Chapter One

Korean National Cinema

I am convinced that the future of Korean films will be brighter.

– Lee Young-il, film historian, 1988.¹

In the two decades since 1986, when the South Korean government began to relax its rigid control of the local film industry, there has been a widespread transformation in the way films have been produced, circulated, exhibited, and consumed in Korea. Korean cinema has opened to the West, weathered a lull in domestic reception, successfully staved off the considerable advances of Hollywood, and from the late 1990s entered a period of vibrant commercial renaissance. Around the end of 1998 and the start of 1999, a rise in theatrical admissions for films produced in Korea triggered a widespread intensification of popular and critical interest in Korean cinema, both within Korea and abroad. From then on, Korean films achieved remarkable commercial success at the expense of formerly dominant entertainment imported from the West. In 2005, Korea became the fifth largest film market in the world behind America, Japan, the United Kingdom and France, with local and foreign films earning box office takings of $890 million on 143 million nationwide admissions.² Films produced in Korea accounted for almost 60% of total attendances, representing the world’s third biggest domestic gross behind the US and Japan.
This thesis examines the accumulation of historical preconditions that have set the stage for Korean cinema’s remarkable domestic growth, and investigates how the steady expansion of Korean cinema since the late 1990s has been sustained. Unlike the majority of existing scholarly approaches to Korean national cinema, this thesis appreciates that filmmaking is a material practice and not just a textual practice. My approach seeks to complement prevailing textual approaches to Korean national cinema by investigating how the nationally specific characteristics of Korean cinema have arisen through a variety of contextual engagements. To that end, it considers Korean cinema as more than a set of film texts. Within the context-based framework of this thesis, Korean cinema is considered as a set of institutions delivering a range of films to diverse national and international audiences. Although there has been a recent explosion of academic and critical interest in the textual characteristics of Korean cinema, approaches that concentrate on the material conditions under which films are financed, produced, distributed and circulated have so far been missing from lengthy accounts of Korean cinema’s recent accomplishments. Due to the dearth of contextual and industry-oriented approaches to Korean cinema in existing scholarship, this thesis has necessarily engaged to a significant extent with journalistic reports founds in international trade journals and data referenced in business periodicals. Throughout this engagement, I have been aware of the potential risks of inaccuracy, ahistoricism and judgementalism associated with over-reliance on such sources, and sought to mitigate these dangers through cross-checking, rejecting unqualified assertions and exercising other cautious measures. A contention of this thesis is that the potential benefits of carefully introducing
these industry accounts into the discussion of Korean cinema’s contextual features outweigh the potential disadvantages.

As opposed to text-based accounts of Korean national cinema, which have largely pondered the identity politics of specific films produced in Korea, contextual accounts contemplate film production in relation to the broader activities of Korean film agencies. Several important questions regarding the composition of these activities shape the approach to Korean national cinema undertaken in this thesis. How have film companies utilised available resources and benefited from relaxed political and economic conditions in Korea to effectively revitalise the domestic cinema? How and why have audiences been compelled to embrace Korean cinema at this moment in history? How has the trade of international films in Korea affected the domestic film market? What have been the principal consequences of the emergence of Korea as one of Asia’s most powerful film industries? These questions, and other similar inquiries, are framed within three periods of Korean cinema’s modern development.

Characterising these periods are (a) the gradual fragmentation of the state’s control of the motion picture sector between 1986 and the early 1990s, (b) the dawn of a new period from 1992 to 1998 emphasising the structural formation of a commercial entertainment cinema, and (c) the rapid escalation of Korean cinema’s domestic prosperity and vitality since the late 1990s, an achievement that has furthered the regional deployment of Korean cinema throughout East and South East Asia. The first of these periods is roughly synchronic with the most concentrated stage of Korean New Wave film production, while the two latter periods encompass a phase of commercial rejuvenation that Chi-yun Shin and Julian Stringer, among others, refer to as New Korean Cinema.\(^3\)
Korea’s New Wave emerged in the late 1980s as a national film movement in the discourse of film critics in the West and international film festival programmers, who detected in low-budget Korean film production a strand of movies that featured socially and politically engaged themes, explored alternative aesthetic practices, and resisted mainstream genres. In his work on the classification of national cinemas, Stephen Crofts indicates that national film movements like the New Wave,

have frequently arisen at historical moments when nationalism connects with genuinely populist movements to produce specifically national films that can claim a cultural authenticity or rootedness.\(^4\)

Arising during a period of tumultuous political and social change, the Korean New Wave cinema is a neat fit for this description. More than two decades of political authoritarianism in Korea eroded during the 1980s as the heavy handed state gradually relented to economic liberalisation and democratisation. Anxieties and characteristics surrounding the national transition emerged in the textual elements of contemporary New Wave films, which often featured narratives critical of Korea’s oppressive social environment.

Through the participation of New Wave films on the international film festival circuit during the 1980s, Korean cinema was brought to the attention of international critics and viewers. Approaches to the New Wave comprised the majority of early scholarship on Korean national cinema in the West, which has been dominated by text-based and production-led accounts. Critics discovered in New Wave film productions a range of nationally specific textual features that
corresponded with their preferred formulation of national cinema as primarily an art cinema. According to Crofts, the art cinema model of national cinema, aims to differentiate itself textually from Hollywood, to assert explicitly or implicitly an indigenous product, and to reach the domestic and export markets through those specialist distribution channels and exhibition venues usually called ‘arthouse.’

Among Western film critics, the construction of Korean national cinema as a variant of international art cinema has largely followed this standard approach. For Isolde Standish, Korean cinema is characterised by selected New Wave films that are ideologically entrenched in the feelings of resentment and frustrated desires of Korea’s oppressed working class. The symptomatic interpretation of indigenous themes and motifs in particular New Wave films guides fellow critic Rob Wilson’s explication of Korean cinema in terms of its textual differences from other national cinemas. Consistent with the art cinema model’s textual divergence from Hollywood, Tony Rayns has drawn parallels between the Korean New Wave and the Chinese art cinema of the 1980s, especially with respect to the heavy censorship affecting both cinemas and how each period announced the arrival of “a new generation of film-makers with new ideas about what their cinema should be doing.”

National cinema theorist Andrew Higson has been critical of the adequacy of these kinds of approaches, which he argues favour “the analysis of film texts as vehicles for the articulation of nationalist sentiment” and place an over-emphasis on the domestic film production sector at the expense of other factors such as the
exhibition of imported films and the different ways in which national audiences consume films. By focusing on the New Wave and the construction of an art cinema model of Korean national cinema, critics have been slow to react to the decline of the New Wave in the early 1990s and the subsequent commercial transformation of Korean cinema.

Regardless of the favourable international response to the New Wave at international film festivals, nor the emphasis of the New Wave on the creation of nationally-representative subject matter, Korean films struggled to make an impact at the domestic box office during the period of New Wave production. Audiences in Korea increasingly favoured the mass-market entertainment of imported films over indigenous film productions (refer, for instance, to chapter 2.3 regarding the popular film imports from Hong Kong during this period). Due to diminishing ticket sales for locally produced films and an ensuing lack of financial resources available to the film production industry, the development of the New Wave stalled. Film practitioners, executives and administrators were compelled to downgrade the art cinema practices of the New Wave since, as film scholar Murray Smith explains, “art cinema is still a commercial cinema, which depends for its existence on profits, rather than the more ethereal awards of status and prestige.”

The principal outcome of the New Wave’s economic failure in the early 1990s was the film industry’s pursuit of a commercially sustainable domestic cinema.

The New Korean Cinema that emerged after the decline of the New Wave focused on the creation of a profitable domestic market for distributors and exhibitors as well as film producers. Following the successful growth of the domestic market in the late 1990s, Korean film agencies also concentrated on the
The development of a larger export market. For Crofts, art cinema is only one possible model for national cinema among several other alternatives. Crofts considers the film industries of India, Hong Kong and Japan ‘Asian commercial successes,’ a variant of national cinema equally applicable to New Korean Cinema.11 As opposed to art cinemas, which are oriented around the production of low-budget films for limited release at domestic and international arthouse venues, commercial cinemas located in Asia and elsewhere aim to maximise the capital available for film production and distribute movies as widely as possible to mainstream exhibition enterprises at home and overseas. While art cinemas like the New Wave try to provide alternative forms of entertainment to movies from Hollywood, commercial cinemas aim to compete with Hollywood products in domestic and international markets. Inevitably there is a degree of generalisation in this distinction between art and commercial cinemas, since the tendencies are not always obviously dissimilar. Elements from the two tendencies may overlap or undergo some form of textual negotiation. Some of the films of Yi Myŏng-se, Gagman (Kegŭmaen, 1988) for instance, experiment with form even though they largely exhibit norms that are appropriate for commercial release.

With the benefit of hindsight, critics have come to realise that the New Wave art cinema model was not necessarily representative of Korean national cinema beyond the particular historical moment of its propagation. Certain textual features of New Wave films lent Korean cinema a specific national character in the 1980s and early 1990s, but these traits are no longer abundant in modern Korean film productions. Since the decline of the New Wave, the production of mass-market films has taken hold, while, additionally, distribution channels and
exhibition venues in Korea have been completely transformed and the export market has grown exponentially.

