

# Public and Private Partnership in the Seoul Olympic Games: A New Era of Cooperation in Korea

Dalgon Lee

Assistant Professor, Graduate School of Public Administration,  
Seoul National University

*This paper is concerned with the public and private partnership in and the privatization of the 1988 Seoul Olympic Games. The Seoul Olympiad turned out a big success in almost all aspects of preparation and operation. In particular, the close cooperation among the related governmental agencies, private firms, various social organizations, and families and citizens was a driving force behind the success of the Olympiad. The voluntary citizen participation in hosting the Olympics contributed to the efficient operation and will leave long-term effects on approaching urban problems. Although the motivation and incentive in participating in the event were different for each participant, it is true the cooperation was wide and deep. This seems to be a good paragon and experience for Seoulite as well as all Koreans in realizing the efficacy of voluntary participation in public affairs. The only problem we still worry about is the authoritative nature of the administrative guidance partly used in inducing the private firms to contribute to the Olympics.*

## I. Introduction

Seoul was the host city of the 24th Olympiad. The city is almost 600 years old, but was reborn in 1988 looking toward a bright future as a sports capital of the world as well as a harmonic and progressive center of culture, race, and trade, with a new relationship in the world communities. The Olympics have been a giant step forward for Seoul and Korea toward the new future. The Games brought a lot of changes to Seoul including an improved urban environment and a creative style of cooperation among the public, the private, the social sectors and individual citizen. In addition to the benefits to Seoul, the nation also has enjoyed the fruits of an enhanced national pride and improved relations with East-bloc countries and economic development.

The '88 Seoul Olympics had several unique aspects of management. One of them was the privatization of a large part of the human and financial resources needed in hosting the Olympics. Also, the citizen participation contributed to the success of the Game's preparation and operation. This paper addresses the public and private partnership in and privatization of the management of the Games. In particular, the following issues are

examined: first, the scope of cooperation and citizen participation; second, the role, motivation and incentive of each participant; third, the nature of the relationship between the public sector and other participating entities; and lastly, the lasting effects of such a public-private partnership and of privatization on the future of the community.

## **II. The Extent of the Partnership and Privatization of the Olympics**

### **1. Participating Entities for the Seoul Olympics**

The Seoul Olympic Organizing Committee (SLOOC) set five goals in managing the Seoul Olympics: Participation and Public Relations, Harmony and Humour, Achievement and Accuracy, Security and Service, and Economy and Efficiency. The first and the fourth goals could not be achieved without active involvement from citizen, and the last goal without help from the private sector. The importance of voluntarism and cooperation could not be overstated. This was especially true because the Seoul Olympics were prepared on a countrywide scale.

The participants came from every corner of society. The national government acutally initiated and created leadership in formulating and executing the policies to support SLOOC. The two presidents had been personally involved in preparing the Olympics and positively supported the leaders of SLOOC and other sports leaders. Under the Prime Minister's leadership, the Government Support Committee had the duty of deliberating and adjusting key policies related to the Olympics and extending administrative and financial support to the programs of SLOOC. On the other hand, the National Assembly Support Committee, created in a resolution adopted at an Assembly plenary session, was entrusted with the task of handling matters related to Olympic policies by, for instance, reviewing Olympics-related bills and studying project plans.

The Ministry of Sports was established in early 1982, and their job included the comprehensive planning and coordination of various programs, and supervision of the Olympics-related agencies and organizations. The Seoul Metropolitan Government formed the Olympic Preparatory Planning Corps to carry out tasks related to the Olympics. They included improvement of urban infrastructures, environmental regulations, urban redevelopment, and city beautification projects.

SLOOC was legally a special juridical foundation established by a special act in 1981, but the real characteristic could be best described as a quasi-public organization. The

chairman was appointed by the central government, e.g., the President, and other important top administrators came from the government or other athletic associations which were closely attached to the government. Half of its staff members were seconded temporarily from the government, some from the related private firms and social organizations, and the remaining staff members were recruited at the beginning of the preparation. Many of the additionally recruited members were supposed to work for the management of the Olympics-related sports facilities which will belong to the Korea Amateur Athletic Promotion Foundation. The other members should find new jobs with the support of the government and SLOOC after the Olympic.

