Civilisational Values and Political Economy Beyond the West: The Significance of Korean Debates at the Time of Its Economic Opening

Hyoung-kyu Chey
National Graduate Institute for Policy Studies (GRIPS)

Eric Helleiner
University of Waterloo

This is an Accepted Manuscript of an article published by Taylor & Francis in Contemporary Politics on December 6, 2017, available online: https://www.tandfonline.com/doi/full/10.1080/13569775.2017.1411418

For supporting this research, Eric Helleiner is grateful to the Social Sciences and Humanities Research Council of Canada, Grant 435-2015-0571
Scholarship in the field of international political economy (IPE) has increasingly devoted attention to how civilisational values have shaped historical understandings of international economic relations. Particularly prominent has been work highlighting the Eurocentric metanarratives embodied in the 19th and early 20th century Western political economy debates that created the foundations of the modern field of IPE (e.g. Hobson 2013a, b; Blaney and Inayatullah 2010). Scholars such as John Hobson (2013b) have argued that only by recognising and transcending these intellectual foundations can a more truly ‘inter-civilisational’ IPE emerge in the current era.

Within this growing body of scholarship, much less attention has been devoted to the question of how civilisational values informed thinking beyond the West about international economic relations during the 19th and early 20th centuries. One important exception, however, is Cristina Rojas’ (1995, 2002) analysis of Latin American debates about free trade in the mid-19th century. Focusing on the case of Colombia, she shows how creole elites embraced free trade ideas at this time as part of their wider commitment to import Western civilisational values. She also shows how these elites rejected any active role for the state in promoting local industry because the latter was dominated by artisans whose character they considered ‘uncivilised’ and whose products were not in keeping with the imported styles they preferred (Rojas, 2002, p.105).

Building on the research agenda paved by Rojas’ work, this paper explores a second case in which civilisational values strongly influenced discussions about international economic relations in this period. The case involves Korean debates in the late 19th and early 20th centuries about their country’s dramatic opening to the world economy at the time. These debates are rarely mentioned by IPE scholars, even by those interested in history of thought in political economy. But historians have generated a growing body of scholarship that highlights their rich and fascinating content. Drawing upon this literature and supplementing it with our own reading of primary texts, we highlight the prominence of the civilisational issues in these political economy debates. At the same time, we argue that the Korean discussions are particularly important because they displayed quite different dynamics than the ones Rojas analysed in the Colombian case.

After a brief historical overview, the paper first explores the arguments of Korean advocates of their country’s economic opening. Like Colombian free traders, these thinkers backed this policy change on the grounds that it was part of a wider embrace of Western civilisational values. In contrast to the Colombian case, however, they also invoked those values in defence of a state-led developmental economic strategy that was designed to bolster their country’s wealth and power. In other words, while commitments to Western civilisational values undermined developmental policies in Colombia, they had the opposite effect in Korea. The case highlights the importance of recognising how dominant foreign ideas can be adapted – or ‘localised’ (Acharya, 2004, 2009) - in peripheral contexts in very distinctive ways.

The paper then turns to show how the Korean case was also distinctive in a second way: Western civilisational values were not the only foreign ones invoked in the debates about economic opening. Korean opponents of economic opening defended their
country’s longstanding economic autarchy on the grounds that it upheld traditional Neo-Confucian values that had been imported from China. The Korean debate about economic opening was thus linked to a deeper clash between two distinct foreign civilisational values, each of which contributed to the construction of a completely different conception of political economy. Moreover, proponents of autarchy did not just invoke the Chinese civilisational standard but also ‘localised’ it, adapting its content to fit the Korean context at the time. The Korean case thus provides a fascinating example of how debates outside the West about international economic relations could be influenced by the diffusion and localisation of not just Western civilisational values but also non-Western ones.

The paper concludes by summarising the significance of this analysis for three bodies of IPE scholarship. First, for scholars interested in the historical relationship between civilisational values and political economy, it shows how these values shaped understandings of international economic relations not just within the West but also in non-Western contexts during the 19th and early 20th centuries. While building on Rojas’ work in this way, the analysis also shows how the relationship between civilisational values and political economy displayed quite distinct dynamics in different non-Western contexts. Second, the analysis also contributes to IPE literature examining the international diffusion of ideas. On one hand, it reinforces recent literature highlighting the importance of the agency of actors in ‘receiving’ countries in localising the ideas of dominant powers (Acharya, 2004, 2009, Ban, 2016). On the other, it encourages IPE scholars to devote more attention to how these localisation dynamics can involve both Western and non-Western ideas. Finally, the paper’s arguments are also significant for scholars seeking to build a more ‘inter-civilisational’ IPE today in two broader ways. In an age of rising non-Western powers, this Korean history serves as an interesting precedent for the kinds of competing Western and non-Western ideational influences that may be experienced by many less powerful countries in the coming years. Our analysis also contributes to widening IPE scholars’ understanding of 19th and early 20th century political economy debates to be more inclusive of non-Western thinkers.

From Hermit Kingdom to Economic Opening

To understand the Korean debates of this time period, it is necessary first to describe the dramatic change in Korean foreign economic policy that took place in the late 19th century. Before the 1870s, Korean authorities had strongly resisted Western pressure to break open Korea’s traditionally closed economy, including initial efforts by the British in 1832 and 1845, and aggression by the French in 1866 and the United States in 1871. The Korean government resisted not just free trade but any kind of economic relations with Western powers.

Korea’s foreign reputation as a ‘Hermit kingdom’ was not entirely deserved since Korea did engage in limited trade with Japan and China. But even that trade had been very strictly controlled since the 17th century. Under an agreement signed in 1609, Korea had insisted that Korean-Japanese trade be restricted to that between the Japanese domain of Tsushima and Pusan, and only under very specific conditions (Kim, 1980, p.30). In the case of China, some trade took place in the context of the regular envoys that the
Korean government sent to the Chinese capital as part of its vassal state status. Since the founding of Joseon Dynasty (1392-1897), Korean leaders had embraced the idea that the Chinese emperor was the son of heaven governing the world as a universal empire from China as the cultural centre of civilisation. In this Confucian-inspired ‘Chinese world order’, the Korean leader derived his legitimacy from the Chinese emperor’s blessing and he acknowledged this subordination through sending regular tribute to Beijing (Fairbank, 1968). In addition to providing tribute goods, Korean merchants and officials on these missions were allowed to trade privately during their brief stays in Beijing. The Korean government also allowed some strictly controlled trade at the Korean-Manchurian border (Kim, 1980, pp.7-11).