Korean cinema’s commercially-oriented approach since the early 1990s has involved the incorporation of practices characteristic of the internationally dominant Hollywood cinema. Tom O’Regan reminds us that for comparatively small national cinemas like Australia and South Korea, “American cinema looms large as a term of reference.” Hollywood’s remarkable internationalisation is a tremendously important consideration for small film markets, which, O’Regan argues, have been compelled to,

evolve strategies to respond to Hollywood’s pre-eminent place on the cinema horizons of the Western world and beyond … They are thus, local film production, film policy and critical strategies designed to effectively compete with, imitate, oppose, complement and supplement the (dominant) international cinema. In its drive for commercial success in the face of international competition, Korean cinema has traversed this range of strategies. Hollywood has had a distribution foothold in the Korean film market since the late 1920s silent era. Film production coordinated for wide mainstream appeal has been a paramount endeavour since the early 1990s. Korean distributors have incorporated the saturation marketing campaigns and wide release strategies typical of major Hollywood distribution companies. Exhibition venues in Korea are increasingly owned by the major local distributors, who have capitalised on Korea’s relaxed anti-trust laws to build multiplexes and assemble vertically integrated media
empires that resemble Hollywood film studios. Regardless of the textual characteristics of Korean art cinema, it is the distinct application of these commercialisation strategies in the local environment that constitutes the basis of contemporary Korean cinema’s national specificity.

Commercial varieties of national cinema demonstrate the significance of grasping film production in relation to distribution, exhibition and ancillary markets. Bearing in mind the significance of Korean cinema’s commercial success, this thesis subordinates the textual analysis of film in Korea to an investigation of the nationally specific contexts surrounding Korean cinema’s expansion, especially since the rise of New Korean Cinema in the early 1990s. The main determinants shaping New Korean Cinema include various interventions of the Korean government, the emphasis on a commercial mode of production, the attainment of vertical integration by large film companies, the different ways local importers have dealt with foreign films, the rapid escalation in multiplex cinema openings around the country, and the amplified regional expansion of Korean cinema throughout East and South East Asia. Through examination of these and other contributing factors, I aim to characterise the rapid popularisation of Korean cinema as a purposeful and successful objective among participants in the film industry. My approach contrasts with national cinema approaches hinged on the appreciation of Korean cinema as an art cinema, which are typically restricted to a discussion of the identity politics ascertained in a select sample of non-mainstream Korean films.

Korea’s turbulent political and economic history this and last century has had a significant impact on the national cinema. Aside from brief periods of relative freedom in between long-lasting repressive administrations, governing bodies
have heavily regulated the Korean film industry since its inception. A brief history of Korean cinema under different totalitarian regimes describes some of the obstacles that have hindered the domestic film industry’s development relative to the international market. The subsequent removal of these obstacles under the democratic rule of the 1980s and 1990s has been instrumental in fostering the commercial success of Korean cinema. Indeed, it is a major contention of this thesis that the revitalisation of Korean cinema in the late 1990s was a consequence of the changes to film policy implemented in the mid-1980s. “The latter part of the 1980s was a critical period that characterized and transformed today’s Korean film industry,” agree the authors of *Korean Film: History, Resistance, and Democratic Imagination*, a book on the cinematic representation of Korea’s modernisation since the 1950s. According to Julian Stringer, the shift in emphasis from an art cinema to a commercial cinema in Korea’s post-authoritarian climate of the early 1990s roused, “perceptions of contemporary Korean cinema’s vitality and newness,” yet it was due to the mid-1980s abolition of restrictive film policy that such a transformation could take place.

1.1 **Korean Cinema Before 1986**

Under Japanese colonial rule (1910-1945), the Korean film industry was forced to comply with a number of restrictions. Film productions were closely observed and guided by the authorities. Censorship committees regulated film content, with most practitioners obligated to engage in the production of pro-Japanese propaganda films. The Japanese occupiers owned most of the theatres and distribution businesses, sometimes in cooperation with American partners.
Consequently, until the end of World War II, Japanese films and imported films from America and Europe dominated Korean screens.\textsuperscript{17}

The situation remained difficult for the film industry during the American military’s period of administration after Korea’s liberation from Japan (1945-1948). While the US abolished Japanese restrictions on film content, language, and imports, Korean filmmakers were hampered by miniscule production budgets, poor facilities, and a shortage of equipment and film stock. Rather than make their own feature films under such desperate conditions, many filmmakers chose to work for the US and Korean defence forces instead, making newsreels and documentaries.\textsuperscript{18} A further complication was the establishment of the Central Motion Picture Exchange, an American owned distribution mechanism that facilitated the wide importation and circulation of Hollywood movies. Local releases had to compete for screen time with major American pictures and thus found it difficult to reach a large audience.\textsuperscript{19}

During the Korean War (1950-1953), filmmaking activity remained concentrated in the production of newsreels and documentaries. The massive loss of theatres, filmmaking materials and other infrastructure destroyed as a result of the war, as well as the lack of an efficient distribution network, made mainstream film production and circulation almost an impossibility. Compounding the film industry’s troubles, by the end of the war the North had kidnapped numerous personnel and stolen valuable equipment from the South.\textsuperscript{20}

As the nation emerged from the devastating civil war, Yi Sŏngman’s right-wing US-endorsed administration (1948-1960) fostered the conditions for the film industry’s revival. Films made in Korea were exempted from a tax on the price of theatrical admission.\textsuperscript{21} Along with a general post-war desire to consume motion
picture entertainment, this policy attracted more viewers to local releases. With a resultant surge in revenues, the number of film productions increased, studio facilities were modernised and the exhibition sector was overhauled with rebuilt and newly constructed theatres. Private financing also emerged, as speculative investors sought to capitalise on the admissions tax exemption. It should be noted, however, that while the late 1950s have generally been considered a period of rejuvenation for the Korean cinema, Yi perpetuated his dictatorial administration by suppressing incidents of political opposition, and thus closely monitored activities within the film industry throughout his tenure.22

In 1962, Pak Chŏng-hŭi’s military government (1961-1979) introduced the first act of the Motion Picture Law (MPL), a set of regulatory controls that indicated the government’s commitment to support the film industry in the long-term but which also enforced the government’s restrictive understanding of the film industry’s responsibilities. The MPL carried the official objective of steering the Korean film industry towards the production of high quality movies, which for the government meant films that presented a positive impression of Korean society and culture, not only to domestic spectators, but also to international viewers. The government insisted that only these ‘good’ films were fit to service the promotion of national art. However, the first MPL had additional veiled purposes, such as encouraging film exports in order to bring foreign currency into the country.23 At the time of its introduction in the early 1960s, the MPL was commensurate with the government’s general economic policies, which involved strategies of export-oriented growth. Under Pak’s regime, Korea endeavoured to sell its domestic products overseas, especially within the Japanese-dominated East Asian region.
According to Isolde Standish, another concealed objective of the MPL, “was to push out independent film producers, forcing the industry into a Hollywood style studio system that was more amenable to central control.”\(^{24}\) The Pak government reasoned that it was important for Korean film companies to produce a large number of films if they wished to grow as profitable ventures.\(^{25}\) Measuring the success of film production in narrow financial terms and encouraging rapid economic growth was typical of the broader strategy of the Pak government, which tended to focus its support on a small number of organisations in each sector of the economy, thus encouraging the formation of comparatively easily monitored oligopolies through which sector development could be driven.\(^{26}\) Once the MPL was enacted, production companies were forced to register with the government, whereby they pledged to make 15 films per year and were immediately assessed against a series of strict criteria. Each had to possess a large, sound-equipped studio, several 35mm cameras, a film laboratory, a powerful lighting system and exclusive inhouse contracts with directors and stars. Of the 71 companies in operation before the enactment of the MPL, only 16 were able to meet the film production requirements of the government and survive as newly registered entities.\(^{27}\)

The MPL underwent several revisions during Pak Chŏng-hŭi’s rule, reflecting, as Korean film historian Lee Young-il explains, “the trials and errors on film policy” based on the balancing of the government’s different objectives for the film industry.\(^{28}\) Film companies found it difficult to remain operational and produce the large number of required films under the strict criteria of the original law. As an extra incentive to help domestic film companies remain afloat and to produce more films, the government’s first amendment to the MPL in 1963
introduced a concession allowing domestic producers to import one foreign film for every two domestic titles they produced. Film producers were prohibited from import activities under the original law. The distribution of foreign films created a revenue stream for film companies to pour back into the production of local films.

For a brief golden period in the late 1960s and early 1970s, Korean cinema flourished under the Pak government’s rigid control. Total film admissions peaked at more than 170 million, corresponding to a high average annual viewing rate of 5.6 films per person. Productions made in Korea were popular among local audiences, with nationwide domestic market share approaching 50% in the late 1960s. Metropolitan audiences especially favoured Korean productions, with domestic market share in Seoul soaring over 70% in 1969.

