



Right, Wrong, and Ahead: Why Moon Lost, Park Won, and the Road Forward

Jiyoon Kim & Karl Friedhoff

The Asan Institute for Policy Studies

Introduction

President-elect Park Geun-Hye has had an impressive year. While she was clearly the frontrunner to win the conservative nomination for president, her handling of a struggling party ahead of the National Assembly elections in April cemented that position. She then used that momentum to consolidate her base, as well as the once-fractured conservative party, and deliver a convincing presidential victory.

While some attention has been paid to what went wrong for Moon Jae-In on election day, little has been written on other factors effecting the progressive party. This Issue Brief will address those other factors, outlining the series of missteps that put Moon Jae-In in a less than ideal position to win the presidency. Ahn Cheol-Soo, Lee Jung-Hee, and a misunderstanding of voter turnout all contributed.

With the election only recently concluded, Korean society stands divided. Accordingly, there are significant challenges for both the Democratic United Party (DUP) and for President-elect Park. This Issue Brief concludes with how each will move forward and the prospects for

success.

The (Flawed) Math of Moon Jae-In

In the week leading up to the election there was increasing talk of a surge in support for Moon Jae-In. While on December 3 Ms. Park held a lead outside the margin of error, for every subsequent date, polling results were within that margin. Six days before the election the spread stood at 4.3 percentage points (pp), and in the last days of the campaign—during which time survey results were embargoed due to Korean election law although surveys were still conducted—the Asan poll produced a slight lead for Mr. Moon. Additionally, the initial reports of turnout levels on election day appeared to propel Moon Jae-In to victory.

While the Moon camp had predicted that a turnout of 75% or more would produce a Moon victory, it now appears that no matter how high the turnout he would have been unable to defeat Ms. Park. The miscalculation seems to have been born out of a flawed assumption about the way in which turnout in elections increases.

The most likely explanation is that when thresholds for a Moon victory were being calculated, turnout for those in their 50s and 60s were held at a near constant to their historical trends. In presidential elections since 2002, that turnout has been approximately 78%. Thus, by holding that turnout constant, calculations were then made on what kind of turnout would be required of those in their 20s and 30s to swing the election in Moon's favor. However, the core assumption of that model did not hold. While turnout among voters in their 20s reached 65%—13pp higher than the previous two presidential elections—turnout among those in their 50s reached a staggering 90%. Among all the focus on the youth vote, analysts seem to forget that old voters could also be galvanized. Moreover, the hourly reporting by major media outlets of high turnout likely gave elderly voters an increased sense of urgency, acting as a driving force to lead them to the voting booth. It was that galvanization that won the election.

A second part of the equation that worked against Moon Jae-In was that of simple demographics. While this story has only emerged in the media after the election, the Asan Institute's monthly Public Opinion Report for November/December made this point clearly. Korea is an ageing society, and since 2007 there has been a 4.6pp decline in the proportion of 20s and 30s in the total Korean electorate. Accordingly, there has been a 5.0pp increase

among the proportion of voters in their 50s and 60s. As is already well-established, these older voters overwhelmingly support Park Geun-Hye. Their increased numbers, along with their historically higher turnout, made the equation for Moon Jae-In even more difficult.

The Lee Jung-Hee Effect

Even though Lee Jung-Hee—the far-left candidate representing the United Progressive Party (UPP)—dropped out of the race shortly before the election, her impact resounded due to her performance in the first nationally televised debate. In that debate she made it clear that she was not taking part in the election to win, but stated that her sole goal was to ensure that Park Geun-Hye lose. This remark caused controversy across Korean society, with many feeling that she had hijacked the debate and had forced Moon Jae-In into the background, denying him a chance to make his case for the presidency in front of a national audience.