Amateur athletic associations and their sponsors tried to find new athletes and improve the performance of Korean athletes under the leadership of the Korea Amateur Sports Association (KASA). The Korean Olympic Committee (KOC) was the communication channel between the International Olympic Committee (IOC) and SLOOC. The Nationwide Promotion Committee had several programs. Of its programs, those related to the local residents were handled by the Seoul Metropolitan Government and those related to overseas residents by the Ministry of Foreign Affairs. Its major function was to enlighten the people on, and publicize things about the Seoul Olympics.

Although the Olympic Charter says that the Arts Festival "shall be domestic in nature," the Seoul Olympic Arts Festival was indeed a beautiful blend of domestic and international. It showed the richness of Korean culture and the fantasy of famous international arts troupes, such as, the Bolshoi Ballet, the Kabuki, London Contemporary Ballet, etc. Many cultural organizations and the mass media played an active role in staging their performances. In addition, various international symposiums and seminars, including the 52nd PEN Congress, (International Association of Poets, Palywriters, Editors, Essayists, and Novelists) and the Seoul Olympic Scientific Congress, were held as a global literary "Olympiad."

In the Private Sector, many firms took part in the resource mobilization programs on volunteer basis as well as through administrative guidance from the government. Several business conglomerates took the advantage of the international event as an effective advertising opportunity. Communications, electronics, tourism, souvenir, sports, and advertisement industries boomed. In addition, the construction industry, which had faced recession due to the retreat from the Middle-East, found an excellent domestic market: Olympics-related stadia, the Olympic Village, Olympic Family Town, Han River improve-

ment project, downtown and shanty area redevelopment projects, urban freeways, several cultural facilities, and city beautification projects. Another powerful sub-center of Seoul was created around the Chamsil district where the Games took place.

The sponsorship, which IOC has created, is a world-wide marketing program pioneered by the Los Angeles Olympic Organization Committee. SLOOC took its mark (insignia) to nations around the world and had the mark protected. There was severe competition among domestic as well as international firms to obtain the right of using the mark on their products. This was one of the privatization approaches to raising revenues needed to manage the Olympic Games from the perspective of SLOOC and/or IOC. The issue of commercialism was not so serious as that of the Los Angeles Olympics, because the government sector participated actively in hosting the Games and SLOOC avoided several fundraising methods which had been criticized in Los Angeles.

A small number of business conglomerations contributed in various ways. They afforded free communication systems, torches for the Olympic flame, and many products needed in preparing the Games. Although gifts of money from the business sector were not clearly publicized, it seems very hard to sweep off the old tradition of government involvement suddenly. It is a well-known secret that the government asked for "voluntary" donations from large firms whenever there were big social events or problems. Nowadays, many businessmen complain that they are still burdened by "quasi-taxes" levied in the form of donations and contributions. Although such donations may be a kind of forced participation, not a voluntary one,<sup>1)</sup> it is also true that business community leaders are very proud of hosting the Olympics in Korea, whose development can be mainly attributed to their hard work.

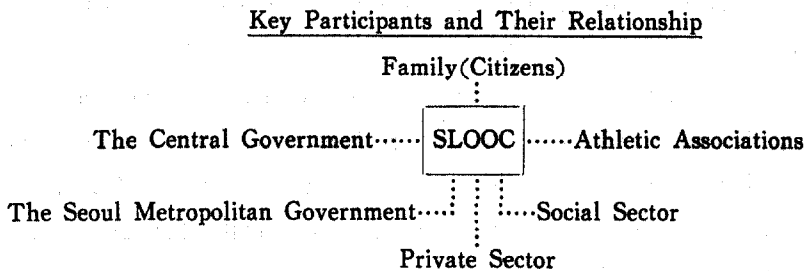
Many citizens, including middle and high school students, participated in the Olympics as members of corps of volunteers, opening and closing ceremony performers, and so on. Out of 16,223 ceremony performers, 13,000 were students. Although the decision to participate as performers was not made on an individual basis but on school basis, there was no serious complaint during the long period of practice in the Summer. The number of the corps of volunteers was more than 25,000, and they came from every corner of life, including many Koreans who live abroad. Many fellow citizens abroad sent significant donations. Without this spirit of voluntarism, the costs of the Games would have been huge and could not have resulted in a surplus. The Christian Science Monitor eulogized the Korean citizen as deserving gold medals for their kindness, beauty, and smooth

operation of the international event.