After 1973, when Pak removed presidential term restrictions in order to prolong his rule for life, the government’s authoritarianism worsened. Despite the success of the domestic cinema, the government introduced new structural measures to tighten its control over film content and industrial activities. The 1973 promulgation of the repressive fourth amendment to the Motion Picture Law contributed to a decline in theatrical admissions, which in turn forced numerous theatres to close over the remainder of the decade. Under the new revision, much stricter film censorship was enforced, small and medium sized film companies were excluded from the film industry, and local importers were required to produce four domestic films for each foreign film they brought into the country, twice as many as before. A further stipulation required the total amount of imported films to account for fewer than one third the total output of Korean film production.
The fourth amendment to the MPL also led to the establishment of the Motion Picture Promotion Corporation (MPPC), the institution through which the government implemented most of its film policies. The MPPC supervised film production and importation through its selective administration of film finance, its control of the annual Grand Bell Awards and by importing films itself. Through production finance incentives and the rigid guidance of the censorship board, the MPPC also encouraged local film companies to make conformist ‘literary’ pictures depicting subject matter that glorified Korean nationhood. Under a ‘quality films reward system,’ film companies that won government sponsored prizes or awards at international film festivals for producing such films were granted additional import quotas.³³

In the wake of the golden period, import quotas became increasingly attractive assets for distributors. Foreign films became more popular than local productions after the early 1970s, and since patrons were charged a higher ticket price to attend foreign films it made more economic sense for film companies to concentrate on import activities rather than domestic production. According to the authors of *Korean Film: History, Resistance and Democratic Imagination*, “foreign films began to have a scarcity value, and quotas to import foreign films became a tremendous profit-making privilege.”³⁴

In order to satisfy the local production requirements of the government’s import-quota system and thus secure permission to import more films, most domestic film companies adopted ‘quota quickie’ production strategies. Utilising minimal resources and expenses, film companies produced ultra cheap movies and held little expectation that they would turn a profit. For producers of quota quickies, the mission to derive income from theatrical box office receipts was
subordinated to the objective of gaining import quotas, since compared with local productions the distribution rights to foreign films were of higher value. Korean film production deteriorated as a result, with producers and investors limiting their spending on what economists Steven Wildman and Stephen Siwek have called the ‘creative inputs of production,’ i.e. the human labour and material components that to a great extent determine the relative quality of film productions.\textsuperscript{35} As Korean film scholar Park Seung-hyun explains, the few large production-importation companies who were permitted to remain in business under the newly amended MPL, “had no incentive to care about production values because the foreign films were what guaranteed the stable profits.”\textsuperscript{36} Collectively, heavy censorship, the import-quota system and the quality films rewards system sustained the government’s preferred basis for Korean national cinema during the 1970s. Under the Pak government, film was a vehicle for the propagation of nationalism. The government’s primary concern was to oversee the production of politically compliant films. Through the provision of import quotas, the government provided a means for its favoured stable of politically compliant film companies to earn income and offset the costs of unprofitable production activities.

The introduction of residential television sets in the early 1970s was another contributing factor to the decline of theatrical admissions. Audiences began to turn to television as an alternative source of entertainment. From 1974 to 1986, the amount of television sets owned in Korea increased tenfold, from 880,000 to 8.5 million.\textsuperscript{37} In the same period, total theatrical admissions halved, plummeting from 97 million to 47 million, which given Korea’s population growth meant that the average citizen in the mid-1980s attended less than one theatrical release per
year. As a result, more than 50% of the nation’s first release theatres were forced to close. Quota quickies and independent Korean film productions increasingly fell out of favour with mainstream audiences, propelling domestic market share into a decline. In contrast to the golden period, Korean films accounted for just one-third of total nationwide admissions in 1986.

As Korea entered a new democratic era, the under-performance of the film industry motivated the inclusion of a fifth amendment to the Motion Picture Law among the nation’s wider liberal reforms. For the first time, proposed revisions to existing film laws were subject to public scrutiny and debate before being passed through the National Assembly. Effective from 1986, the fifth amendment to the MPL dissolved the requirement forcing importers to produce films. Movies from overseas poured into the country, radically transforming the scope of film distribution and exhibition. In 1988, a further sixth amendment to the MPL plunged Korean distributors into direct competition with Hollywood distribution subsidiaries, who were permitted under the revision to establish branch offices in Korea for the direct distribution of American films to Korean theatres. This instigated a steep decline in domestic market share, but it also forced local distributors to seek and foster an alternative stream of commercial film productions, thus setting the stage for Korean cinema’s remarkable recovery and commercial transformation.

1.2 Textuality, the Korean New Wave, and Im Kwŏn-t’aeck

Until as recently as the late 1990s, few scholars in the West were occupied with the study of South Korean film and none had managed to have a book on the
subject published in English. Overseas-based Korean scholars involved in English-language film studies were also relatively scarce. Consequently, relative to the neighbouring cinema of Japan and to the Chinese vernacular cinemas of mainland China, Hong Kong and Taiwan, Korean cinema was overlooked or otherwise consigned to the footnotes within broader Asian film studies. Limited accessibility to English language primary resources from Korea was a substantial barrier impeding critical discourse among Anglo-American film academics. Translated texts of important Korean publications were either rarely available or barely decipherable. The international trade of Korean films was negligible, especially beyond East Asian markets. The only semi-reliable outlet for the circulation of subtitled Korean films was the international festival circuit.

During the 1980s, film critics and festival programmers such as Tony Rayns and Derek Elley in the UK, Adriano Aprà in Paris, Tadao Sato in Japan, David Chute in Los Angeles, and David Overbey in Toronto were among the first to notice the strand of art cinema emerging from Korea and pay it greater attention. Veteran directors such as Im Kwŏn-t’aek (*Mandala*, 1981), Yi Chang-ho (*Declaration of Fools* (*Pabo sŏnŏn*, 1983), Yi Tu-yong (*Mulleya Mulleya*, 1984) and Pyŏn Chang-ho (*Potato* (*Kamja*, 1987)) were recognised as the venerable masters among Korean cinema’s active filmmakers, while, for critics, the emergence of a innovative younger generation of *auteurs* signalled the arrival of a New Wave in Korean cinema.

Im Kwŏn-t’aek’s films were especially important as the driving force behind Korean art cinema’s critical recognition in the West during the 1980s. Since making his first feature film in the early 1960s, Im had mostly directed commercial genre films and government sanctioned literary films. Commencing
with *Mandala*, Im’s filmmaking career also began to incorporate thematic issues, aesthetic practices and elements of traditional Korean culture that were not often found in domestic mainstream film production. The international art cinema community responded favourably to the formal approaches that Im adopted for many of his 1980s films. *Mandala* won the top prize at the 1981 Hawaii Film Festival, while throughout the decade *Gilsottom* (*Kilsottum*, 1985), *Surrogate Mother* (*Ssibaji*, 1987), *Adada* (1988) and *Come, Come, Come Upward* (*Aje aje para aje*, 1989) achieved various festival commendations for Im at Berlin, Venice, Cannes, Moscow and Montreal. Due to the regular festival presence of Im’s films, Korean cinema’s international exposure was greatly magnified and brought to the attention of Western film critics. Canadian critic Peter Rist has acknowledged that the 1988 Montreal World Film Festival screenings of Im’s *Adada* and Yi Chang-ho’s *A Man with Three Coffins* (*Nagûne nûn kil esôdo shwijji annûnda*, 1988) were the first Korean films Rist had experienced, together leaving an impression that Korean cinema had been “unfairly neglected” in the West.\(^{41}\)

The international celebration of new national cinemas has traditionally occurred through the ‘discovery’ of New Wave film production movements centered around the emergence of striking new auteurs. The avant garde Young German Cinema movement arose in the late 1960s through critical discourse responding to the unconventional low-budget films of Alexander Kluge, Hans-Jürgen Syberberg, Jean-Marie Straub and Danielle Huillet. In a similar manner, film programmers and critics armed with an increased awareness of Korean national cinema discussed the arrival of a younger generation of radical filmmakers in Korea through the critical construct of a New Wave. Korean film critic Yi Hyang-soon observes that the generation of filmmakers emerging at the time of Korea’s
democratisation in the mid-1980s were “deeply discontented with the existing film culture and so attempted to reform it.” This reform process involved the conscious construction of an art cinema opposed to mainstream film production. Yi argues,

[the ideological driving force behind this diverse and loosely linked group is youthful angst for a reportage or protest cinema. With their dedication to the function of the camera as a transparent window on the world of the socially marginalized and also as a recorder of lived history, the New Wave directors paved the road to [Korea’s] contemporary art films.]

Student and underground filmmaking collectives served as an important breeding ground for these dissident filmmakers in the early 1980s. Sheltered from oppressive state-controlled film institutions and unhindered by commercial concerns, participants in these groups were able to produce and exhibit short films that were critical of the government and contemporary social conditions. Similar topics were carried over to the feature filmmaking activities of this generation, whose New Wave pictures often bubbled over with nationalist attitudes and social concerns such as the subjugation of the working class, the North-South divide, and the decline of the Confucian family structure.

Relatively young and inexperienced filmmakers such as Pak Kwang-su (Chilsu and Mansu (Ch’il-su wa Man-su, 1988)), Chang Sŏn-u (The Age of Success (Sŏnggong shidae, 1988)) and Pae Yong-gyun (Why Has Bodhi-Dharma Left for the East (Talma ga tongjok ūro gan kkadalgŭn, 1989)) were the principal beneficiaries of the newfound critical attention originating overseas. Joining the works of Im and other veteran filmmakers, films from the younger generation
were included in the programs of major European and North American film festivals. The international profile of the New Wave was further enhanced when younger generation filmmakers featured prominently in the 80-film Korean cinema retrospective held at the Centre Georges Pompidou in Paris in 1993, and in the exhibition of contemporary Korean films held at London’s Institute of Contemporary Arts the following year.