The first step in the late 19th century Korean economic opening took place in 1876 when, in context of Japanese military pressure, Korean authorities agreed that Pusan and two other ports could conduct unrestricted trade with Japan (unmediated by Tsushima) (Deuchler 1977). Chinese authorities had encouraged Korea to sign the 1876 treaty with Japan in order to avoid a Japanese-Korean war in which China would have had to become embroiled (Hwang, 1978, pp.63-4,66; Larsen, 2013, p.243). Responding to Korean political unrest in 1882, the Chinese government then strengthened its political influence over the country in much more interventionist ways than in the past, including a direct military presence, the placement of advisors in the government, and the creation and staffing of a new Korean Maritime Customs Service. Although Korea continued to send formal tribute missions to China until 1892, Chinese authorities seemed determined to transform the country into what Park (2013, p.295) calls a ‘Western-style protectorate’.

As part of its new Korean policy, China signed a trade deal that opened up the country in 1882 for the first time to Chinese merchants. In order to offset Japanese and Russian influence and avoid conflict with Western powers, Chinese authorities also encouraged Korea to sign trade treaties between 1882-84 with Western powers such as the US, the UK, Germany, Italy and Russia (Deuchler 1977). In addition to opening to trade in these ways, the Korean government also began at this time to welcome foreign capital, granting 23 concessions to foreigners (especially Japanese) between 1883-98 in sectors such as railways, telegraph, electricity, and resource extraction (Chandra, 1988, p.143). Japan’s victory in the Sino-Japanese war of 1894-95 then ended China’s control of Korea and ushered in a period of growing Japanese economic and political influence that culminated with formal colonisation in 1910.

The dramatic opening of Korea to the world economy that began in the 1870s was clearly a process in which external pressure – particularly from Japan and China – played a central role. But domestic politics were also important. Korean supporters of economic opening existed already in advance of the country’s 1876 treaty with Japan and they became more influential after the early 1880s (Deuchler, 1977, pp.91-2; Hwang, 1978, pp. 70-1, 81; Choi, 2014, p.105; Huh, 2005). The most prominent supporters of economic opening in the late 19th and early 20th centuries were a group of gaehwa (‘enlightenment’) thinkers who also called for an end to Korea’s tributary
relationship with China and the introduction of a Western-inspired domestic reform program to bring ‘civilisation and enlightenment’ to Korea.\(^1\)

**The Gaehwa Group**

Because of the link they drew between economic opening and civilisational values, the ideas of this *gaehwa* group are of particular interest to us. Before analysing these ideas, let us briefly describe who the leading figures in this group were. In advance of the 1876 treaty with Japan, the most prominent proponent of economic opening and ambitious domestic reform was Bak Gyu-su (1807-77). His views emerged after he returned from an official tribute mission to China when he became convinced of the need for Korea to avoid China’s fate in the face of the new Western threat. In the early-to-mid-1870s, he urged domestic reform and ‘opening the country voluntarily’ (quoted in Hwang, 1978, p.81).

The *gaehwa* group is usually associated with the subsequent generation of reformers who followed in Bak Gyu-su’s footsteps. The most important of these was Yu Kil-chun (1856-1914). Yu first became interested in the West through his discussions with Bak Gyu-su in the mid-1870s. He then became the first Korean to study in Japan and the United States in the early 1880s (Choi, 2014). After returning to Korea, he was placed under house arrest between 1885-92 because of his association with reformers involved in an unsuccessful 1884 coup. In that time, he wrote a book (completed in 1889 but not published until 1895) titled *Seoyu-gyeommun* (Observations on Travels in the West). Finch (2002, p.20) describes this as ‘undoubtedly the most influential Korean treatise on modernisation in the closing years of the Choson [Joseon] era’.

Bak Gyu-su also directly influenced other prominent members of the *gaehwa* group such as Kim Ok-gyun (1851-94), Eo Yun-jung (1848-96), and Bak Yeong-hyo (1861-1939) (Hwang, 1978, pp.81-2; Lew, 1977; Huh, 2005, pp.35-8; Cook, 1972, pp.29-31). Another significant *gaehwa* thinker was Soh Jaipil (1864-1951), who – along with Yu Kil-chun, Eo Yun-jung and Bak Yeong-hyo – played an active role in the 1894-5 reform government, and then popularised *gaehwa* ideas through his creation in 1896 of Korea’s first modern private newspaper, *The Independent* (*Dokrip-Sinmun*). One of Soh’s students, Rhee Syngman (1875-1965) also deserves special mention for his 1904 book (published in 1910) titled *The Spirit of Independence*, a work that Lew (2001, p.xii) describes as ‘the best’ of the *gaehwa* literature of late 19\(^{th}\) and early 20\(^{th}\) centuries. Completing that book while imprisoned for subversive activities, Rhee went on to earn a PhD in politics from Princeton and later became the first president of South Korea in 1948.

---

\(^1\) For the English alphabet spellings of Korean words, we adopt the current official Romanisation system of the Korean alphabet (*Hangeul*) set by the Notification No. 2014-42 of the Ministry of Culture, Sports and Tourism of Republic of Korea on December 5, 2014. There are some exceptional cases, however, for which we follow their conventional English spellings in order to minimise confusion for readers.
The Western civilisational standard

These figures – and others associated with gaehwa thought – did not agree on everything, but they shared a commitment to bring ‘civilisation and enlightenment’ to Korea (Schmid 2002). By this, they meant adopting ideas and practices that brought the Korean nation and its people up to standards reached in the wealthier and more powerful countries of the West. While Korean intellectuals had traditionally looked to Chinese civilisation for inspiration and models, these thinkers criticised China’s poverty and weakness in comparison to the countries of the West and called for a reorientation of Korean worldviews towards the latter.