Private cars were restricted to every other day to smooth travel during the Olympics. The success or failure of the policy rested on the hands of Seoulites. Violators were subjected to no penalty, but they were asked to return to their homes. The rate of voluntary participation was more than 90 percent. When compared to other events, this high rate meant that citizens were seriously committed to the success of the Games. Many women's organizations were very active in executing the "city beautification" programs. Taxi drivers practiced foreign languages to help reduce communication difficulties. Many restaurants put their energy into improving the sanitary conditions of their facilities with the support of many women's associations and the Seoul Metropolitan Government.

## 2. Cooperation Among Various Participants and Their Relationships

In the above section, the participants and their activities were briefly described. In this section, various actors are categorized and their relationships are depicted diagrammatically.



The social universe can be divided into four sectors: public, private, social sectors and family or individual. Although the terms of public and private are sometimes confusing, they are used here following convention. The public sector, however, can be displaced by the state and the private sector by the market or private firms.

The public sector, whose main focus is the state, is the repository of collective power and official representative of the public. Its characteristic mode is coercion.<sup>2)</sup> In this case, the central as well as local government agencies definitely belong to this sector. The problem arises with SLOOC. As described above, the staff members are almost all public sector employees and their top level managers are appointed with close involvement of government officials. This argument is augmented by the fact that the Olympiad has been emphasized as an affair of state. Therefore, it seems justifiable that the '88 Seoul Olympic has been managed mainly by the public sector. This is a bit different from the '84 Los Angeles Olympic Games. In that case, the Games were awarded to a private

organizing committee because the taxpayers would not underwrite the Olympics and IOC had no choice.

The private sector denotes the market, the public setting for private commercial dealings whose characteristic mode is the calculation of profit. In relation to the Games, large business conglomerates, official sponsors, official suppliers, and other related industries mentioned above played an important role in financing the event. SLOOC said that the financial balance was surplus from their perspective. Domestic firms welcomed the Games and they took advantage of the event to advertise their products worldwide and improve the trade relationship with East-bloc countries. In the unique pattern of mixed economy, almost all Korean firms are in a very weak position vis-a-vis the government. They pay attention to the signals sent by the bureaucracy and political arena. Also, some businessmen recognize the importance of a good business environment in a mixed polity, and are ready to lend their talents and time and to work in financial and organizational partnerships with government.<sup>3)</sup> They realize the importance of social responsibility and the long-term effects of their social contribution to their balance sheet.

The social sector is a residual category. Its characteristic mode is noncoercive and nonprofit in a negative sense and cooperative in a positive sense. This category almost overlaps with the "Third Sector" category coined by Amitai Etzioni.<sup>4)</sup> This sector is marked by solidarity, responsibility, and performance in public, but the communal background to all this is wholly determined by voluntary association. Many social organizations actively participated the event in cooperation with the public sector: athletic associations, women's groups, schools, environment-related organizations, and so on. Although some of the associations receive government subsidies and support, and their managements are controlled by the state, others do not have any close relationship with the public sector.

The last category is the family. This is the genuinely private sector, whose characteristic mode of activity and interaction is intimacy. We depend upon the family for early socialization, and individual behavior is significantly influenced through family culture. Citizen participation can be done either on an individual or group basis. High rates of citizen participation in the traffic restriction policy and the number and seriousness of the volunteers proved that voluntary citizen participation could be a great asset in approaching urban problems in Korea. It was a successful social experiment which can be utilized for future social development. The extensiveness of such voluntarism was the first social

experience of its kind, and it was enough to demonstrate the efficacy of participation.