Despite the critical and festival attention the New Wave attracted in the late 1980s and early 1990s, reactions from film scholars to contemporary events in Korean cinema were few and far between. Until the late 1990s, only a handful or academic journal articles, each limited to the textual analysis and thematic interpretation of a small sample of travelling festival films, comprised the bulk of Korean film studies in the English language.

Concerned with the gap in available literature, critic and festival programmer Tony Rayns openly wondered if the Korean New Wave was too culturally specific or politically out-moded for the selective tastes of contemporary Western viewers. In contrast to vanguard film movements in other countries, the Korean New Wave failed to stimulate a great deal of academic discussion. Since there were few approaches suggesting otherwise, the New Wave became synonomous with Korean national cinema in Western critical discourse.

Since the emergence of Korea’s popular entertainment cinema in the late 1990s there has been a long-required injection of scholarly contributions to the English language study of film in Korea. Lee Hyang-jin authored the first book length study on Korean cinema in the West, a treatise on the identity politics found within multiple Korean film texts from the past fifty years. Lee applies an Althusserian semiotic framework to the ideological interpretation of
characterisations, plots and themes in a sample of films from both North and South Korea. According to Lee, the film demonstrates that all ethnic Koreans share a cultural heritage despite the geographic, political and economic divisions between South and North Korea. Psychoanalytic film theory governs Kim Kyung-hyun’s text-based investigation of distressed, angry and self-destructive masculinity in Korean cinema, a condition that, he argues, is symptomatic of Korea’s long-lasting social and political turmoil. Individual films and film genres have been examined in other anthologies, with special emphasis placed on melodrama and the distinctive works of leading post-Korean War auteurs (e.g. Yu Hyŏn-mok, Kim Ki-yŏng, Hong Sang-soo, Kim Ki-dŏk, Pak Ch’an-uk). While an abundance of academic literature is now available, it is perhaps a little surprising that Chi-yun Shin’s and Julian Stringer’s New Korean Cinema remains the only significant volume to have been published that is predominantly concerned with the commercial transformation of Korean cinema since the early 1990s.

Above all, it is the filmmaking career of Im Kwŏn-t’aek that has attracted the most attention from film scholars writing in English, especially his professional period since the 1980s when Im has focused mainly on the production of artistic and national culture films. In the preface to the scholarly anthology, Im Kwon-taek: The Making of a National Cinema, David E. James raises Im’s work in relation to what James calls, ‘the theoretical context of a Korean national cinema.’ According to James, Im’s most salient affirmation of a conscious national cinema project,
has been the specific focus of his work in the last quarter-century, in which he investigated key periods in Korean history and motifs in traditional culture—the historical constituents of a contemporary national culture—so as simultaneously to restore them to the Korean people of today and make them known and intelligible to the world outside.  

In the collected articles comprising *The Making of a National Cinema*, sociologist Cho Hae-joang, cultural studies academic Choi Chung-moo, and film scholars including James, Kim Kyung-hyun, Stringer, and Yi Hyo-in, attempt to illuminate the nationally representative dimensions of Korean cinema through the study of Im’s late film texts as emblems of Korean nationhood. Broad questions govern these approaches: What are the defining characteristics of Korean cultural identity? What does it mean to be Korean? How are these elements represented in Korean cinema? How do Korean films texts differ from those produced in other national cinema environments? In what ways does Korean cinema reveal similarities with other national cinemas through tropes such as hybridisation?  

James explores Im’s reflections on the functions of Buddhism in Korean society in *Mandala* and *Come, Come, Come Upward*, analysing how each film symbolically incorporates dialectical Buddhist principles (mind/body, self/other) into their formal systems of narration. James argues that Im’s utilisation of ‘precolonial cultural forms’ such as *p’ansori*, ceramics and funeral rituals in film narratives that engage with ‘the manifold traumas of Korean history’ has resulted in Im’s creation of ‘a specifically Korean art film style.’  

Im’s most famous film is *Sopyonje* (*Sŏp’yonje*, 1993), which accumulated more than one million admissions in Seoul to become the most viewed domestic film in
Korean history upon its original theatrical release. Despite festival invitations to Cannes and Venice, *Sopyonje* surprisingly failed to gain distribution in major international markets. Stringer, for his contribution to the volume, wonders why this was the case. He rejects the hypothesis that *Sopyonje* was unattractive to buyers due to its mobilisation of a ‘primitive’ system of national representation. Referencing the film’s climactic scene, where Im replaces diegetic *p’ansori* singing with first a mute sound track and then a non-diegetic musical atmosphere track, Stringer suggests that Im is reluctant to commodify traditional Korean culture for the benefit of the international arthouse film market. In this sense, Stringer proposes that the vigorous cultural nationalism motivating many of Im’s authorial decisions may have negatively affected overseas sales opportunities.⁵³

The approaches and methodologies these academics have utilised in the study of Im Kwŏn-t’ack illustrate how the critical discussion of Korean national cinema has, until recently, invoked a limited range of issues, specifically topics surrounding art cinema, *auteurs* and nationally specific modes of representation. None of these deals directly with the recent success of Korean national cinema. Since the early 1990s, the Korean film industry has centered its activities on the mobilisation of a commercial entertainment cinema, not an art cinema. Certain film directors and writer-directors remain powerful creative figures in the industry, but the influence of film producers, investors, exhibitors, talent representatives and other specialised personnel has increased. There has been a reordering of objectives regarding the functions of the national cinema and a rebalancing of the agencies in control of its direction. As a result, few filmmakers active before and during the New Wave have managed to sustain their aesthetic practices and thematic interests in more recent productions. An *auteur*-based
understanding of national cinema is insufficient in the case of Korea because it overlooks how filmmakers have responded to the imperatives of international competition since the domestic film market opened to the West in the late 1980s. Simultaneous with the shift towards commercial production, explicitly nationally specific representation in Korean films has diminished in frequency and significance. The celebration of Korean national culture through motifs, themes, music, and other formal elements was a vital component of Korean cinema during the New Wave, especially in the films of Im Kwŏn-t’aek, but this has no longer been the case since the rise of an internationally competitive commercial entertainment cinema. Korean filmmakers have increasingly accommodated international creative inputs (locations, stars, film directors, special effects units), stylistic allusions, and spoken languages in the quest to assemble products that are popular and saleable across the East Asian region and beyond.

In a divergence from the cultural nationalism approaches of James and Stringer, Cho Hae-joang has questioned the salience of a nationally and culturally specific understanding of *Sopyonje*’s themes, formal structure and box office success. “Like Akira Kurosawa in *The Seven Samurai* and *Rashomon,*” Cho writes, “Im borrows a ‘traditional’ setting but succeeds in making a modern movie with a modern subject.”54 Sections of the movie, Cho argues, work against what Cho calls the “national sentiment,” i.e. elements of human behaviour and interaction that are tacitly understood by all Koreans to be distinctly Korean. One of these moments occurs during the movie’s final scene, Cho claims. While Stringer argues that the major feature of *Sopyonje*’s final scene is its conscious preservation of the vocal traditions embedded in the *p’ansori* song, Cho suggests that a convention borrowed from modern European art cinema, the staging of a
“wordless parting,” could just as well have guided Im’s decision to mute the diegetic p’ansori in favour of silence.\(^5\)

Cho is receptive to the transnational contexts of Im’s films and Korean cinema in general. Avoiding an essentialist formulation of the nation, Cho questions the ways in which Im has incorporated contemporary international film styles in order to re-present the nation’s heritage and traumatic past for a new generation of moviegoers. With respect to the wordless parting at the end of *Sopyonje*, Cho argues that this “astonishingly new feature of South Korean movies,” might reflect the universal humanism, rather than the cultural nationalism, of Im Kwŏn-t’aek’s films.\(^6\) Cho’s transnational viewpoint contrasts with Yi Hyo-in’s contention, found later in the same volume, that the moral values depicted in Im’s films are examples of a *distinctly* Korean humanism principled on ‘the equivalence of the human and the divine.’\(^7\)

Cho additionally points out the inability of a homogenised concept of Korean national culture to account for explicit differences between individuals, such as those formed due to generational gaps. Cho maintains,

> there are more than a few people within the younger generation who either have no image of ‘our culture’ or who are trying not to have any image of ‘our culture’ at all … To them ‘our tradition’ is simply another available artistic product, not something to hold more dear because it is ‘ours’\(^8\).

The implication of Cho’s response to *Sopyonje* is that it is important to consider other factors beyond nationally specific representation when thinking about Korean cinema and the reasons behind the resurgence of the domestic film
market. For Cho, the box office success of *Sopyonje* may have had less to do with the successful articulation of cultural traditions such as *p’ansori* than Im Kwŏn-t’aek’s appropriation of an art cinema aesthetic from Europe that converged with the preferences of a new generation of moviegoers.\(^{59}\) Throughout the development of New Korean Cinema in the mid-1990s, the adoption of internationally accepted film styles and the amplification of marketing techniques focused on youth demographics became increasingly important.

Text-based approaches to Korean national cinema have thinned out since the remarkable commercial successes of the late 1990s. In addition to authorship, art cinema and nationally specific representation, the commercial rejuvenation of the domestic cinema has highlighted other issues that have illuminated the significance of Korea to film studies. Since the decline of the New Wave, film production, distribution and exhibition in Korea has radically transformed, and so too has the international circulation of Korean films.