The gaehwa group’s appeal to Western civilisational standards shared some similarities to that of the Colombian elites at this time analysed by Rojas (1995, 2002). There was, however, an important difference. The desire of elites in Colombia (and elsewhere in Latin America) to follow Western civilisational ideals had a long history, dating back to the Spanish colonial period, and it was associated with the preservation of their domestic social position. In the mid-19th century period, Rojas argues that the civilisational aspirations of male Colombian creole elites was linked specifically to the consolidation of their control at the time over domestic groups such as mestizos, blacks, women, and Indians. By contrast, the embrace of Western civilisational standards by the Korean gaehwa group was very new and it reflected their desire to fend off the new external threats facing their country.

Because these threats emanated from wealthier and more powerful states, their core goal was to undertake reforms that would boost the wealth and power of Korea. The reciprocal relationship between national wealth and power was stressed by gaehwa thinkers. For example, an essay in the newspaper Hanseong-Sunbo, which gaehwa thinkers used to ‘enlighten’ people (Kim, 1989a, p.121), preached the following: ‘There is no powerful nation that is not wealthy, and there is no wealthy nation that is not powerful. For a nation to be powerful, it should become wealthy first’ (Hanseong-Sunbo, 1884a). Similarly, another Hanseong-Sunbo (1884b) essay comparing the mighty West and feeble China argued: ‘Wealth comes from power, and Power makes wealth. Wealth and Power are the causes for each other’.

From the gaehwa perspective, the best way to pursue ‘wealth and power’ was to emulate Western states that were the wealthiest and most powerful in the world. Embracing a Western civilisational standard, in other words, meant adopting the ideas and practices of those states that helped to cultivate national wealth and power. Schmid (2002) notes that Korean reformers did not see Western civilisational values as permanently superior. Although Western countries were seen to be at the forefront of human advancement, reformers argued that other societies – including Eastern ones – had contributed in the past to global civilisational progress and they could do so again if they caught up to the West. Underlying this worldview was a stage theory of human progress that differed from traditional Confucian cyclical views of history (Chung, 2006; Kim, 2012). In the minds of Korean reformers such as Yu Kil-chun, their country had reached a ‘semi-enlightened’ stage, one step above ‘unenlightened’ but below the
‘enlightened’ status of the West to which they aspired (quoted in Choi, 2014, p.111). If their country was successfully reformed, it could reach the higher stage.

The imperative to undertake these reforms was the need for survival in a new Western-dominated global context characterised by intense inter-state competition (Lee, 2000, pp.42-3; Rhee (1910[2001], p.254). For gaehwa thinkers such as Yu Kil-chun, this world of intense inter-state competition was not just threatening to Korea’s existence. Drawing on Western social Darwinist thought that he picked up from thinkers in Japan and the US, he argued that it was also a positive force for human progress because it encouraged countries to reform in order to survive (Tikhonov, 2010. ch.2; Choi, 2014, p.109). As he put it in a paper titled ‘On Competition’ written in 1883, ‘If states did not compete with each other, how could they increase their strength, wealth, and prestige?’ (quoted in Tikhonov, 2010, p.25).

This social Darwinist logic had become a dominant ideology and justification for reforms in Korea by the early 1900s (Tikhonov, 2010). It encouraged Korean interest in countries such as Egypt and Vietnam which had become colonised, a fate that Korean reformers blamed on those countries’ failure to reform sufficiently (Tikhonov, 2010, p.204). From the standpoint of gaehwa thinkers, Korea needed to avoid a similar destiny by cultivating a stronger sense of national purpose and identity to respond effectively to the world of inter-state competition. As Soh Jaipil put it in The Independent in 1896: ‘What makes Korea so weak as a nation is that the people are not united in their sentiments…they do not appreciate the common fate in which they are bound together’ (quoted in McNamara, 1996, p.80; see also Schmid, 2002; Chandra, 1988, ch.6).

The gaehwa group’s appeal to Western civilisational values was thus associated with a strongly developmental pursuit of national wealth and power. This situation contrasted sharply with the Colombian context where the creole elite’s ‘will to civilisation’ was associated with very different goals that defended elite privilege and undermined national developmental initiatives. The ways in which Western civilisational values could be infused with such different meanings in the process of their diffusion to non-Western contexts highlights the importance of what Amitav Acharya (2004, 2009) has called ‘localisation’. Acharya uses this term to refer to the way that local agents translate and adapt ideas diffusing from dominant powers in ways that fit their local circumstances and intellectual traditions (see also Ban, 2016).

In the Korean case, gaehwa thinkers ‘localised’ Western civilisational values in the context of the severe external challenges their country faced. Local intellectual traditions also shaped the gaehwa group’s interpretation of the meaning and significance of Western civilisation values. For example, in their efforts to understand the new threatening international environment they faced, Korean reformers – like their Japanese and Chinese counterparts – drew on a much older ‘legalist’ tradition in Chinese thought that prioritised the pursuit of state ‘wealth and power’ during the period of the Warring States (403-221 BC). To Koreans steeped in classical Chinese learning, this history provided an important reference point for interpreting the new Western civilisational norms. Here, for example, is how the Korean monarch discussed
with his officials the new threatening international environment his country was facing in 1881: ‘Is it the same as in the Warring States period in ancient China, when only enrichment and strengthening were sought after?’ Eo Yun-jung replied: ‘That is really the case’ (quoted in Huh, 2005, p.38). In a long 1888 ‘Memorial on Enlightenment’ addressed to the monarch, Bak Yeong-hyo also invoked the analogy, arguing that ‘The world today resembles the Warring States Period of China’ (quoted in Lee, 2000, pp.42-3).

The gaehwa thinkers’ interpretation of Western civilisational values was also filtered through the East Asia intellectual environment of the time. For example, Korean reformist thinking about the sources of Western power and wealth was initially heavily influenced by an earlier prominent analysis of the West by the Chinese scholar Wei Yuan (Choi, 2014, p.105; Hwang, 1978, p.81; Lee, 2000, p.36fn1; Tikhonov, 2010, p.24). Written in the wake of the first Opium War, Wei Yuan’s 1844 work – which was also influential in Japan – had argued the West’s strength was grounded not just in superior military technology but also in the West’s focus on commerce backed by state power (Leonard, 1984).

