

Abstract

Capital Accumulation and State Intervention

- focusing on the economic policies of the Fifth Republic -

Park, Byung Young

Department of Sociology

The Graduate School

Yonsei University

A study of the state intervention is an essential part in understanding contemporary capitalism. This study attempts to delineate the form of Korean state by identifying the characteristics of the political regime through the analysis of the economic policies of the Fifth Republic.

First, in chapter II, I conceptualize the form of state and political regime, and examine the relationship between the state and capital accumulation. Form of state is concept that reflect the stages of capitalist development as well as the regulation modes of class conflict. A regime is defined to be a concrete embodiment of the form of state. Economic policies are measures for a regime to pursuit legitimacy and they are the results of conflicts among various social forces in a specific accumulation structure at the same time.

In chapter III, I briefly review the politico-economic crisis of the late 1970s which were the backdrop of the economic policies of the Fifth Republic.

Chapter IV investigates particular economic policies and their economic outcomes. The primacy was put on the stabilization of the economy, through the effects of the vitalization policies, which led to the counter-inflation income policy. Steps taken to solve the problem

of overinvestments in heavy industries brought the sacrifice of the other classes except the monopoly capital fraction. Korean market, at the beginning of the 1980s, was opened for harnessing inflation and reduction of labor cost. But after the mid-eighties, the range of the liberalization of market was rapidly widened with the surging trade pressure from the U.S. and the rise of the argument for strengthening competitive power. Under the uncertainty of international monetary market, liberalisation of capital market corresponds to the interest of monopoly capital which tried to facilitate the supply of fund and transfer of technologies. And privatization of banks means rearrangement of banking system for monopoly capital. It is taken for granted for the monopoly capital to control the rising demand of popular sector, especially working class. The analysis of agricultural policies and labor policies supports this argument. In sum, economic policies are interconnected to produce a reorganization of the economy on the behalf of export monopoly capital.

In chapter V, grounded on the analysis made in chapter IV, I figure out the characteristics of Chun regime and attempt to formulate the form of state in the period. Chun regime, a composite of the military and technocrats, had feeble autonomy over domestic and foreign monopoly capitals, which were the basis of regime's weak legitimacy. While the regime regulated the people (especially peasantry and proletariat) with violence. The analysis of the regime reaches a provisional conclusion that the dependent Fascism theory which theorizes the form of state of dependent state monopoly capitalism, is of significance for the analysis of Korean state.