When the society is categorized in this way, "public and private partnership" means any cooperative mode of activities between the public sector and any one of the other three sectors or their combination. The role of each sector or citizen will be different. Given current terminology here, privatization involves assignments to the social sector as well as to the market, but most of its advocates are really market imperialists.

The governments and SLOOC represent the core of the public sector, and the athletic associations can be seen as a part of social sector. But the athletic associations are very closely located near the public sector because they are under the strict supervision of the Ministry of Sports, receiving subsidies. Each sector has a different relationship with the public sector. Leadership, human and financial resources are distributed differently according to their composite sectors and the use of power by the public sector can be limited to a certain relationship. The nature of the relationship will be analyzed in the next section.

### **III. The Nature of the Relationship**

#### **1. The Roles of the Public Sector in Managing the Olympic Games**

The government of the 4th Republic was interested in hosting the '88 Olympic Games. But the assassination of then President Park forced them to defer any specific plan related to the event. As former President Chun came in power, the government formed specific plans to host the '88 Olympics with the close cooperation of business conglomerations. They thought the Olympics would be helpful in hardening political legitimacy and an excellent opportunity for accelerating modernization process in almost every field of society. This optimistic view seemed to be based on the Japanese experience.<sup>5)</sup> The national government initiated and took the leadership in hosting the Olympics: hosting the event has been approached not merely as staging a sports event but as a priority national project integral to its broad development strategy. Because local autonomy was not in full blossom, the role of the Seoul Metropolitan Government, the official host city, was limited and followed the directions of the central government and related national political bodies. After the decision in Baden-Baden, West Germany, on September 30, 1980, the government articulated development goals, allocated resources, adjusted administrative structures and mobilized public interest and involvement. This was a familiar

job for the government. Also, for the fiercely achievement-seeking Koreans, the fact that Seoul was chosen as the host city of the Olympiad was in itself a great achievement to take pride in.

Olympic-related investment undertakings can be grouped into either direct or indirect projects depending on the degree of their linkage to the Games and method of fund raising. Direct projects, which again can be divided into two categories-one essential to SLOOC and its operation, and the other needed for facilities for the games-were financed in principle with project profits gained by SLOOC, called games fund, or private capital, while indirect projects, (those among the projects of relevant offices which need to be undertaken in parallel with the games preparations), were funded by either the national treasury, local loans or private capital.

The Seoul Metropolitan government initiated several urban projects related to games facilities and undertakings needed in upgrading the urban environment. The Seoul Metropolitan government and SLOOC built more than 10,000 dwelling units for the athletic village and the apartment complex was sold by tender. The profit was the revenue of SLOOC. Thus, the use of the market mechanism enabled the public sector to earn money. Indirect investment projects included the completion of the metropolitan subway system, urban redevelopment projects both downtown and in the outskirts, water supply and sewage facilities, street parks, Han River comprehensive development to create sports parks and resting areas and expand roads along the river, several museums of art and performance centers, including the Museum of Modern Art and the Palace of Art, and several urban freeways.

The Han River project was financed solely by selling the gravels excavated from the riverbed. The large scale downtown renewal and redevelopment of squatter districts was carried out by a unique public and private partnership. Private construction companies, the metropolitan government, and land owners shared the development gains. In the financial term, the government did not contribute anything to urban redevelopment. Because buildings and apartments have been in short supply, they have been able to enjoy premium prices far above their construction cost. The gap between the cost and the selling price was distributed among the participants. The only complaints were from tenants of tenement houses; they have not obtained the right to share the development gains.

## **2. Administrative Guidance and Quasi-Tax**

The relationship between the state and the private firm can be more properly depicted



through the angle of administrative guidance. Administrative guidance differs from orders issued in accordance with a certain act or law in that it is not legally enforceable. Its power comes from government-business relationships established since the early stage of economic development planning, respect for the bureaucracy, the ministries' claim that they speak for the national interest, discretion in allocating resources and credits, and various informal pressures that the ministries can bring to bear. The political authority, including the bureaucracy, has the means to get even with a businessman who refuses to listen to its administrative guidance. There is much evidence that the bureaucracy retaliated with force against an enterprise that rejected its advice or recommendation.