The ideas and actions of Japanese reformers also influenced gaehwa thought. For example, Fukuzawa Yukichi, the famous Japanese reformist thinker, developed a close relationship with figures such as Yu Kil-chun and Kim Ok-gyun in the early 1880s when they travelled to Japan. Many gaehwa ideas drew directly on his thinking, including the broad ‘civilisation and enlightenment’ framing of gaehwa thought. Some content and even vocabulary in Yu’s famous 1895 book was also modelled on Fukuzawa’s 1869 analysis of the West (Seiyo Jijo) (Choi, 2014; Huh, 2005; Lew, 2001, p.43; Schmid, 2002, pp.110-1). After 1868, the actions of the Japanese Meiji leaders – whose slogan ‘rich nation, strong army’ drew inspiration from ancient Chinese legalist thought (Samuels 1984, pp.35-6) – also served as an example to Korean gaehwa reformers (Lew, 2001; Tikhonov, 2010, p.66; Rhee 1910[2001], p.148).

The case for economic opening

If the goal of reaching Western civilisational standards involved the pursuit of national power and wealth, how did this objective translate into gaehwa group’s support for Korean economic opening? In the Colombian case, one way that elite commitment to Western civilisational values translated into support for free trade was that it encouraged respect for the authority of Western economic liberal thought. In a more practical sense, free trade policies also enabled elites to import European clothing and other luxury products that distinguished their class (Rojas, 2002, 111-6). These links between Western civilisational values and support for free trade were present in other Latin American countries at this time as well. For example, Gootenberg (1989, p.131) describes how Peruvian liberals in the early 1850s invoked not just the authority of foreign free trade theory but also a “rights” to luxury’ argument in their successful campaign to introduce free trade policies.

Korean gaehwa thinkers did not echo these Latin American concerns about importing luxury goods, but they were certainly influenced by the authority of the ideas of
Western economic liberalism and invoked them in support of the economic opening of their country. For example, Rhee (1910[2001], p.254) called attention to how commerce – both domestic and international – encouraged a beneficial division of labour. He and others also sometimes followed Western liberals in highlighting the cosmopolitan benefits that would stem from economic openness. For Rhee, Korea’s ‘unused’ resources needed to be made available to people in foreign countries ‘who face death due to the absence of resources’. As he put it, ‘How can we be so selfish as to ignore the suffering of others and refuse contacts with the rest of the world?’ (Rhee, 1910[2001], p.65). Yu Kil-chun also argued that trade would boost international goodwill (quoted in McNamara, 1996, p.82).

But the main focus of gaehwa thinkers was on the benefits of economic openness for Korea rather than the world. These economic benefits were cast as boosting not just Korea’s wealth in the ways that economic liberals described but also its power. This ‘wealth and power’ framing highlights how the link between Western civilisational values and support for economic opening worked not just through authority of Western economic liberalism. Gaehwa thinkers also backed economic opening because they believed this policy reform would facilitate the pursuit of national power and wealth that they deemed necessary to meet Western civilisational standards.

In what ways did they think economic openness would bolster Korea’s power and wealth? To begin with, it would create new markets for Korean goods and enable imports of useful manufactured products, advanced foreign technology, and foreign knowledge (Lee, 2000, pp.53-4; McNamara, 1996, pp.51, 83; Rhee, 1910[2001], pp.54-8, 64-6; Chung, 2008). Yu Kil-chun also argued that openness would foster ‘the aggressive spirit of competition’ that Korea needed to survive, in contrast to the stagnation that he associated with autarchy (Lee, 2000, pp.52-3). As he put it in 1883: ‘Look at European countries and America. Haven’t they thrived with greater wealth and power because they have expanded traffic and interaction with even far-off countries, in addition to having closely associated among themselves for hundreds of years?’ (quoted in Lee, 2000, pp.52-3).

The link between economic opening and state-building goals was also apparent in some other arguments advanced by gaehwa thinkers. For example, McNamara (1996, p.51) notes how advocates of international trade argued that ‘[o]pening ports to foreign trade would enrich the national treasury’. In an era when the Korean state’s capacity to raise revenue from other sources was limited, tariff revenue from expanding trade was very important. By 1905, its size had grown to be over ten times that in 1886 and to a value that was over twenty percent of the total spending of the Korean government at the time (McNamara, 1996, p.28). Gaehwa thinkers also noted that the protection of Korean sovereignty would benefit from the fact that trade between Korean and foreign powers required the establishment of diplomatic ties between them (Chung, 2008, pp.34-5; Kim, 1989b, p.227).

Their concern for ‘wealth and power’ led gaehwa thinkers to call for a more active role for the state in promoting Korea’s economic interests than many Western economic liberals would have endorsed. For example, government promotion of domestic
manufacturing was seen as important because industrialisation made an important contribution to national power and rising incomes (Yu, 1895[2004], pp.385-6; Shin, 2000, p.90; Rhee 1910[2001], p.261). Gaehwa thinkers also expressed concerns about the growing role of foreign (especially Japanese) merchants and bankers within Korea who appeared to be reaping the bulk of the gains from trade and finance, and threatened Korea’s sovereignty (Chandra, 1988, pp.141-2; Tikhonov, 2010, pp.73-7; Rhee (1910[2001], pp.236-7). To address these problems, some gaehwa thinkers suggested limits on the business activities of foreigners in Korea as well as the use of tariffs (Shin, 2000, p.98; Rhee 1910[2001], p.246; Tikhonov, 2010, pp.70-1, 145).

To encourage Korea’s industry and commerce, gaehwa thinkers urged the establishment of modern firms, and suggested that the government should subsidise them when they suffered losses. As a means of providing necessary capital for industrialisation, they called for the creation of a central bank and commercial banks. Gaehwa thinkers also suggested centralising the state’s fiscal management in order to strengthen its capacity to support the growth of modern corporations and industrialisation. In addition, they emphasised the need to encourage the use of Western technology through imports of foreign machines, invitations of foreign technocrats to Korea, the sending of students to study abroad, the creation of research institutions, the building of modern schools, and the publication of books on science and technology (Shin, 2000, pp.95-8, 101-2, 247-8). Gaehwa thinkers also suggested that the government should provide information to local businesses about their foreign trading partners and commercial technologies (Yu, 1895[2004], p.384; Rhee 1910[2001], p.256). In addition, Kim Ok-gyun pointed to the example of how other countries used military power to defend commercial interests abroad: ‘Trade is done with all countries under the shield of military force’ (quoted in Lee, 2000, p.59; see also Rhee 1910[2001], p.255).