Surprisingly, one of the central factors leading to the success of the New Wave was also partly responsible for its decline. Film censorship, according to Tony Rayns, has been, “[t]he chief factor that has held Korean cinema back” in relation to other national cinemas.\(^{60}\) Following the civil demonstrations that led to Korea’s free democratic elections in 1987, the government relaxed its rigid censorship of the media. Filmmakers were able to explore formerly prohibited subjects and to express sexuality, gender politics and violence with fewer inhibitions.\(^{61}\) Artistically driven filmmakers embraced the less restrictive censorship laws, embarking on the New Wave’s seminal period of activity in the late 1980s and early 1990s. Slackened censorship unchained the expressive possibilities of filmmakers, revitalising the form and content of Korean productions. Invitations
to Korean films received from international film festivals increased as the international awareness of Korean cinema grew.

For New Wave filmmakers, censorship relaxation was a double-edged sword. More moderate censorship was also attractive for commercially inclined filmmakers, many of whom were keen to explore the possibilities of the country’s new civil liberties in a different light. Far removed from the often grim sensibilities presented in New Wave films, there emerged in the early 1990s a proliferation of cheaply produced but graphic entertainment exploiting nudity and violence for popular appeal. Between the producers of artistic New Wave films on one hand and cheap entertainment movies with limited ambitions on the other, the competition for scarce film investment funds increased. Consequently, the effort to create a vibrant art cinema in Korea became that much more difficult.

The lifting of censorship restrictions coincided with a diminished urgency regarding the function of the New Wave, which had originated in creative works as a response to Korea’s oppressive political climate in the 1980s. Dissident filmmakers not only found it more difficult to secure film finance, they also shared fewer compelling political and ideological reasons to remain on the periphery of the film production sector. The idea of entering commercial production appealed to New Wave filmmakers, some of whom may not have considered their previous work all too far removed from the preferences of mainstream audiences in the first place. Pak Kwang-su has described how he was, never too comfortable with agit-prop filmmaking. I tended to think that the films made by underground groups … were simply the other side of the coin of government propaganda films … [With Chilsu and Mansu] I set
out to make something that would appeal to the young audience and wouldn’t come across as something too serious. I was reaching for the mass audience, and so the politics were muted.63

In the case of Chilsu and Mansu, Pak’s admission that he aimed for mass-market appeal along with artistic success alludes to the underlying struggle in Korea between the pursuit of a nationally specific art cinema on one hand and an internationally competitive commercial cinema on the other. Sopyonje presents another facet of this tension between the two modes of production, its critical reception and box office success within Korea marking a turning point in the definition of Korean national cinema.

According to Kim Kyung-hyun, it was the widespread popularity and box office success of Sopyonje that put the nail in the coffin of art cinema production.64 American critic Chuck Stephens shares Kim’s impression that around the time of Sopyonje’s successful theatrical run the New Wave was “already crashing on the beach.”65 Between the mid-1980s and 1993, domestic market share in Korea fell almost 20% as local audiences increasingly turned away from mainstream Korean films and New Wave productions in favour of imported films from Hollywood and Hong Kong. Along with two other domestic films that gained more than 500,000 theatrical admissions in Seoul in the early 1990s, Two Cops (T’u k’apsū, Kang U-sŏk, dir., 1993) and Marriage Story (Kyŏlhon yi'yagi, Kim Ŭi-sŏk, dir., 1992), the success of Sopyonje signalled a turnaround in the industry’s fortunes, demonstrating that local audiences were not completely lost to foreign competition. As a result, investors were encouraged to participate with film companies to increase film production budgets, raise the
intensity of marketing campaigns, and improve sales through the exploitation of new distribution methods and exhibition platforms. Art cinema production collapsed as a result, with commercial projects attracting the bulk of investment.

By the mid-1990s, the majority of Korean filmmakers no longer followed the cinematic principles of the New Wave as they sought to break with its art cinema conventions in favour of a marketable commercial aesthetic. *Sopyonje*’s ‘crossover’ success with mainstream audiences suggested that film in Korea stood a chance of surviving the influx of motion picture entertainment from overseas. Those who wished to achieve the objective of a commercially successful national cinema sought ways of balancing the artistic endeavours of filmmakers with the commercial aims of distributors and exhibitors throughout the remainder of the decade.

### 1.3 New Korean Cinema

Korea is acknowledged today as a leading national film market. Since the late 1990s, domestic and overseas demand for Korean film productions has risen exponentially, solidifying Korean cinema as a major new entity in the Asian region. Films made in Korea outstrip foreign imports, dominating local box office charts and critical studies surveying the full range of local and international pictures annually released in the country. Between 1998 and 2005, total nationwide theatrical attendances for Korean films increased almost sevenfold from 12.6 million to 84.3 million admissions, representing a greater than doubling of domestic market share from 25% to 59%. It was in 1999 that ticket sales for Korean films really skyrocketed. The 21.7 million admissions for Korean pictures
released that year doubled the yearly average achieved throughout the earlier period of the 1990s. Local productions captured almost 40% of the total nationwide audience, a share of the domestic market unheard of since the early 1980s when the proliferation of Hollywood products was artificially curbed through government regulation. In 2001, for the first time in two decades, Korean films attracted more than half the total nationwide audience, reinforcing the view that the supremacy of American entertainment in Korea had come to a remarkable and unexpected halt. Servicing this extraordinary increase in consumer demand for local movies, the total number of screens operating in the country has more than tripled from 500 in 1998 to 1,600 today. It has been a remarkable achievement for the relatively small Korean national cinema to dramatically increase the size of its national audience and capture the attention of domestic viewers at the expense of entertainment imported from Hollywood.

At the time of writing in mid-2006 there are few signs of the Korean cinema explosion burning out or slowing down to any significant extent. Over the past twelve months, popular films such as The King and the Clown (Wang-ui namcha, Yi Chun-ik, dir., 2005) and The Host (Koemul, Pong Chun-ho, dir., 2006) have dominated metropolitan and rural theatres alike, comfortably outperforming the highest grossing big-budget movies from Hollywood, including King Kong (2005) and The Da Vinci Code (2006). Designed to combat piracy, the simultaneous multi-national release of the Korean film April Snow (Oech’ul, Hŏ Chin-ho, dir., 2005) proved largely successful, especially in Japan where it grossed a record $22 million. Japan has become Korean cinema’s largest and most important export market since 1999, and increased competition among distributors to purchase Korean films has driven prices skyward. Multi-million dollar bids for the right to
release individual Korean films in Japan are now a common occurrence. While a few high profile and expensive purchases from Korea have flopped in Japan, *Silmido* (*Shilmido*, Kang U-sŏk, dir., 2003) for instance, the Japanese market continues to embrace commercial pictures made in Korea. This was demonstrated one month after the release of *April Snow* when *A Moment to Remember* (*Nae mŏrisogŭi chiugae*, Yi Chae-han, dir., 2005) again broke the local admissions record for a Korean production.

Hollywood has also been attracted to Korean cinema, purchasing English language remake rights to several hit Korean movies. For American distributors and production companies, remake rights offer a relatively cheap way of acquiring stories that have already demonstrated solid commercial appeal in Korea’s youthful mainstream film market. In exchange for the creative rights to filmed material that is exploitable in Hollywood, Korean producers have been rewarded quite lucratively. Remake rights have frequently sold for more than one million dollars plus a small percentage of the Hollywood remake’s net earnings if it ever goes into theatrical release. In the case of financially successful remakes such as *The Lake House* (2006), a remake of the Korean picture *Il Mare* (*Shiworae*, Yi Hyŏn-sŭng, dir., 2000), final revenues from the sale of remake rights can recoup a large proportion of the original film’s production expenses. Sidus, the producers of *Il Mare*, received $500,000 for the original sale of remake rights to Warner Bros. plus an additional 2.5% of the *The Lake House’s* worldwide box office, which, as of August 2006, was close to $100 million. 67 Considering *Il Mare* cost just $1.9 million to produce, the sale of remake rights has represented profitable business for Sidus. 68
In addition to these commercial achievements, films from Korea continue to impress non-mainstream audiences and critics. Writer-director Kang Yi-kwan’s independent feature *Sagwa* (yet to gain theatrical release in Korea) won back-to-back prizes at the 2005 editions of the Toronto and San Sebastian film festivals. Meanwhile Kim Ki-dŏk joined the ranks of festival circuit heavyweights such as Jean-Luc Godard, Pedro Almodovar and Aki Kaurismaki by winning the International Federation of Film Critics (FIPRESCI) Grand Prix for best film (*3-Iron (Pinjip, 2004)*) released worldwide in the calendar year ending July 2005.