In some of its forms, administrative guidance is indistinguishable from a formal legal order by the government. Some government advice or policy statements refer to the obligation of the public to pay attention to and respond in good faith to properly drawn and published policies of the government, although penalties for noncompliance have never been specified. Generally speaking, few objections are possible when administrative guidance is couched in terms of the national interest. Although there are many laws in relation to business operations, the actual details are left to the interpretation of bureaucrats so that the effects can be narrowly targeted. Large areas of economic activity are covered by neither general law nor detailed cabinet or ministerial orders, but are left to administrative guidance. The power of administrative guidance is rather like the grant of authority to a military commander or a ship captain to take responsibility for all matters within his jurisdiction.<sup>6)</sup> Administrative guidance is a perfectly logical extension of the capitalist developmental state, with its emphasis on effectiveness rather than legality.

Although there has been debate about the democratization of economic operation recently, the existence of administrative guidance greatly enhances the ability of officials to respond to new situations rapidly and with flexibility, and it gives them sufficient scope to take initiative. But this cozy relationship between official and private entrepreneurs is open to abuse. Although there are published records of contributions or donations made from the private sector for the Olympics, it is easy to argue that the climate of the government-business relationship did not change drastically. For example, in 1986, the regular sports management expenses were 75.5 billion Won, of this 48.3 percent came from the government subsidies, 15.3 percent from 39 private sponsors who usually chair sports entry associations, 15.6 percent from localities, and 20.8 percent from related

athletic associations.

Many businessmen complained that they were still burdened by "quasi-taxes" levied in the form of contributions and donations. The Federation of Korean Industries found that quasi-tax accounted for 0.74 percent of their annual turnover in 1987. A few big businesses spent more than 1 percent of their earnings, or an average of nearly 1.4 billion Won. They expressed dissent at excessive payments solicited for some irrelevant projects, including the controversial Saemaul (New Community) funds. But they agreed that some donations, such as for the Red Cross or disaster victims, are justifiable. Spontaneity in payment and fairness in assessment are the keys to fund-raising efforts for a good cause. In relation to the Olympic Games, any moderate amount of donations required would not have been unjustifiable from this perspective.

In addition to the government-business relationship, administrative guidance has been exercised in relation to the social sector, such as, social associations, schools, and voluntary groups, etc, as well as individual citizens and family. The city beautification activities have been mobilized by the lower level of local government bureaucracies. Because all residents are formally organized by neighborhood organizations, called Bansanghoi, it is very easy to propagate urban programs and mobilize citizens' participation in various activities. The mobilization of participation in social events has been familiar to all corners of the society, and people have showed no strong resistance, though general sentiments have been changing recently.

### 3. Economic Aspects of the Games

It seems useful to look into major investments, sector by sector. The following figures include some portion of investments made for the Seoul Asian Games in 1986. The investment period covers from 1982 to 1988.

In the above table, direct projects include those essential to SLOOC, and needed for the operation of the Games, and for acquiring facilities directly used for the Games.

	Investment by Sector			(Unit: billion Won)
	Government	SLOOC	Private Sector	Total
Direct Projects(%)	198.3(13.4)	738.7(50.0)	540.7(36.6)	1,477.7(100.0)
Olympic Operation(%)	44.8(8.1)	503.1(90.9)	5.4(1.0)	553.3(100.0)
Direct Investment(%)	153.5(16.6)	235.6(25.5)	535.3(57.9)	924.4(100.0)
Indirect Projects(%)	641.6(66.2)	9.0(0.9)	318.1(32.8)	968.7(100.0)
Total(%)	839.9(34.3)	747.7(30.6)	858.8(35.1)	2,446.4(100.0)

Basically the expenses needed to operate the event come from various business activities of SLOOC. SLOOC developed many commercial programs, such as an accounting business, an Olympic marketing program, advertising business, commemorative medals, stamps and coins, souvenir sales, and the Olympic lottery. SLOOC preferred market arrangements to raise revenues in cooperation with IOC. It was possible because the goods were basically private goods.<sup>7)</sup> In a certain sense, SLOOC and IOC have been very creative in privatizing the Olympic games after a series of deficit Olympics. The direct investment category includes the expenses for Stadiums, Olympic-related apartments, communication facilities, etc.