Alongside their advocacy of the growth of industry and commerce, gaehwa thinkers emphasised the need for the development of sectors such as mining, fisheries, and agriculture. They argued that these sectors could provide key raw materials to the manufacturing sector as well as boost exports, particularly to Japan whose manufacturing sector needed Korean resources (Shin, 2000, p.93; Tikhonov, 2010, pp. 67-8). If private capital was not sufficient for building necessary infrastructure for agricultural reform such as dams, they advocated government subsidisation of such projects (Kim, 1989b, p.183). The gaehwa group also urged the state to build modern transportation and communications infrastructure, including the development of roads, railways, steamboats, postal service and telegraph (e.g. Rhee, 1910[2001], p.255).

Gaehwa thinkers thus envisioned the state assuming an activist role in their program of boosting Korea’s wealth and power. This role should not be overstated, however. They were also deeply committed to the idea that energy and resources of Koreans needed to be mobilised by augmenting their individual freedom. In addition to political freedom, they emphasised economic freedom, celebrating free enterprise, private property, and entrepreneurship. In their mind, these liberal values were not incompatible with developmental goals: they hoped to unleash individuals’ pursuit of wealth domestically in order to strengthen the nation’s overall wealth and power (Lew, 2001, 38-40; Yu 1895[2004], pp.144, 154-60; Tikhonov, 2010, 28).
The gaehwa group’s focus on ‘wealth and power’ and an activist developmental state in the context of economic opening raises the question of whether these thinkers were drawing on Western mercantilist or economic nationalist thought. We have seen little evidence that they explicitly invoked those Western traditions of thought. As some of the quotes above made clear, however, they certainly did invoke their observations of the practices of Western states. We have also noted earlier how gaehwa thinkers clearly were inspired by the older Chinese legalist tradition as well as 19th century Chinese and Japanese thinkers such as Wei Yuan and Fukuzawa Yukichi. In addition, they drew inspiration from the example of Meiji Japan’s activist catch-up policies (Shin, 2000, p.105).

In addition to these external influences, gaehwa thinkers drew on the Korean intellectual tradition of Silhak (‘practical learning’) reformist thought that had first emerged in the 17th century and flourished in Korea during the second half of the 18th century (Kalton, 1975). Some Silhak thinkers – such as Bak Ji-won (1737-1805) and Bak Je-ga (1750-1805) – had emphasised the need for the promotion of industry and commerce, including foreign commerce (Choe, 1972; Lee, 2011). Bak Je-ga (1778[2013], pp. 252, 258, 275, 278) put special emphasis on the need for international trade, arguing that would help to ‘overcome poverty’ and boost Korea’s ‘wealth and strength’ by increasing the supply of goods in the country, encouraging consumption, and promoting learning from foreigners. This Silhak thought had a direct impact on a number of the later promoters of economic opening. For example, Bak Gyu-su was educated by the prominent Silhak thinker Jeong Yak-yong and his ideas were also shaped by Bak Ji-won who was his grandfather (Hwang, 1978, p.81; Choi, 2014). Important gaehwa thinkers such as Yu Kil-chun, Kim Ok-gyun, and Bak Yeong-hyo were also very interested in Silhak thought and saw themselves as building on this tradition (Hwang, 1978, p.81; Lew, 2001, p.43; Tikhonov, 2010, p.24; Cook, 1972, p.222).

**The Wijeong-cheoksya Group**

Gaehwa thinkers thus invoked Western civilisational values in a very different way than Colombia elites did: to support a developmental economic strategy designed to boost national power and wealth. There was another very important difference between the two country contexts. In the Colombian case, civilisational values were invoked in political economy debates mostly just by supporters of free trade. When opponents of free trade discussed civilisational issues, it was usually just to try to poke holes in the logic of elite argumentation on this issue. For example, when lamenting how free trade undermined local manufacturing, the prominent Colombian artisan José Leocadio Camacho asked: ‘How is an advancement of civilisation possible in a country where

---

2 List’s thought was not introduced to the country until after 1900 (Lee 1985, 1987; Lee 2015). Since many gaehwa thinkers travelled and studied abroad in Japan and the West, it is possible that they picked up his ideas there. We have not, however, found any direct references to his work in their writings. Given that there was less of a convention to cite sources in that era, this lack of attribution does not necessarily imply a complete lack of influence. Those who were impressed by the ‘authority’ of Western economic liberalism may also have had strategic reasons to downplay any influence of List’s ideas.
manual occupations are dishonoured?’ (quoted on Rojas, 2002, p.110). Artisans in other Latin American countries, such as Bolivia, also mocked the equation of free trade with civilisation, arguing ‘[w]e must become civilised...and starve’ (quoted in Thiessen-Reilly 2002, p.231).

In Korea, the situation was different. Civilisational issues were at the core of both sides of the debate about economic opening in Korea. Moreover, it was not just one set of foreign civilisational values that were invoked in this heated disagreement about the country’s foreign economic policy. While gaehwa thinkers appealed to Western standards, their opponents prioritised an entirely different set of foreign civilisational values: the country’s longstanding commitment to Chinese-originated Neo-Confucian values.

Established by the Chinese scholar Zhu Xi (1130 to 1200), Neo-Confucianism had been imported to Korea and became the dominant ideology in the country with the founding of the Joseon Dynasty (Chung, 1995, ch.1). Like other Confucian thinkers, Zhu Xi placed the highest priority on ethics and morality, which were seen to develop self-discipline. He was particularly critical of worldly desires such as economic motives because they corrupted the human nature bestowed on humans from natural principle. He felt that people had to eliminate selfish desires by disciplining themselves in order to preserve their human nature. In Joseon Dynasty Korea, profit-seeking activity was accordingly regarded as unrespectable and sometimes even immoral, and strict constraints were placed on commerce and the development of markets. The Joseon Dynasty also rigidly implemented the Confucian four-class social system, with the (Confucian) scholar-gentry class located at the top, followed by the farmers, the artisans and lastly the merchants. The defence of this social order provided another reason to suppress commerce and industry (Chung, 2008, pp.26-7).

