

DRAFT

**National-Local Networks and Immigration Governance: Playing Politics in South Korea
with Immigrant Pawns**

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This paper was prepared for presentation at the 25th World Congress of Political Science, July 21-25, 2018 in Brisbane, Australia. The author would like to thank doctoral student Claude Drolet for input on immigration issues in Incheon Metropolitan City, and the Research Division for Incheon National University, which provided funding. All errors or omissions are the sole responsibility of the author.

ABSTRACT

The politics of immigration has always been a somewhat touchy issue for nation-states. The ability to regulate the flow of goods, capital and people across borders is one of the defining characteristics of political power. But there is not always agreement between the central government and local officials as to the desirability of immigration, where local governments may desire greater, or fewer, numbers of immigrants, depending on the local economy and labor needs. In South Korea, there can be considerable policy distance between the national government's stance on immigration based on the politics of the ruling party, and the attitudes of local immigration officials who work for metropolitan cities (those with a population of one million or more). In this paper, I look at the impact of local economic market needs on local attitudes towards national immigration policy, and the mitigating impact of interest groups (e.g. local businesses, local political parties, and local labor organizations). Using interviews with local officials, I find that different cities have different economic needs, and therefore different attitudes towards particular groups of immigrants based on their countries of origin. National politics plays a role only when the mayor of the city is a member of the same ruling national party. Otherwise, business interests hold sway. I offer recommendations for applying the model to other national-local contexts.

Keywords: Immigration; Local politics; Policy distance; Local labor markets

Introduction

Immigration, as a policy area of nation-states, is as recent an idea as is the idea of the nation-state itself. However, the identification of the outsider, (Insert Arendt's idea here) is much older, and a universal way of defining social groups. Where these two ideas overlap is fertile ground for discussions of national identity and political rent-seeking, but it is also a unique area for examining internal divisions, or as Schattschneider would say, the cleavages in society that allow for the mobilization of bias (Schattschneider 1960).

East Asia is no stranger to such mobilizations. Long dynastic histories and regional conflicts have produced the merging between national identities and internal politics that often emphasize a uniqueness of ethnic origin that is belied by histories of migrations. Such migrations are fueled by the usual suspects: war, famine, natural disasters, and pestilence, and empire building. Immigration between and within East Asian states has been relatively common, as economies have developed at different rates, and economic migrants are often needed as a result. But as East Asian countries have developed, they have been faced with the same set of challenges that currently face Western industrialized nations: falling birth rates; increasingly better educated youth (as a proportion of the population); and disproportionately high unemployment rates for those with college degrees (Economist 2017; United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP 2016). This has changed the domestic conversations regarding immigration in a region that has historically been politically averse. The looming labor shortage is one that has already begun to make its presence felt (see Figure 1).

But economic migrants can fall into two broad, but quite different, categories: first, those who seek to use their labor to fill positions that are no longer being filled by local

workers (those seeking upward mobility); and second, those who are sought because they possess an expertise necessary for the further development of the state (those seeking lateral mobility). As the data in Figure 1 indicate, within East Asia, South Korea is in particularly tight territory, facing a need for replacing over 30% of its current workforce by 2030. With the lowest birth rate of any nation, South Korea has begun to create policies specifically designed to address the economic consequences of industrialization and global markets.

There has been mixed reaction to different national proposals in South Korea to increase the number of migrants; as a country that built much of its national identity on isolating itself (and thereby differentiating itself) from its neighbors, opening its doors to outsiders is regarded as a somewhat risky proposal (Stratfor 2017). But open its doors it has, and over time, this has meant a substantial increase in the number of foreign residents, migrants, and immigrants to the country. Beginning in the 1990s, when South Korea emerged from a long authoritarian past, where it was an exporter of labor, the country shifted its position, and began accepting migrant workers on a limited basis. From 6,409 foreign workers in 1987, just prior to the South Korean hosting of the 1988 Olympics, the national government increased that number by more than twenty times by 1995 (145,405), and then another seven times by 2011 (more than 700,000) (Torneo 2016: 139). Today, the foreign population stands at more than two million (Ministry of Justice (MOJ) 2017), and migration policies have evolved over time to reflect a more accommodating attitude to the presence of foreigners inside Korea. But that attitude is by no means universal, and it has regional flavors that reflect the cleavages that exist within Korean domestic politics.

In this paper, I propose that immigration policy provides an apt vehicle for examining how new policy types offer opportunities for policy innovation within a unitary government

structure. I will do this in the following stages: first, by establishing the national policy environment and explaining the different policy approaches and their requisite association with particular political parties; second, by offering a brief explanation of the intergovernmental landscape within South Korea, and how this generally impedes local deviation from national policy, but with notable exceptions; third, under what conditions such exceptions might be expected, e.g. where policy distance between the national and local governments is large (Tao 2016); fourth, how local labor requirements differ according to region; and then finally, an examination of what we might expect from combinations of political party alignment between national and local governments, and where economic interests may play a more important role, thus offering a potential “policy window” for local policy entrepreneurs (Kingdon 2003). The policy ramifications for shifts in immigration at the national level will then be discussed.

1. National Policy Environment: A Brief Political Review

In order to properly engage with the South Korean model of unitary government, some basic review of historical conditions is necessary. South Korea has allowed official local elections since 1991, but nationwide, such elections were not held regularly until 1998, after which time, elections for local city councils and mayors have been held every four years (Korea Research Institute for Local Administration [KRILA] 2015). Local governments in South Korea, however, function largely as administrative units that receive both function and structure from the national government, and the administrative structures are tasked with providing continuous public services in key policy areas over time. This link between the national and local administrations is largely budgetary, with relatively little autonomy exercised over budget revenues or expenditures at the local level (KRILA 2015). Political power is therefore often exercised at the periphery of policy, rather than over central

funding issues (Tao and Lee 2012, Tao 2016), and in South Korea, central funding issues are education, national parks and public lands, agriculture, fisheries and forestry, and planning and public transportation (Lee and Tao 2012). Immigration as a policy area, as mentioned above, is relatively new, and falls within the Ministry of Justice, since immigration is about defining someone's legal right to reside, work, or participate in South Korean affairs (Ministry of Justice 2007). Thus it does not occupy a berth on the ship of ongoing central policy issues.

