South Korea made Hallyu getting all over the world. Governments use cultural diplomacy through all of the forms of Hallyu such as music, food, Korean drama, and tourism. There are several types of cultural diplomacy objectives according to the purpose and form. Regarding the forms of cultural diplomacy can be done: exhibition, propaganda, competition, penetration, and negotiation. The exhibition is one of cultural diplomacy the most conventional consider that modern diplomacy is diplomacy accordance From according to the purpose, cultural diplomacy aims to look for recognition, persuasion,
hegemony, subversion. Through those goals, the suggestion that can be used to reach the purpose of the diplomacy is by tourism, sport, education, trade and also culture.

From the pattern of those aspects could raise some the concept of cultural diplomacy according to to the purpose, type, and suggestion. The writer chooses two of the type of cultural diplomacy which is related to the national interest of a country through Hallyu. It is Exhibition and Propaganda, and exhibition is the type of cultural diplomacy which is modern diplomacy is diplomacy on fair, it means that every country reputed to have to urge even have to show off about the superiority of having them until the image of the country can get off the higher of honor. Almost same thing with an exhibition, propaganda is the spreading of information about the culture, science, technology, even the values of social ideology nation to others nation. However, if the exhibition is direction propaganda is an indirect way like by social media, so the government used social media to get the popularity of Hallyu as propaganda.

D. Hypotheses

The government of South Korea use Korean Drama as the instrument to gain the economic advantages is by conducting exhibition and propaganda.

E. Research Purposes

In this thesis entitled "South Korea Government use Korean Drama as an Instrument to Gain Economic Advantages" there has been some purpose was to be in accomplished by process of writing, there are:

1. Explain more about Korean Drama until spreading of Korean drama famous in the world.
2. Presented that about how South Korea has been increasing in the economic sector
3. Knowing how the government of South Korea uses Korean Drama as one of the growing
economies while using Korean Drama as the soft power for South Korea and the government can make as cultural diplomacy.

4. To tell readers that the appearance of Hallyu especially Korean Drama as one of the examples that every state has things they can use as a power to get national interest.

F. Method of Research

In this research use qualitative method approachment, it is with used secondary data obtained by books, journals, and various of a newspaper, and articles from the books although on internet related with research electronic although non-electronic related with this research. The secondary source also includes others sources such as the magazine, bulletin, publication from various organization, attachments from legitimate corporations such as ministry departments, result studies, result studies, and history studies. The researcher also uses sources from the library, and these sources include books, magazines, pamphlet, and others documentary. Sources of the library needed:

1. To give information, our research was investigated by others before, until our research is not duplication
2. To get substance the sharpen orientation and our primary theorist about our research problem.
3. To get information about research techniques was applied (Prof. Dr. s. Nasution, 2001).

Thus, researches use the secondary sources and library sources to get the right data and according to the data will be examined.

G. Scope of Research

The scope of research in this thesis analyses the factual data from 1997 until 2007. The author started from 1997 because at that time South Korea was having the global crisis to set the focus in this essay. Then the ten years of the interval
used by the writer to analyze the topic when the economic crisis happened in South Korea until becoming one of a country which has an increase in economic growth.

**H. Systematics of Writing**

The systematic in this research will consist of several chapters, there are:

**Chapter I** Introduction. In introduction have a background explain about the problem was becoming research; problem formulation that contains the problem discussed; Hypothesis make the general answer in this research; collecting of method and the data analysis and create ways to use; Systematics of writing that contains an outline of writing.

**Chapter II** Will explain the historical background of economic of South Korea and also analyze the development of Korean drama. After that, will analyze the development of South Korea economic after the popularity of Korean Drama.

**Chapter III** In chapter III will analyze the efforts of the government to gain the economic advantages from Korean drama which is about the state contribution to support Korean drama and analyze about the strategy of the Government use Korean drama to gain economic advantages.

**Chapter IV** Conclusion. In the chapter, IV concluded overall explain of those chapters