Korean opponents of the gaehwa thinkers argued that economic autarchy was necessary in order to protect these Neo-Confucian values. These supporters of Korean economic autarchy were known as the wijeong-cheoksa group. The term wijeong-cheoksa literally means to preserve the right (or orthodox) thought (wijeong) and to dispel heresy (cheoksa). They considered the ‘right thought’ to be Neo-Confucianism, while all other ideas, including any Western ones, were seen as heresy. While the gaehwa thinkers looked to the West for inspiration and models to be emulated, these Korean thinkers disdained the West as ‘barbarians’ or ‘beasts’. Similarly, while the gaehwa group urged an abandonment of Sino-centric thinking and criticised China’s relative poverty and weakness, the wijeong-cheoksa group saw Chinese Neo-Confucian ethics and morals as the true universal standard of ‘civilisation’.

This school was dominant intellectually in Korea before the 1870s and its members were the lead opponents of the 1876 Korea-Japan treaty. While debates about the initial 1876 agreement with Japan were ‘confined to the capital and the highest government officials’ (Deuchler, 1977, p.226), the disagreements between the gaehwa and wijeong-cheoksa groups became the subject of increasingly prominent public and national discussion from the 1880s onwards. The wijeong-cheoksa group objected to the further opening of the early 1880s, the modernizing Gabo reforms of 1894-5, and, more
generally, Korea’s growing integration in the world economy in the late 19th and early 20th centuries.

The group was led intellectually by conservative Confucian literati who favoured the maintenance of the traditional social structure and economic autarchic policies of the past. An early prominent figure was Lee Hang-ro (1792-1868) who played a role in strengthening the government’s determination to fend off the Western initiatives to open the country before the 1870s (Chung, 1995). After Lee’s death, his student Choi Ik-hyun (1833-1906) emerged as one of the leading intellectuals opposing economic openness, initially as a government official but later as a member of resistance movements outside the government (he eventually died in prison).

**Chinese civilisational values and economic autarchy**

Why did the *wijeong-cheoksa* group see economic opening as threatening to Neo-Confucian values? Thinkers such as Lee Hang-ro worried that economic opening would destroy the traditional domestic culture and social structure based on Neo-Confucian values that they sought to preserve (and from which they, as Confucian literati, benefitted directly) (Chung, 1995; Chang, 2003, pp.35-50). It would do this partly by encouraging the very commerce and profit-seeking behaviour that Neo-Confucianism opposed. Lee also worried that Confucian values of modesty and frugality would be undermined by an inflow of Western consumer goods that might be materially attractive to Koreans (Chung, 1995, p.78).

More generally, Lee argued that economic opening would enable the inflow of Western ideas and culture that risked contaminating the minds of the people. He contrasted the motivation of ‘material force’ in the West with its focus on profit-seeking and the satisfaction of human desires with the ‘principle’ of the Confucian moral way. While *gaehwa* thinkers argued that economic opening would enable useful learning from foreigners, he argued that Western Learning ‘ruins ethics and destroys proprieties’.

Indeed, he warned more generally that Korean society needed to be protected against the ‘flood’ of ‘human desires’ that might be aroused by the inflow of Western culture (quotes in Chung, 1995, pp.131, 128, 126). The result would be apocalyptic: ‘If the Way of China were to be ruined, we would be reduced to barbarians and beasts’ (quoted on Chung 1995, p.127). His warning phrase ‘exchange of commodities, exchange of immorality’ (*tonghwa tongsaek*) became a dominant theme of opponents of trade by the end of the century (quoted in McNamara, 1996, p.62).

Alongside these arguments, *wijeong-cheoksa* thinkers also questioned the alleged material benefits of economic opening. Some questioned the usefulness of products that foreigners had to offer. In the words of the Korean monarch in 1871, ‘[c]ommodities brought to our shores by the foreign ships, tough, ingenious and clever in the extreme, are not necessities from the viewpoint of utility for daily existence’ (quoted in Lin, 1935, p.205). When opposing the 1876 treaty with Japan, Choi Ik-hyun also warned that Korea would be hurt economically by an outflow of Korean rice whose supply was limited (Hwang, 1978, p.68). Lee worried more generally that Korea would be exporting resources whose supply was limited, while importing foreign manufacturers
which could be produced ‘without restriction’. He argued that this kind of trading relationship would damage Korea: ‘If we were to exchange that which is scarce for that which is in surplus how could we not be in difficulty?’ (quoted in Chung, 1995, p.208).

Aware of Korea’s economic backwardness, Lee also worried that imports from abroad would undermine local Korean producers. The impact would be felt not just by those whose livelihoods were directly threatened but also by the entire self-sufficient agrarian economic structure and its associated rural culture, both of which he associated with broader Confucian values (Chung, 1995, pp.38, 210-11). These concerns remained salient among critics of economic opening in the late 19th and early 20th centuries when Confucian wijeong-cheoksa literati increasingly joined forces with rural farmers reacting against the growing penetration of commercial forces into rural society and their new vulnerability to foreign merchants and the vagaries of the international grain trade. Wijeong-cheoksa thinkers also expressed growing concern about Korea becoming a victim of foreign exploitation as foreign investors increasingly acquired Korean property and resources (McNamara, 1996, ch.3).

These arguments did not prevent some wijeong-cheoksa thinkers such as Lee from acknowledging the superiority of Western technology and goods. From their standpoint, however, the standard of civilisation was not technological and material progress but rather the realisation of ethics and morals based upon benevolence and righteousness, as exemplified by ‘ancient China’ (Kim, 2012). In the face of the new Western threat, they urged not just a ban on external trade but also re-commitment from the people to the Neo-Confucian principles that could sustain a moralist state and social order (Chung, 1995, p.209). For thinkers such as Lee, the latter was just as important as the former, if not more so. As Chung puts it, Lee’s ‘Confucian conceptions of society, political order, and social control were dependent upon the people’s state of mind… External defence of the state and society was contingent upon internal reform – the internal cultivation of the self’ (Chung, 1995, p.209). Indeed, in an 1866 memorial to the King, he even suggested that the monarch set an example to the people of his ‘mastery of self and rectification of mind’ by burning Western goods in the palace court (Quoted in Chung 1995, p.206).