Through these commercial and artistic strengths, the contemporary Korean film industry offers a rare and fascinating illustration of the ways a non-English speaking medium sized national cinema can tackle the problem of Hollywood’s near global dominance. Few national cinemas boast domestic markets that are competitive with Hollywood, with individual films often outperforming entertainment imported from America. Fewer still are able to pursue export opportunities in lucrative international markets the size of Japan’s. For these reasons, Korea cinema’s revitalisation is an issue of considerable interest to people involved in the construction of sustainable national cinema industries. Institutions and administrators responsible for determining the guidelines of national film policy elsewhere in the world would do well to heed the Korean situation if they wish to develop local alternatives to Hollywood’s international diffusion. Unfortunately, there are few extensive English-language studies devoted to the circumstances surrounding the timing, strategies, and practices involved in the rejuvenation of Korean cinema. Due to the lack of scholarly approaches to Korean cinema’s commercialisation, our understanding of these circumstances remains limited.
Compounding the problem, there have been a number of cursory approaches that have inadequately explained the rise of Korea’s commercially successful cinema. Many of these approaches arose as a consequence of the text-based emphasis of national cinema critics and the belated awareness in the West that the Korean film industry was no longer engaged in the pursuit of art cinema. Observers have mistakenly regarded the late 1990s escalation of domestic box office in Korea as the starting point for their analysis, but it is more apt to consider the late 1990s as the moment that Korean cinema’s new direction was popularly accepted by local audiences after a long period of development. The overemphasis on the period since the late 1990s has resulted in few accounts that describe how the confluence of commercial practices initiated in the early 1990s has influenced the remarkable success of the late 1990s. Also overlooked have been the subsequent applications, trials and modifications of strategies designed to service the demands of mainstream audiences throughout the mid-1990s.

There are at least four principal ways that critics and other observers have explained the rise of a successful commercial cinema in Korea following the decline of the New Wave art cinema. First, it has been argued that the quality of film productions improved, leading to a renewal of interest in the domestic cinema among local spectators. Second, it has been suggested that a new generation of young filmmakers energised the industry by diversifying film content and accommodating the demands of the core mainstream youth audience. Third, the charge that recent Korean films simply emulate archetypical Hollywood movies in order to succeed at the box office has also been pejoratively levelled at New Korean Cinema. Finally, it has been argued that the country’s screen quota system, which obliges exhibitors to screen Korean films for at least 106 days per
year, has been chiefly responsible for nurturing Korean cinema out of its slump and sustaining its commercial success against pressure from foreign imports. Before turning to a finer contextual analysis of the conditions leading to the rise of New Korean Cinema from 1992 to 1998 and its remarkable escalation since 1999, I would like to consider each of these alternative proposals separately.

1.4 Have Korean Films Simply Gotten Better?

In order to explain why certain film productions succeed at the box office and others do not, the notion of relative quality is often utilised. The standard claim is that ‘good quality’ movies attract viewers, while inferior movies are more likely to turn audiences away. Subjective tastes figure in qualitative judgements about individual films. For exponents of film quality rhetoric, some movies are ‘better’ than others because of an allegedly superior, or more interesting, utilisation of narrative, formal, and technical elements. Due to this emphasis on textuality, quality-based assertions about the popularity of national cinemas tend to ignore contextual factors relevant to box office success, such as the negotiation of local film policy or distribution, marketing, and exhibition practices favoured in the domestic market at different historical junctures. Film historian Mike Walsh has investigated how distributors from Hollywood have asserted the inherent quality of US film productions in order to explain and preserve the broad international appeal of American cinema since the end of World War I. As Walsh points out, by mounting this campaign on textual grounds and ignoring other factors, the US film industry managed to suppress discourse concerning the aggressive industrial activities that were central to its success.
New Wave criticism aside, prior to the box office triumph of the new commercially-oriented Korean cinema, notions about the quality of Korean films were typically mobilised in a negative sense. “A weakness of Korean cinema,” maintained *The Economist* in 1985, “has been that its directors and scriptwriters have only a rudimentary grasp of film grammar.” Even the *International Film Guide*’s Derek Elley and Fred Marshall, critics keeping a close watch on Korean cinema, were prepared to concede in the late 1980s that, “the actual number of worthwhile productions is still relatively small when set against the mass of mainstream fodder.”

Following the rapid rise in theatrical admissions to domestically produced films in Korea in the late 1990s, far more positive qualitative assessments of Korean cinema emerged in both Korean and Western criticism. Discussing the atypical popularity of several films released theatrically in late 1998, including *A Promise* (*Yaksok*, Kim Yu-jin, dir.) and *Art Museum By the Zoo* (*Yi Chŏng-hyang*, dir.), the conservative daily newspaper *Chosun Ilbo* made the claim that the “surge in ticket sales has proved that Korean movie goers will not turn away from good quality films.” For some observers, films such as *Shiri* (*Swiri*, Kang Che-gyu, dir., 1999) and *Joint Security Area* (*Kongdong kyŏngbi kuyŏk*, Pak Ch’an-uk, dir., 2000) seemed to demonstrate a sudden technical and creative breakthrough in Korean film production. Both films were also box office hits, and, in the wake of their success, reductive and uncomplicated assertions about Korean cinema’s supposed newfound quality became more prevalent. *Asiaweek* insisted, “South Korean filmmakers are simply getting better at their craft.” Following suit, Philip Cheah, the director of the Singapore International Film Festival, quipped that Korean films had attracted larger audiences in recent years “simply because
they’re getting better.” Film critic and scriptwriter Jang Chang-soo continues to centre the issue of Korea’s success according to the merits of individual film productions, arguing, “When there’s a steady increase in market share for three to four years, you have to give some credit to the substance itself.”

Since the late 1990s, Korean films have been programmed in more international film festivals, earned more ovations, and won more awards than ever before. International peers and critics have bestowed the seal of quality upon filmmakers such as Pak Ch’an-uk, director of the Cannes Jury Prize winning *Oldboy* (*Oldâboi*, 2003). Kim Ki-dŏk and Hong Sang-soo (*The Day a Pig Fell into the Well* (*Tweji ga umul e ppajin nal*, 1996)) have become regular festival participants, to the extent that their productions are now largely financed from outside of Korea and targeted at international, rather than local, art cinema audiences. Owing to this tremendous festival success, Korean cinema has become increasingly visible overseas. Even mainstream Korean blockbusters like *Silmido* have found a way to access the festival market and generate sales opportunities beyond local multiplex cinemas. Here, we encounter an important difference in the way contemporary Korean cinema must be understood. By judging Korea’s non-locally funded art cinema and the country’s mainstream commercial entertainment cinema according to the same unitary standard of quality, we learn nothing about how and why this situation arose.

Overly simplistic evaluations of recent improvements in the quality of Korean films do not help us comprehend the revitalisation of Korean cinema in any meaningful way. Since quality cinema explanations arose in response to the box office success of Korean movies, they fail to account for important commercial developments in Korean cinema prior to the late 1990s when box office success
was minimal. Narrowing the analysis of a complex issue like the Korean film resurgence solely to the production sector and the superficial textual attributes of individual films is also problematic. It is an accepted adage that ‘good’ films do not always find an audience, and there are numerous counter examples to the assertion that quality and success are commensurate. Due to the efficient organisation of resources in Korea’s distribution and exhibition sectors, films that quality cinema adherents deem inferior are still able to attract viewers and recover costs, if not perform substantially better than expected. Among critics and mainstream spectators alike there are few admirers of Crazy First Love (Ch’ŏtsarang sasu kwolgidaehoe, Oh Chong-rok, dir., 2003), an absurdist romantic comedy that seems to owe the bulk of its considerable success (2.3 million admissions in Korea) to aggressive marketing, star power (Ch’a T’ae-hyŏn from My Sassy Girl ( Yöpkijŏgin kŭnyŏ, Kwak Chae-yong, dir., 2001)), and the strategy of a relatively short five week release combined with a wide opening on 70 screens in Seoul, twice the 2003 average of 35 screens per Korean film release. Finally, the quality cinema explanation is ahistorical and lacking explanatory power. Even if we were to accept the bold assertion that Korean films have improved in quality since the late 1990s, we are still left with no account of why they improved at this particular moment.

1.5 A New Generation of Filmmakers

Another way that critics have approached the issue of Korean cinema’s revitalisation has been through an investigation of the generational turnover in filmmaking personnel. Once again taking a route that considers domestic film
production’s exclusive impact on Korean cinema, critics have speculated that locally produced movies may have become more popular in Korea due to extensive change in the pool of Korea’s available filmmaking talent. In the early 1990s, a new generation of filmmakers emerged in Korea, joining a labour force comprised of the earlier generation of filmmakers brought to fruition during the New Wave and the handful of industry stalwarts who had commenced their careers before the 1980s.

New film directors and producers emerging in the 1990s have often been credited for discarding the New Wave’s critical emphasis on social engagement and for favouring instead the development of a commercial cinema. For Lee Hyang-jin, the filmmakers who emerged after the decline of the New Wave were “young, ambitious and iconoclastic.” Contrary to the socially and politically grounded realism of the New Wave, the new generation, Lee continues, were able to “provide a fresh look into the fundamental preoccupations of average Koreans … [and] reinterpret the socio-political realities of contemporary Korea … without any explicit ideological slant.” By shrinking away from the conscious representation of working class ideology, the alienation of youth culture, and other common themes of the New Wave, the new generation also moderated cultural nationalism in Korean cinema. “Rather than give a national definition to South Korean films,” writes scholar Helen Koh, “young filmmakers would prefer to win back a domestic audience that has abandoned local for Hollywood films some thirty years ago.” Kim Dong-ho, the director of the Pusan International Film Festival since its inception in 1996, agrees that the younger generation “helped fight the dominance of American cinema in South Korea.”
Yi Chae-yong, the director of *Untold Scandal* (*Sŭk'aendŭl - Chosŏn namnyŏ sang'ýŏlchisa*, 2003), sheds further light on the differences between the New Wave filmmakers and those, like himself, from the younger generation:

Filmmakers from the 80s and 90s, like Park Kwang-su, Jang Sun-woo and Jung Ji-young, carry a great burden on their shoulders, in terms of history and politics. So they make very heavy films, and they can't free themselves from the weight of their generation's social issues. In Park Kwang-su's case he makes political films. Jang Sun-woo's films seem to be more a reaction against politics.