Indirect projects include investments carried out for upgrading urban infrastructures and other Olympic supporting projects completed timely for the games. Two-thirds of the budget came from the central and local governments because they are basically public projects. For the projects the private sector could participate in accordance with market principle, private firms were welcome. Overall, the private sector contributed more than 35 percent of the total expenses. When the SLOOC expenditures are included, the majority of which come from the market, the share of the private sector is about 65 percent.<sup>8)</sup>

The direct economic effects of the Olympic Games were estimated. From the investment done for the event, about 344,000 jobs were created, and 1,896 billion Won of income, and 579 billion Won of imports resulted. Concerning the long run indirect impacts on the overall economy, economists are optimistic for the future. There might be short-term unemployment in the industries which produced Olympic-related goods, but the expected overall growth would absorb such a short-term, minor negative impact.

The use of domestically produced sports equipment enabled SLOOC to save about 2.36 billion Won. The domestic sports industry provided 72 percent of the total equipment ranging from tennis balls to canoes. The self-sufficiency rate of domestic sports goods by hosting nations of the Olympics was 33 percent in America during the '84 Los Angeles Games and 60 percent in the Soviet Union during the '80 Moscow Games. Only West Germany provided 75 percent of the total sports goods used in the Munich Games in 1972.

Businesses which heavily benefited from the Olympic boom are construction, sports, and tourism. The rush of foreign tourists during the Games period sharply increased the profits of companies operating tourist buses, rental cars, tourist hotels and inns. More than 24,000 foreigners came to visit in September and tourism is up nearly 20 percent

over last year. Major department stores turned their eyes to foreign markets, while rebuilding their images in the local market. There were several Korean products exhibitions in Tokyo and export contracts with foreign department stores were made. Such moves by big local retailers to host various kinds of exhibitions and advance into overseas markets reflect their efforts to enhance their image and maximize operational profits by riding on the favorable mood.

The cooperation from these businesses come from the expected profit motivation. The Olympic Village and Family Town, which is an apartment complex, is a good example. Because apartments are in short supply in Seoul, SLOOC made a large profit by publically tendering the apartments at premium prices. The premium was called as the donation for the Seoul Olympic Games.

Businessmen gloated that worldwide media coverage brought millions of dollars of free advertising which will benefit the country in tourism and trade. Large business conglomerates participated competitively in donating their products to SLOOC. Especially the electronic industries were very active in capturing the eyes of the game watchers and TV viewers all over the world. Color TV and VCR makers have been riding high on a tidal wave of demand created by the Seoul Olympic Games. The major market for the top three electronics appliance makers is actually overseas. Electronic home appliances are the second most powerful export engine for Korea, next only to textiles. The advertising motive seems one of the strongest incentives for business to donate resources to SLOOC without much resistance. Also, they calculated the long run effects of the event on their exports. They actually took advantage of the Olympic period in inviting many buyers and trade representatives from China, Soviet Union, and the East-bloc nations. Korea will emerge as a major supplier of industrial products. This is also in accord with the government intention.

#### **4. Citizen Participation**

Not always does the state encourage citizen participation. In authoritative political culture, citizen "participation" tends to be not on voluntary basis but on inducement or mobilization. In the bureaucracy a class of technocrats with elitist and paternalistic views and highly negative attitudes towards political participation became firmly established. These technocrats regarded the intervention of the public or interest groups in the planning and implementation process of their projects as a costly and time-consuming disturbance. They prefer to create a system of "participatory organizations" or plan to mobilize "participa-

tion." In this sense it was very hard to encourage voluntary citizen participation in general.