The commitment of wijeong-cheoksa thinkers to Neo-Confucianism at the time was only strengthened by their view that Korea remained the only civilised nation preserving the revered high culture and moral values. After the collapse of the Ming dynasty in the 17th century, Korean Neo-Confucians had viewed with great dismay how the Qing Dynasty was established by the Jurchen clan from Manchuria, a group that they viewed as barbarians. When the Qing empire opened to trade with the Western ‘barbarians’ after the Opium Wars, their disdain for China’s rulers was only reinforced (Chung, 1995, pp.7-8; Kim, 1980, pp.26-9, 66-7). Korean Neo-Confucians were equally critical of the economic opening and embrace of the West by Japan, a country whose people they already had felt were inferior to Koreans (Hwang, 1978, p.68; Deuchler, 1977, p.31). For example, when arguing against the 1876 treaty with Japan, Choi Ik-hyun suggested that the Japanese had become ‘Westernized barbarians’ (quoted on Hwang, 1978, p.68).
In this context, wijeong-cheoksa thinkers held strongly to a Sojunghwa (little China) doctrine which depicted Korea as the only country still upholding the civilised Confucian values of old Chinese empire (Chung, 1995, pp.81-2, 131, 135; McNamara, 1996, p.55). As Kim (1980, p.65) puts it, ‘Most Korean scholar-officials and literati believed that, with China and Japan already “contaminated” by the “evil” influence of the Western barbarians, it was essential for Korea to remain free of that influence and uphold Eastern (Chinese) tradition if civilisation was to be saved’. (Kim 1980, pp.63-4). As one Confucian opponent of the 1876 treaty with Japan argued, ‘present-day Japan is a Westernised bandit; therefore, if we accept her by opening our ports, we will all become like beasts. The Western bandits are the most pernicious of all the barbarians [we have ever faced in history]; they are like poisoned arrows. We must therefore reject them and all things Western’ (quoted on Ch’oe, 1982, p.109).

When opposing economic opening via Western-style trade treaties, wijeong-cheoksa thinkers invoked not just traditional Confucian values but also the norms of the Confucian-inspired Chinese world order. Under these norms, the Chinese emperor was expected to respect Korea’s autonomy in both domestic and foreign affairs in return for the Korean leader’s loyalty and submission (Chandra, 1988, pp.16-7; Cho, 2015, p.686; Hwang, 1978, p.13; Kim, 1980). Scholars question how influential the norms of this Chinese world order were on actual state behaviour in East Asia (Larsen 2013), but the Korean state supported them more closely than other states (Kim, 1980, pp.2-3).

In the late 19th century, the wijeong-cheoksa group strongly opposed Western-style trade treaties not just because they required economic opening but also because they threatened to erode this Sino-centric world order and its norms that reinforced Korea’s autonomy. Reformers argued the opposite; that Korea needed to escape its subordinate relationship to China by embracing Western-style treaties that embodied new norms of sovereign equality. But wijeong-cheoksa thinkers contrasted Western-style of international relations – with its immoral struggles for power and wealth – with the ethical norms of the ‘Chinese world order’ that had upheld Korea’s autonomy. For these thinkers, Western-style economic competition, war, and power politics to strengthen national wealth and power were all regarded as the activities of ‘beasts’, not civilised humans (Chang, 2003). Opponents of economic opening thus trumpeted the slogan: ‘Revere China, Expel the Barbarians’ (quoted on Hwang, 1978, p. 17).

Indeed, wijeong-cheoksa thinkers argued that the ultimate objective behind foreign powers’ demand for trade was the colonisation of Korea (Kim, 1989a, p.40; Chung, 2008, pp.37-8). This argument drew on longstanding Korean fears of conquest, fears that had played a large role in generating Korea’s initial turn to an exclusion policy back in the 17th century in the wake of external threats at the time (Hwang, 1978, p.5; Kim, 1980, pp.26-30). In the early 19th century, Koreans became increasingly focused on the threat of conspiracies between Korean Catholics and Europeans seeking to take over the country (Kim, 1980, pp.34-7; Chung, 1995, pp.35-6). If economic opening encouraged the greater spread of Christianity, the wijeong-cheoksa group feared this risk would only grow. Korean fears of foreign invasion were only reinforced by their country’s armed conflicts with France in 1866 and the United States in 1871 as well as China’s Opium Wars and the French invasion of Vietnam (Kim, 1989a, p.21). In the face of these
threats, *wijeong-cheoksa* thinkers argued that those supported economic opening were traitors. From their standpoint, only autarchy – reinforced by the norms of the Chinese world order – could protect both the nation’s independence and its socio-cultural traditions (Chung, 2008, pp.40-1; Kim, 1969).

The *wijeong-cheoksa* group’s defence of the norms of this Confucian ‘Chinese world order’ rested on an overly romantic and idealistic depiction of past Chinese-Korean relations (McNamara, 1996, p.55). Its more important problem, however, was that China’s treatment of Korea after 1882 seemed to signal China’s complete abandonment of the historical norms. Not only had China begun to directly intervene in Korean domestic politics in unprecedented ways, but it had also pressured Korea to open its economy and sign Western-style trade treaties. In the context of the new Western threat, China had embraced Western-style international relations both in its dealings with the West and its new kind of informal imperialism in Korea. In other words, the norms of the Sino-centric world order that the *wijeong-cheoksa* group wanted to preserve had been abandoned by Chinese officialdom (McNamara, 1996, p.56; Larsen 2013).

Despite the problematic nature of some of the arguments of the *wijeong-cheoksa* group, they were fascinating in the context of Western political economy scholarship at the time. The best known critic of free trade in the West in the late 19th century was Friedrich List. Well known to IPE scholars today, List is usually described as an ‘economic nationalist’. But he did not advocate the kind of rigid economic autarchy that the *wijeong-cheoksa* group backed. Instead, he simply favoured selective trade protectionism and other forms of targeted state intervention in the economy to promote developmental goals in the context of an open world economy. In other words, his views were closer to those of the *gaehwa* group than *wijeong-cheoksa* thought.

There were some earlier defenders of economic autarchy in the West who usually receive less attention from IPE scholars today. One was Johann Fichte who outlined a case for autarchy in his work *The Closed Commercial State* published in 1800. Fichte, however, proposed a closed economy for a quite different reason than the *wijeong-cheoksa* group: to enable a new kind of state economic planning that served citizens’ needs. Fichte’s proposal was also very different because he argued that economic autarchy should not prevent ideas and culture from continuing to flow across borders (Helleiner, 2002).