One of the repeated arguments throughout that debate made by Ms. Lee was that electing Ms. Park would be a return to the *Yushin* era, in reference to the controversial leadership of Park Chung-Hee when he ruled the country. This is indeed a serious issue, and one that dogged Ms. Park throughout the campaign. It was so serious that in late September she held a brief press conference to offer a formal public apology for those that suffered. She also introduced a bill into the National Assembly to provide compensation for those that suffered under her father's rule. However, the ferocity of Ms. Lee's attack on the issue served to trivialize it because of her reputation as a far-left, pro-North candidate. In doing so, she essentially eliminated this line of criticism from the tool kit of Moon Jae-in and his campaign. The worry was that if he were to continue that line of attack he would be lumped in with Ms. Lee, a criticism that may be stinging considering the DUP and UPP had formed a coalition ahead of the National Assembly election.

As noted, the real strategy of Ms. Lee was not to win the election. She had continuously polled at about 1% before dropping from the race, and so there was never any chance of her victory anyway. But her stated goal of ensuring that Ms. Park lose was also likely not the real goal. But by having been so aggressive in two debates, she clearly made her party the center of media attention. Considering the fact that a third party candidate in presidential elections usually becomes lost in the shuffle, her debate performance, although controversial, brought her party to the fore. In a practical sense, it was a success for both her and her party.

Ahn Cheol-Soo to Be Blamed?

In the months before the election, Ahn Cheol-Soo was a media darling due to his success in business, lack of ties to politics, and his call for a new era in deeply distrusted Korean politics. Of course, even though Mr. Moon stated in his concession speech that all the blame should fall squarely on his own shoulders, Ahn's campaign strategy and the Ahn Cheol-Soo factor seems to have been a liability.

According to previous Asan Institute surveys, Mr. Moon's most significant weakness was the fact that he was seen as President Roh Moo-Hyun's right hand man. Additionally, although he served as a high ranking government official—he was chief of staff to President Roh—this did little to strengthen the perception of him as a strong leader. Thus, the DUP's push to unify the ticket with Dr. Ahn aggravated that perceived weakness, and it re-emphasized the perception that he was not a candidate who could win on his own.

Being trapped in the Ahn Cheol-Soo frame, the DUP wasted too much time on unifying the ticket, and put too little time into developing Moon Jae-In's own brand. Following Ahn's unilateral withdrawal from the race, the surge in support for Mr. Moon stopped and it took nearly a week to see gains once again. Although the speed with which Moon closed the gap with Ms. Park was notable, it appeared to come too late to reverse the outcome. Overall, it was a critical mistake for the DUP and Moon's camp to get ensnared in unifying the ticket with Ahn. Dr. Ahn's late entrance and last minute withdrawal threw the party into confusion, and it delayed the important process of consolidating the progressive base.

The Road Ahead for the DUP

The clear defeat of Moon Jae-In likely spells the end for the Roh Moo-Hyun faction within the DUP. It will also mean the end of Moon Jae-In as party leader. While it is not yet clear where the party will go from here, there is certain to be significant turmoil and infighting in the coming months. The faction loyal to Kim Dae-Jung may now consider itself resurgent with the pro-Roh faction now in decline. But more importantly, it is still a story that comes back to Ahn Cheol-Soo. While it is speculative, if he decides to remain in politics, as he said he will, it will not be as an independent. Utilizing the aftershock moment of an election loss, Ahn may seek to establish his own party. If this happens, it will be interesting to watch the

flow of DUP defectors into Ahn's camp. In any case, a major reshuffle of the DUP is expected.

Challenges for Park Geun-Hye

The challenges facing Park Geun-Hye are immense. While those challenges are a mix of international and domestic, she will clearly be judged on her success at home rather than her success in foreign policy.

Ms. Park will face a trying first year domestically. This is especially true because of the serious divisions in society—48% of voters chose Moon Jae-In. Thus, she will face a very vocal, very large, less-than-forgiving minority. Reconciling the wounds, hatred, and division created during the election will be number one on her agenda.

At the same time, she will begin to address the increasing worries about Korea's economy. In a survey conducted immediately following the election, 40% cited solving the economic growth problem as her most important challenge. The next largest segment (13%) cited overcoming a polarized Korean society, and only 7% cited South-North relations. However, there is very little that President-elect Park can do to provide an immediate boost to the country's economy. An export-oriented country will always find times difficult when the world's major importers are experiencing sluggish growth.