However, in the case of the Olympic Games, the situation changed. SLOOC and other government agencies realized that, in a certain program, their tasks could not be carried out without the help of individual or group participation. Without volunteers, the event would have resulted in a big deficit, and certain programs, such as traffic regulation and the opening and closing ceremonies would have been simply impossible. Although there were inducements to a certain degree for participation and some negative aspects of mobilization, it is also true that many citizens and social associations experienced the efficacy of voluntary participation. There was selfless devotion and hard work by over 27,000 local volunteers, including Korean emigrants who returned to offer their services in Seoul. The fact that 116,294 people applied for the volunteer service proved they were really enthusiastic in participating in the historical event. They accounted for 54 percent of the total personnel who worked for the Olympic Games.

Additional thousands of artists and schoolchildrens joined in presenting mass calisthenics and other musical and visual demonstrations to share in the gala of the opening and closing ceremonies. Their public-minded attitude deserves attention. The Seoul Metropolitan government started the home-stay program to not only relieve the shortage of accomodation facilities during the Olympics but also to introduce Korean culture and tradition to visitors. More than 500 families were willing to provide their homes for foreigners. The home-stay program was an unexpected success in bonding people together. The administration was able to lodge 514 foreign tourists from 31 countries in 337 private home for the Games. This experience awakened the nation to the beauty and need of volunteer service. Volunteer service should be available in all areas of social service-medical, counseling, childcare, and urban rehabilitation. More people ought to be inspired to do such beautiful volunteer work by virtue of increased public appreciation. Only a few insensitive cynics stayed aloof from the gala pageant of humanity for peace and harmony.

The high rate of participation in the traffic congestion control program helped to reduce the social costs accrued in the day-to-day life of the city. Many social groups and citizens were very active in participating in city beautification programs, including cleaning the streets and parks, and decorating apartments. These activities were accomplished by the hands of individual citizens in cooperation with the public sector: a typical form of coproduction.<sup>9)</sup> Without the cooperation of citizens, it would seem very hard to operate

the Olympics efficiently with positive economic impact.

#### **IV. The Effects of the Partnership and Privatization**

##### **1. Significance of the Cooperation**

The campaign for easing traffic congestion appealed for by the metropolitan authority was one of the most striking examples of voluntary participation. Although there were very minor exceptions, an absolute majority of people responded to the appeal. The success could hardly have been possible without the public spirit and the spontaneity of the entire citizenry. These fine qualities of the citizens were found through the event and they once again realized the ability of "We can do it!" The determination of millions of people helped ensure the smooth urban transportation. Street were kept well spruced up and clean. The manners of spectators at stadiums and the general hospitality of the local populace was fairly good except for one troublesome case. The event gave an opportunity to appreciate the spirit of the host culture. The event seems to be helpful in absorbing the experience into proud tradition.

The Seoul Olympics have given Korean people a chance to look at themselves among the family of men and women, to pause and breathe a little, and above all, to their our heads. They tried to locate their position in the development history of mankind. They experienced myriads of stormy voyage in the history of nation building. Koreans aren't Korean unless they feel "sad" when they are happy, extremely proud, or joyous. Koreans have known only tears, sorrows, and toil, as far as their collective memories can go back. But the Korean people have given the world the biggest and best Olympics mankind has ever known. Korean's attitude was viewed as rough from Westeners' view point.<sup>10</sup> "Hahn"—an elusive thing, an undying legacy inherited from our ancestors through a long journey of tears and sorrows—was reconciled! It has taken generations for Koreans to rid themselves of this painful and irrational burden. It's about time they said goodbye to their "Hahn." They overcame their long-lasting inferiority complex at last.

The majority of Koreans think the Seoul Olympics were a resounding success and will be greatly conducive to the development of the country, according to a survey.<sup>11</sup> The survey showed that 95.4 percent of the respondents rated the Seoul Games as excellently staged. About 3.4 percent of those surveyed estimated the conduct of the Games as so-so and only 0.9 percent rated them a failure. The survey found 91.5 percent

of the respondents believed that the Games would contribute to national development. Many people believed that Korea had bolstered its confidence through the successful staging of the Olympic Games. The determination of all Korean people helped ensure the success of the event. The collective memory of those kinds of incidents is very valuable to any community or developing nation.