In the 18th century, Jean-Jacques Rousseau also backed national economic self-sufficiency as a tool for defending against foreign political influence and protecting his ideal model of an egalitarian agrarian economy (Tickner, 1980). This rationale came closer to the ideas of the *wijeong-cheoksa* group. But the Neo-Confucian values and social structures that *wijeong-cheoksa* thinkers sought to protect had little in common with Rousseau’s egalitarian vision. Also unique was the fact that the Korean thinkers tied their advocacy of autarchy to the defence of a vision of global politics based on the (idealised) traditional Chinese world order that had no parallel in Western thought at the time.
None of these European thinkers were mentioned by the Korean advocates of economic autarchy in the late 19th century. In the case of early wijeong-cheoksa thinkers such as Lee Hang-ro, this neglect simply reflected the fact that Korean knowledge of Western thought before the 1870s was extremely limited. In the case of later thinkers, it can also be explained by their hostility to all things Western. After all, at the core of wijeong-cheoksa thought was the idea that Korean society and its civilisational values needed to be protected against foreign influence.

The wijeong-cheoksa group thus highlighted very effectively the centrality of civilisational issues on both sides of the Korean political economy debate. While the gaehwa group appealed to Western civilisational standards in promoting economic opening, the wijeong-cheoksa group defended economic autarchy by invoking an alternative set of Sino-centric civilisational values. As Chung Chai-sik (1995, p.140) puts it, the arguments of wijeong-cheoksa thinkers such as Lee ulttimately boiled down to the case that ‘the maintenance of cultural and social systems was more important than the attainment of power and wealth’.

The wijeong-cheoksa group’s arguments were also important in highlighting how non-Western countries were influenced during the 19th century by the diffusion of ideas from not just dominant Western states but also powerful non-Western states. IPE scholars have focused much more on the diffusion of ideas from West to non-West than that within the non-West. But for a country such as Korea, Chinese norms and values had long been much more influential than Western ones. The diffusion of these norms and values left important legacies in the Korean political economy debates at the time of the economic opening.

The Korean case also shows how it was not just Western ideas that were ‘localised’ when they were imported into non-Western context. Chinese civilisational values were also modified and adapted in the Korean context in important ways. As noted earlier, Korean defenders of Neo-Confucianism saw themselves as upholding a more orthodox version of Confucian value than that which existed in China at the time (see also Hwang, 1978, p.12). While China became more open to the world economy in the mid-19th century, wijeong-cheoksa thinkers also defended a more rigid kind of economic autarchy, and they strongly critiqued the Chinese leadership for engaging with the West (Kim, 1980, p.29). Even more striking was the fact that these thinkers idealised a vision of a Chinese world order that Chinese policymakers and thinkers themselves were increasingly abandoning at the time.

**Conclusion**

This paper’s analysis of Korean debates in the late 19th and early 20th centuries contributes to three bodies of IPE scholarship. The first is recent IPE scholarship exploring how civilisational values have shaped historical understandings of international economic relations. The Korean case provides an important reminder that civilisational values informed political economy thinking in this period not just in the West but also in non-Western contexts. As we have shown, the debate between the wijeong-cheoksa and the gaehwa groups was, at its core, a clash of civilisational values.
These competing values generated two distinctive ways of thinking about Korea’s foreign economic policy, and, more generally, about political economy itself.

In highlighting the relationship between civilisational values and political economy outside the West, our analysis follows in the footsteps of Rojas’s (1995, 2002) important study of 19th century Colombian debates about free trade. At the same time, the Korean case reveals two dynamics that were quite distinct from those identified by Rojas in the Colombian case. First, Western civilisational values were ‘localised’ in quite a different way to support the developmental goals of boosting national wealth and power. Second, protagonists in the Korean debates drew upon and localised not just Western civilisational values but also Chinese ones. These contrasts between the Korean and Colombian cases highlight the need to recognise how civilisational values informed political economy debates outside the West in very context-specific ways.

Our analysis also contributes to IPE literature examining the international diffusion of ideas. Early literature on this topic focused on the various ways that ideas spread from dominant Western states to less powerful countries (e.g. Simmons, Dobbin and Garrett, 2006). More recent studies, however, have devoted greater attention to intellectual agency of actors in ‘receiving’ countries in translating and ‘localising’ global scripts (Acharya 2004, 2009; Ban 2016). The Korean case provides further evidence of the importance of this agency and of ‘localisation’ dynamics, and in a context that has not received attention in this literature. In addition, the case encourages IPE scholars to look beyond the diffusion and localisation of dominant Western ideas to explore how non-Western ideas also spread internationally and are adapted in local contexts.

The latter point has important relevance for a third body of IPE scholarship: that seeking to build a more ‘inter-civilisational’ approach to IPE today. In an age where non-Western states such as China are rising in power in the global economy, the ideas and values of these states are likely to acquire growing influence beyond their borders. Part of the process of building this new approach to IPE must involve the greater scholarly attention to the diffusion and localisation abroad of those ideas and values. In this context, the Korean history of the late 19th and early 20th centuries serves an interesting precedent for the kinds of competing Western and non-Western ideational influences that may be experienced by many less powerful countries in the coming years.

This Korean intellectual history can also contribute to the construction of a more ‘inter-civilisational’ IPE in a more direct way: by calling IPE scholars’ attention to the important ideas and intellectual agency of some important non-Western thinkers. Contemporary IPE scholarship often makes reference to the significance of political economy debates from the 19th and early 20th centuries, but the focus is almost entirely on Western thinkers, such as Adam Smith, David Ricardo, Friedrich List, Karl Marx and the various European theorists of imperialism of the early 20th century. Recent scholarship has begun the important task of highlighting the biases and silences in this traditional canon of Western political economy (e.g. Watson, 2017). But the construction of a more ‘inter-civilisational’ IPE should involve more than just de-canonicalisation of the canon. It also needs to involve greater efforts to shed light and draw
upon non-Western intellectual history (Cox, 2000, 2009; Helleiner, 2015; Helleiner and Rosales, 2017). Exploring the fascinating and unique nature of Korean thinking about political economy issues at the time of its economic opening is one place to start.

**Works Cited**


Chung Yong-Hwa. (2006). Geundaehangugui Dongasia Jiyeog Yinsikwa Jiyeogilseog Gusang [The ideas of regionalism toward East Asia in the early modern Korea].
Gugjejeongchinonchong, 46(1), 55-77.


(Eds.), *Self-Reliance* (pp.58-79). London: Bogle-L’Ouverture Publications.