But directors in my generation feel free of such pressures. They pursue individual interests, rather than make films that speak for Korean society. For that reason, recent films are more diverse, and I think directors are able to make better movies in this environment. Park Ki-hyung makes horror films, I make melodramas, Im Sang-soo makes films about sexuality, Hur Jin-ho makes love stories. They make films suited to their interests and abilities.  

The steep decline of domestic market share in the late 1980s and early 1990s hastened the decision of film companies to invest in more commercially-oriented film productions. In 1990, Im Kwŏn-t’ack’s commercial gangster film *The General’s Son* (*Changun ŭi adŭl*) broke the domestic attendance record for a Korean picture after gaining 678,000 admissions in Seoul. Though only a moderate success in comparison with the highest grossing American pictures (*Ghost* attracted 1.68 million Seoul admissions in the same year), the box office
performance of *The General’s Son* enabled Korean producers to envisage a profitable future for commercial genre films. Investors did not flock to Korean producers as a consequence of one movie’s performance, so producers resorted to meticulous organisation and calculated pre-production strategies in order to bring commercial films to completion under low production budgets.

Film correspondent Darcy Paquet has discussed how the innovative industrial practices of younger generation producers aided the commercialisation of Korean cinema in the early 1990s. Future leading figures of the industry, among them Shin Ch’ǒl (founder of production company Shincine and producer of *My Sassy Girl*), Shim Chae-myǒng (founder of Myung Films and producer of *Joint Security Area*) and Oh Chǒng-wǒn (founder of b.o.m. Film Productions and producer of *Untold Scandal*), introduced a ‘planned films’ (*kihoek yǒnghwa*) system of development to Korea. Planned films utilised market surveys to determine the preferences of a specific mainstream audience demographic before developing high concept projects tailored to suit mainstream tastes. Screenplays were rigorously assembled, with a team of writers following the instructions of the producer and the additional project managers responsible for coordinating the planned film. Ambitious young directors such as Kang U-sǒk (*Mister Mama* (*Misǔt’ǒ mamma*, 1992)) were hired to usher the projects through production and post-production. Between 1992 and 1994, planned films achieved a considerable degree of success, none more so than *Marriage Story*. Collecting 526,000 admissions in Seoul, like *The General’s Son* it was a major success for the time and similar to other big hits inspired several copycat productions. The film’s key personnel, producer Pak Sang-in, director Kim Úi-sǒk, principal writer Pak Hǒn-su, and planners Shin Ch’ǒl and Yu In-t’aek were all relative newcomers to the
industry. In terms of choosing suitably commercial content, the planners utilised the still quite fresh genre of the ‘sex-war comedy,’ which had earlier highlighted the modestly successful Korean release, *My Love, My Bride* (*Naũi sarang naũi shinbu*, Yi Myŏng-se, dir., 1990). After the success of *Marriage Story*, the sex-war comedy became, according to Tony Rayns, “the most dominant genre in current Korean cinema.”

Film scholar Kwak Han-ju contends that *Marriage Story* epitomised a new direction for Korean cinema, stating that romantic comedies of its kind “began to celebrate the results of modernization” in the way they depicted the Westernised lifestyles of modern Korean couples.

The new generation of filmmakers concentrated on producing a diverse range of genre films for the local market. Following the conclusions of the early 1990s market research, genres that local producers began to exploit for the burgeoning commercial cinema, albeit with varying degrees of success, included action movies like *Two Cops*, special effects-driven horror films such as *The Fox with Nine Tails* (*Kumiho*, Pak Hŏn-su, dir., 1994) and *The Gingko Bed* (*Ǔnhaeng namu ch’imdae*, Kang Che-gyu, dir., 1996), romantic melodramas like *The 101st Proposal* (*Paek’an 101 Pŏtchae p’irop’ojŭ*, Oh Seok-geun, dir., 1993), and more sex-war comedies, including *That Man, That Woman* (*Kŭ yŏja kŭ namja*, Kim Ùísŏk, 1993) and *How to Top My Wife* (*Manura chukigi*, Kang U-sŏk, dir., 1994). Comedy was a common element in the new commercial cinema, amalgamated into the majority of film productions such that a hybridisation of genres became the norm. After the success of *The General’s Son* and its two sequels, Korean filmmakers also returned to the gangster movie, compelling Kim Kyung-hyun to remark that Korea’s particular brand of farcical gangster comedies are perhaps “the only locally brewed genre proven to succeed in the box office.”

Film critic
Seo Hyun-suk has argued that gangster films became popular with audiences because they portrayed ruthless hardened criminals, or *jopoks*, uncompromising figures who reinstated in Korean cinema desirable masculine codes of dignity, honour and fellowship.  

Other movies drew their generic inspiration from overseas. Lee Server has hailed the “cops ‘n’ robbers” action movie *Terrorist* (*T’erôrisŭt’ŭ*, Kim Yŏng-bin, dir., 1995) as just as “kinetic and blood-drenched as the most exciting product from Hong Kong.” Action films like *Terrorist* and *Two Cops* provided a domestic alternative to similar movies imported from Hong Kong. They also coincided with a decline in the regional audience for Hong Kong cinema. Demonstrating a growing capability for the production of domestic films to replace the regional exports of Hong Kong, Korean cinema was already forging the first important steps towards its own regionally powerful cinema.

One of the major reasons for the emergence of so many new filmmakers in the 1990s was the establishment of stronger ties between the film industry and film schools. Up until the late 1980s, film directors were commonly ushered into the local film industry within a traditional master-apprentice system of development. It was typical for an aspirant film director to first work under assignment as an assistant director and/or screenwriter for a more established filmmaker. Im Kwŏn-t’aek’s production units offered early experience to Chang Sŏn-u, while Kim Ŭi-sŏk spent periods as an assistant to both Im and Chang. Pae Ch’ang-ho, one of the select few commercial filmmakers of the 1980s, began as an assistant to Yi Chang-ho in 1980, before Pae in turn nurtured the career of Yi Myŏng-se on several of Pae’s productions, including *Deep Blue Night* (*Kipko p’urŭn pam*, 1985) and *Our Sweet Days of Youth* (*Kippŭn uri chŏlmŭn nal*, 1987).
The apprentice system remains a common point of entry into the industry for many filmmakers, but since the mid-1980s it has been supplemented with additional training methods. Established in 1984, the nation’s first specialist film school, the Korean Academy of Film Arts, provided a new arena for emerging filmmakers to develop their skills, showcase their work and establish connections with the industry. Around the same time, major universities around the country, including Chungang, Dongkuk and Hanyang, followed suit and expanded their programmes to include cinema studies and film production courses. Domestic film schools encouraged the production of short films for submission to international film festivals, where Western critics could more readily appraise and support emerging Korean filmmakers. The introduction of film schools improved the institutional education of filmmakers, equipping them with additional critical and theoretical resources to go along with the practical industrial experiences acquired under the apprentice system. Success at the Academy, the Seoul Institute of the Arts, or one of the highly regarded universities could fast track a filmmaker’s career. Within the space of a few years, Kim Úi-sǒk graduated from the Academy, served his directorial apprenticeships and was given the chance to direct *Marriage Story.* Film producers were keen to exploit this young, educated workforce, who could be contracted to pictures at a lower cost than more experienced directors and whose unformed habits generally made them more flexible and easier to control. According to *Cinemaya,* first time directors were responsible for 70% of domestic productions in the mid-1990s. Graduates were also in demand for the range of new skills and ideas they brought to the industry, their familiarity with new technology, and also for their relative youth, since they brought the creative labour force of the industry closer to the age of the mainstream film audience. The
low wage demands of the young and relatively inexperienced film crews were also crucial to the mainstream revival. Due to restrictions on the formation and coordination of labour unions, film production staff were often unable to negotiate more attractive work and salary conditions. Established norms of low pay and long shifts enabled film producers to add value by setting aside funds for production inputs unrelated to staff, e.g. technical equipment, the cost of creating design components, and special effects.


Since the early 1990s there has also been an increase in the rate of graduates returning home after attending international film schools. Pak Kwang-su was a forerunner in this respect, attending the French film school Ecole Supérieure Libre d'Etudes Cinématothographiques before returning home to become an assistant for Yi Chang-ho on *The Man With Three Coffins*. Pak later took numerous future filmmakers under his mentorship, notably Hô Chin-ho and Yi Ch’ang-dong. International film schools have offered Korean graduates the opportunity to reach beyond the nationally specific, gather a broader perspective on the realities of
international cinema, and to bring home a rich sphere of knowledge gained from 
experiencing foreign film cultures firsthand.