This peripheral space is where local-national politics can have the greatest play. But the size and shape of the space is defined by the national government. The history of immigration policy in South Korea is short and dynamic. In the 1980s, South Korea sent, on average, 30,000 workers abroad each year to work for Korean conglomerates abroad (Kim 2009). For Korean men, especially those over the age of fifty-five, many have memories of living as foreign laborers overseas, where they spent a good portion of their youth working in occupations known as the 3-D's (difficult, dirty, and dangerous) (Kim 2009) outside of their home country. However, this changed quickly in the late 1980s, when a construction boom, driven partly by the run-up to the Olympics in 1988, created new, better-paying jobs that pulled workers out of factories. This created a labor shortage for industry, estimated by the national government to be a deficit of approximately 100,000 workers, and a country that was a labor exporter became a labor importer virtually overnight (Kim 2009, Kim and Kwon 2012).

This sudden shift brought many of the overseas Koreans home, but the need for foreign labor continued. As a relatively small country surrounded by giants, the well-developed economy of Japan, and the waking giant, China, Korea pursued an export-driven, middle-way approach toward economic development (Kim and Kwon 2012). This meant that

large corporations, or the family-run *chaebols*, like Samsung and Hyundai, were constantly looking for ways to make themselves more nimble than their international competition. This led to sub-contracting and market segmentation, which continues to be an issue today, where the large corporations contracted out their less-desirable, labor intensive work to smaller firms (those with less than 30 employees), and retained higher-paying, white collar jobs within their corporate umbrella group. Thus, the demand for imported labor generally came from smaller firms, who could no longer draw on rural migrants or younger workers, as the country's youth also shifted to longer stints in school (Kim and Kwon 2012). Thus, Korea's first call for migrant labor came from smaller companies who held (or were vying for) contracts with the behemoths of the South Korean economy, and the call was for low-skilled workers. And those who answered the call were primarily ethnic Koreans from China (Kim and Kwon 2012; United Nations Children's Fund [UNICEF] 2013) or immigrants from other East Asian countries. This has become somewhat more diverse over time, but the greatest source of migrant workers to Korea remains those who have ethnic ties to the Korean peninsula (please see Table 1).

Since that time, the government has turned to immigration policy to address a number of growing concerns with the Korean labor market. The most pressing issues at present are the rock-bottom birth rate (Korea holds the top spot for lowest birth rate among OECD countries), and the need for two different types of labor: unskilled, since young Koreans are increasingly unwilling to take positions that their parents deem "unfit given their level of education"; and highly skilled in professional areas (finance, research and design, and professions requiring high fluency in English) (Oh *et al.* 2012). For technical fields, the rate of vacancy requiring foreign professionals to compensate for gaps in the local labor markets can vary considerably. In 2012, for example, the shortage rate for technical

workers in the steel industry was over five times the rate in the semiconductor industry (6.3% to 1.7%, respectively)(Oh *et al.* 2012).

Since the labor market has different needs, the government has come up with two major programs for bringing in and managing foreign labor: the General Employment Permit Visa Program; and the Working Visit Visa Program. The first targets non-Korean low-skilled or unskilled labor from fifteen approved countries: Bangladesh, Cambodia, China, East Timor, Indonesia, Kyrgyzstan, Mongolia, Myanmar, Nepal, Sri Lanka, Pakistan, Thailand, the Philippines, Uzbekistan, and Vietnam. The latter is for ethnic Koreans born or living overseas. Both were designed to be short-term programs, giving those who met the selection criteria visas of limited duration (for the General Employment Permit Visa Program, one-year or less, with the possibility of renewal or extension, but with a three-year cap; the latter up to twenty-two months, with the possibility of renewal or extension, but with a five-year cap). This short-term focus has ensured that the migrant community does not set down roots, and this has led to difficulty for some employers in keeping high quality workers (Oh *et al.* 2012).

This ambivalence towards foreign workers and immigration is not uniform. There are generational differences, as mentioned previously, and in rural parts of Korea, the importance of foreign brides in overcoming the gender imbalances in a country that prefers male children cannot be overstated. Since the 1990s, foreign spouses have comprised roughly 13% of all immigrants, and this category has often dominated policy planning and budgetary concerns. For example, in the metropolitan city of Incheon, foreign spouses make up 20% of all foreigners residing in the city, but they receive 50% of the budget for immigrant-related purposes (Oh *et al.* 2012). The rise in the number of children who are born to a non-Korean parent has been steady, leading to a relatively new focus on what the

government calls "multiculturalism". Although the central government continually emphasizes the importance of integrating foreigners into society, how this actually takes place varies widely.

Insert Table 2 HERE

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Figure 1

Need for immigrants as % of working population



Economist.com

Graphic from The Economist, 2017.

Table 1**Foreign Workers and University Students by Country of Origin (Top 5), 2013**

Workers' Country of Origin	Number of Workers
China	656,846
Vietnam	122,449
United States	71,817
Philippines	49,273
Thailand	34,372
Total	934,757
Students' Country of Origin	Number of Students
China	47,447
Mongolia	2,508
Vietnam	1,928
Japan	1,190
United States	1,170
Total	54,273

Source: UNICEF 2013.