Compounding this problem is the indebtedness of the Korean public. Household debt stands at greater than 160% of income, making a reorientation of the economy toward domestic consumption difficult lest that indebtedness be further exacerbated. At the same time, the lagging economy has prompted the Bank of Korea to undertake a series of rate cuts throughout 2012 with speculation that more cuts could be in the offing. This too could help drive household debt, creating a problem that will need to be addressed during her presidency. Of course, this problem is not new, but the Lee administration was never forced to seriously tackle it. However, there is growing consensus that something needs to be done, especially at a time when there is increasing pressure on the Korean consumer.

How exactly president-elect Park intends to address *chaebol* reform is unclear. While this is

certainly a core issue in rebalancing Korea's wealth distribution, she backed away from some of the more stringent reforms she had proposed earlier in the campaign. Now, with what could be considered a clear mandate from the people, the focus may be on economic growth and job creation rather than on reining in the *chaebol*. Tied up in these reforms will be both economic democratization and an increase in the safety net provided to the poorest of Korean society. While she has made campaign pledges on both of these fronts, keeping them will prove to be difficult.

On the international stage, Ms. Park will continue the strong alliance with the United States. Not only has she been a long-time supporter of it, public support for the alliance is at an all-time high. But at the same time, she has made it clear that she intends to reach out to North Korea in an attempt to move away from the hard-line policy that came to define President Lee over the past five years. While this runs the risk of creating tension between South Korea and the United States, the high level of coordination that the two countries employ should minimize any potential rifts.

Of course, over the past year the most obvious tensions have not been with North Korea, but rather with Japan. Disputes about textbooks, enforced sex slaves, and the Dokdo Islands have soured relations between the two countries. While Japan has recently re-elected Shinzo Abe as prime minister—a move expected to worsen tensions given Mr. Abe's previous tenure as PM—Mr. Abe recently decided to indefinitely postpone Takeshima Day, which was to be held in February. On the surface, this appears to be an attempt at reconciliation, or at the very least a move to not strain relations even further. President-elect Park will react to this positively, but the road to repairing relations between the two countries will be a long one.

Conclusion

The 2012 presidential election came at an important time for Korea. While its role and recognition are growing internationally, at home it is undertaking a fundamental re-think on the tenets which served it so well as it developed. Many of those tenets are now being seriously questioned. They have left society divided along generational, ideological, and regional lines. President-elect Park faces a difficult five years in office. From a range of domestic issues to the increasing challenges in the region, Korea now needs a leader capable of navigating complicated times. Whether or not that is the kind of leader taking office in February remains to be seen.

The views expressed herein do not necessarily reflect the views
of the Asan Institute for Policy Studies.



Kim Jiyeon is a research fellow and the director of the Public Opinion Studies Center at the Asan Institute for Policies Studies. Dr. Kim received her B.A. in Political Science and Diplomacy from Yonsei University, M.P.P. in Public Policy from the University of California, Berkeley, and Ph.D. in Political Science from the Massachusetts Institute of Technology. Prior to joining the Asan Institute, she was a lecturer at Concordia University, Sookmyung Women's University, and Chungang University. She was also a postdoctoral research fellow at Université de Montréal. Her research interests include elections and voting behavior, political economy, distributive politics in multiethnic societies, American political development, political methodology, and Korean politics. Recent publications include "Political judgment, perceptions of facts, and partisan effects" (Electoral Studies, 2010), and "Public spending, public deficits, and government coalition" (Political Studies, 2010).



Karl Friedhoff is a program officer in the Public Opinion Studies Center at the Asan Institute for Policy Studies. Prior to joining the Asan Institute, he was a program assistant at the Institute for Global Economics in Seoul. He earned an M.A. in international commerce at Seoul National University and a B.A. in political science at Wittenberg University. His writing has appeared in the Korea Herald and the Joongang Daily, he has appeared on the BBC commenting on South Korean elections, and he is a regular commentator on Korean domestic politics for Arirang TV.