Politics in South Korea were in turmoil in early 2007. The governing Uri party (Yöllin Uri-dang), which had not only done badly in the local elections of May 2006 but had also lost every single by-election since its landslide win in the 2004 general election, was on the verge of break-up. As a consequence of the defection of a number of National Assembly members, the Uri party lost its status as the biggest parliamentary party in January 2007. President Roh Moo-hyun, whose popularity had hit rock-bottom in 2006, announced that he would leave the party. This step was widely interpreted as an attempt to revive flagging support for the Uri party. With less than nine months to go until the presidential election of December 2007, it remained unclear whether the governing party would be able to field a viable candidate or, indeed, whether or in what form the party would continue to exist at all. In the following overview, we will highlight domestic political and economic developments in the twelve months up to the end of March 2007.

1.1 Electoral defeat for the governing party

In the nationwide local elections taking place on 31 May 2006, nine governors of provinces, seven mayors of metropolitan cities, 230 heads of local administration, 733 provincial and metropolitan assembly members and 2,888 members of city, county and ward assemblies were chosen. Election turnout stood at 51.3 percent, i.e. 2.7 percentage points higher than in the preceding local elections. A particular nasty incident took place during the election campaign when the then chairwoman of the Grand National Party (GNP, Hannara-dang), Park
Geun-hye, was knifed by a ex-convict who claimed that he had been falsely imprisoned for 14 years. Park had to be hospitalised and her assailant was later sentenced to (another) 11 years of imprisonment.

The May 2006 nationwide local elections resulted in a major triumph for the GNP. While the governing Uri party managed to win only one of the 16 major posts up for grabs (the governorship of North Cholla province), the GNP prevailed in twelve gubernatorial and mayoral races. The GNP was not only victorious in the mayoral contest in the capital city of Seoul (where Oh Se-hoon succeeded Lee Myung-bak) but triumphed in the greater Seoul region as a whole. The GNP, aided by the majority-favouring electoral system, won all directly elected 96 seats in the Seoul city council and captured the governorship of Kyonggi province and the post of mayor in Inch’on, the transport hub in the vicinity of the capital. Even the small oppositional Democratic party (from which the Uri party had originally emerged) was more successful than the governing party, gaining governorships in two provinces. The final governorship fell to a nominally independent candidate. Of all available posts and seats, 13.6 percent went to women (in 2002, 3.2 percent had done so); this significant rise was, however, mainly due to new quota rules pertaining to party lists.

Even though a defeat of the governing party had been widely expected in the face of plummeting support for both the Uri party and President Roh Moo-hyun, the sheer scale of the Uri party’s election debacle stunned observers of South Korean politics. The election made it clear that sizeable shares of voters who had contributed to the landslide win of the Uri party in the 2004 general election had deserted the governing party in the directions of both the GNP and the opposition progressive Democratic Labour party. While the latter group felt that the government had not made good on its reform promises, the first group were clearly unhappy about the haphazard policies of the government and the ideological bent of parts of the Uri party’s elite cadre. Chung Dong-young, chairman of the Uri party, stepped down on 1 June 2006 to take responsibility for the party’s crushing electoral defeat. His successor Kim Geun-tae became the Uri party’s eighth chairman in two-and-a-half years. Voter dissatisfaction with the Uri party did not subside after the local elections: in nine parliamentary and local by-elections taking place in late October 2006, the governing party failed to pick up a single seat. The two National Assembly seats at stake went to candidates from the GNP and the Democratic Party.