## **2. Limits of the Cooperation**

There has been debate concerning the continuation of the Ministry of Sports which was established suddenly in 1982. From the perspective of the "small government" argument, the formation of another cabinet level Ministry was hard to justify even if there was the Seoul Olympics. The function of the Ministry could be carried out by other existing government agencies in cooperation with social and/or private entities. While many aspects of managing the Seoul Olympic Games were privatized through diverse forms of partnership and citizen participation, the establishment of new government agencies in the central as well as in the local governments can be pointed as limits for the efficient and economic management of the event.

SLOOC faced hard times in arranging new jobs for 843 of its 1,422 employees. The remaining 579 staff members, all picked up from government agencies, public corporations and commercial companies, are to return to their original posts. Although several measures, including about 400 positions in the Korea National Sports Promotion Foundation, are considered, the 60 section chief or higher level staff members would face problems.

There are criticisms about the extravagance of several programs. For example, many citizens doubted the cultural bash was worth its astronomical cost. They were successful in physical terms. But the lavish cost of bringing La Scala to Seoul at 4 billion Won, for only three days of engagement at that, has also been drawing curious public attention.

The anti-pollution campaign led by the government (the Environmental Administration) has received volutary support to a certain degree from citizens and business in the case of traffic regulation. But in relation to business, the government excercised a powerful influence implicitly or introduced new regulations. In July 1987, the government forced automakers to fit all new cars with antipollution devices. From September 1, 1988, the city's 933 big buildings switched their fuel from coal and Bunker-C oil to natural gas recently arrived from Indonesia. Strict environmental regulations put severe burdens on certain industries. Several pollution-raising factories were temporarily closed or cut down

their operation. Because business has been accustomed to such ad hoc regulation, no serious resistance has been notable.

Some Koreans, including dissidents and radical students, have been critical of the Olympic Games. They charged the international event was used by the government to cement its control and obscure questions about its legitimacy. They criticize that the induced volunteers were mobilized to a certain extent, and the government invested huge money in staging the Game. Many urban poor experienced terrible times due to the speedy redevelopment projects on the outskirts of Seoul. They argued that the urban poor was not interested in the event nor had time to enjoy it, receiving no benefits from hosting the Games.

## **V. Concluding Remarks**

The effects of hosting the Olympic Games on Korean people are very diverse and their impact cannot be overemphasized. They also gave an excellent opportunity for the people to realize the importance of partnership and voluntary participation in approaching public events and urban problems. Officials and journalists from all over the world praised the enthusiastic cooperation of the local population, which was committed to the most successful festival of humanity for peace and harmony. 79 out of 100 foreign reporters covering the Seoul Olympics said that operational staff members of SLOOC and volunteer workers were very faithful and very kind. Another 20 said they were not properly trained and made mistakes.

The leadership and initiative have come from the public sector, the President and ruling party gave a full support in almost every aspect of the management. They emphasized the Olympic Games was not a simple sports event hosted by Seoul city, but a national undertaking connected to the history, security, economy, culture, society, and life-style of the nation. They took the opportunity to launch the nation's second take-off stage to becoming of an advanced nation, changing the course of national history. They poured every ounce of national energy to being the successful host of the international event. Also, it was true that the citizen realized the opportunity as a rare occasion they had not experienced during their lifetime. They were excited. To a majority of citizens it was shameful not to participate in such a big event with curiosity. This attitude instigated voluntarism.



How much this euphoric momentum will affect the running of the nation is questionable. But most feel that in the long run, Korean people's experience will be utilized to unite themselves. When people feel good about themselves, when their ego gets a big dose of confidence, they act differently, domestically as well as internationally. Korea undoubtedly will show confidence as a stronger, more independent voice in trade and foreign policy matters.

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