Following Pak’s successful sojourn in Paris, the preferred destinations of 
Korean filmmakers choosing to develop their education overseas have been 
America, France and Eastern Europe. Some of the prominent graduates of 
American film schools include Hong Sang-soo, Kang Che-gyu, Yi Kwang-mo 
(Spring in My Hometown (Arūmdaun shijŏl, 1998)), Kwak Kyŏng-t’aeck (Friend 
(Ch’in-gu, 2001)) and Yun Chong-chan (Sorŏm, 2001). Meanwhile, Pyŏn Hyŏk 
(Interview (Int’ŏbyu, 2000)) and Kim In-shik (Road Movie (Rodŭ mubi, 2002)) 
received their formative training in France. Most intriguingly among the 
international options available to Korean film students, Mun Sŏng-uk (Nabi, 
2001) and Song Il-kon (Flower Island (Kkotsŏm, 2001) furthered their studies at 
Lodz in Poland, while Chang Yun-hyŏn (The Contact (Chŏpsok, 1997)) was 
taught at Hungary’s National Film School.

Finally, there have also been a number of significant exceptions to the norm, 
new filmmakers who have neither emerged from the traditional apprentice system 
nor film schools at home or abroad. Of these Kim Ki-dŏk is probably the most 
well known to Western audiences. Kim spent several years as a painter in France 
before the submission of an award-winning screenplay to a Korean contest 
launched his filmmaking career. Prizes won at similar screenwriting contests 
brought the attention of film producers to Kim Chi-un (The Foul King 
(Panch’igwang, 2000)). Chang Chin (Someone Special (Anŭn yŏja, 2004)) was an 
accomplished dramatist for theatre before turning his writing and directing talents 
to film. Pak Ch’an-uk graduated as a Philosophy major and achieved success as a 
film critic before he committed to a feature filmmaking career.
The younger generation of filmmakers contributed ‘new blood’ as the industry underwent a makeover during its period of transition from an art cinema struggling at the box office to a vibrant commercial entertainment cinema. Between 1992 and 1998, the new generation was responsible for producing many of the films that attracted healthy theatrical attendances at home and that caught the eye of film festival programmers abroad. Understood in isolation, however, the rise of new filmmakers in the 1990s only begins to explain the grounds for the gradual commercialisation of Korean cinema. Since the inception of film production activities in Korea, there have always been new film directors and producers, whose emergence at different historical moments has been a symptom of change as much as a cause. After the relaxation of the ban on Hollywood distribution subsidiaries in the late 1980s, Korean distributors required a steady flow of comparatively cheap domestic films in order to compete with the abundance of exports from Hollywood and Hong Kong. The number of films produced in Korea increased from 89 in 1987 to 121 in 1991, a rise of almost 50%. Given that already active filmmakers could not have been expected to shoulder the burden of this escalation, it was necessary for new filmmakers to surface and be handed the responsibility of increasing Korea’s film production output.

Since the early 1990s, new filmmakers have continued to emerge in Korea and industrial activities have continued to transform in response to the challenges of domestic and international competition. The practice of making planned films was phased out in the mid-1990s, well before the late 1990s boom in attendances, and replaced with a more conventional package-unit producer system modelled on contemporary Hollywood. Genre filmmaking continues to remain an important
feature of commercial Korean cinema, but then again genre films have consistently been a primary aspect of Korean production since well before the modern era. In his standard history of Korean cinema, Lee Young-il categorises the important films of various key periods since the end of the Korean War in terms of generic trends: historical films, melodramas, satirical comedies, thrillers, continental action movies, crime dramas, hostess films, and so on.\textsuperscript{93} Following the remarkable success of Japanese ‘cell phone’ horror movies like \textit{Ringu} (1998), Korean filmmakers were quick to exploit the international appeal of the creepy horror genre with a succession of derivative and imaginative works. Well beforehand, however, film director Kim Ki-yŏng had already appropriated and traversed the tropes of the horror genre with his popular and critically celebrated ghost, vampire and supernatural terror movies of the 1960s and 1970s. Film historians Kim So-young and Chris Berry have pointed out the significance of this “strong horror tradition” in Korean cinema to emphasise that the new and the local is almost always infused with the old and the international.\textsuperscript{94}

1.6 Copying Hollywood: Imitation or Appropriation?

Soon after the blockbuster film \textit{Shiri} was released during the New Year holiday in February 1999, it quickly became the highest grossing movie in the country’s history and a tangible signpost for Korean cinema’s explosive resurgence. As a spy thriller with a stylistic emphasis on the staging of urban gun battles, many commentators were stirred to draw comparisons between \textit{Shiri} and contemporary American action movies. Dongguk University lecturer Jae Hyang-jang decreed that \textit{Shiri} “succeeded ultimately because it is good entertainment … it is an
embrace of the Hollywood style, in terms of dynamic directing, tight plots and, most of all, suspense.”

By equating ‘good’ entertainment with films imported from Hollywood, Jae returns to the unhelpful argument that the improved quality of late 1990s Korean films was responsible for higher box office returns. On this occasion, increased quality is understood as the successful mastery of Hollywood norms.

Film critic Kim Jin agrees with Jae’s view, but as a detractor of imitative practices Kim is keen to argue that films like Shiri “may be better described as Hollywood movies featuring Korean faces and Korean food for the purpose of localization.” Such mimicry, for Kim, is “barely a step above dubbing or inserting subtitles.”

Korean national cinema theorists tend to share Kim’s opinion regarding the practice of lifting Hollywood techniques and transplanting them in a Korean cultural context without modification. For critic David Scott Diffrient, this kind of appropriation of the international is problematic due to its tendency to obviate nationally specific formal structures and representation. “Shiri displays much of the technical proficiency we associate with Hollywood cinema”, states Diffrient, but it “doesn’t offer a viable alternative to Hollywood’s brand of entertainment.” Furthermore, he claims, “just as it appropriates the overblown features of the Hollywood action film … so too have subsequent Korean blockbusters imitated Shiri’s cinematic vocabulary.”

Finally, Kim Kyung-hyun also laments the current populist state of Korean film production when he asserts, the reason for the decline of American supremacy in Korea is due to the increase of indigenous products that mimic Hollywood. While Korean cinema’s commercial viability provided a working environment conducive
for the filmmakers who wish to emulate the style of Hollywood, it has
stripped the creative liberties of filmmakers who desire to make films that
stand outside the convention of Hollywood.\textsuperscript{98}

Due to the industry’s apparent adoption of production paradigms based on
successful Hollywood movies, each of these critics wonders if the recent
economic success of Korean cinema has negatively affected local film culture. In
each instance, however, there is no precise description of ‘Hollywood film style’
nor a sustained account of the cultural implications of Hollywood imitation. Under
the microscope of an essentialist national cinema theory, any form of cultural
mimicry is by definition considered harmful.

Chris Berry, on the other hand, has contended that “the blockbuster is no longer
American owned,” providing an interesting counter argument to concerns
regarding New Korean Cinema’s supposedly cavalier imitation of Hollywood.\textsuperscript{99}
Berry contends that it is necessary to look beyond passive notions of imitation
when investigating films like \textit{Shiri} and \textit{Joint Security Area}. He prefers to broach a
critical understanding of how these films localise the Hollywood blockbuster in
order to attract mainstream audiences at home and abroad. While each production
carries out the spectacle and entertainment functions pertinent to their large
budgets, “they also use the blockbuster as a site to speak to local Korean issues …
[providing] a space for examining and exorcizing the anxieties associated with the
division of the Korean peninsula.”\textsuperscript{100} For Berry the blockbuster remains a
contested site of appropriation and a facet of Korea’s engagement with the West
that has more at stake than simply vernacular or the representation of local faces
or food.
It is also illuminating to discover instances of Hollywood appropriation before the 1990s that fell short of rejuvenating the Korean cinema at the expense of American movies. Korea’s adoption of Hollywood stories and stylistic practices has not been a new phenomenon. For a time in the 1980s, the films of young director Pae Ch’ang-ho were relatively popular with local audiences. Both Whale Hunting (Korae sanyang, 1984) and Deep Blue Night were number one box office hits, exceeding 400,000 admissions in Seoul. Deep Blue Night performed especially well, selling more tickets than any other Korean picture released between 1977 and 1990. Pae directed his first film in 1982, meaning he was still a new filmmaker at the time of these successes. According to a contemporary interview in The Economist, Pae had acquired a personal preference for “spectacular films, like Lawrence of Arabia and Doctor Zhivago,” and like the emerging filmmakers of the 1990s generation he was partly trained overseas.101

The success of Deep Blue Night is particularly interesting, given that it was produced in the United States, featured an American cast and, in the opinion of The Economist, “looks like a Hollywood film.”102 Deep Blue Night was widely accepted for its effort to imitate the popular ‘formula’ of Hollywood entertainment. However, in comparison with the astonishing returns of late 1990s productions like Shiri, Deep Blue Night’s box office returns were very modest. Around the time of its mid-1980s release, there was no trace of the exhibition infrastructure required to support a bustling commercial cinema. There was no centralised nationwide distribution system. Mainstream Korean film audiences were still turning away from theatres screening local films, not flocking too them as they would do fifteen years later.
Overstating how Korean films copy the production techniques of Hollywood films risks neglecting when and where other industrial practices mastered in Hollywood have been borrowed by Korean cinema for non-production purposes, e.g. vertical integration, the rapid construction of multiplexes, intensive marketing, and the wide distribution of local blockbusters utilising the nationwide system of distribution that emerged due to the opening of American film companies in Korea. Over-emphasis concerning the effects of Hollywood’s ‘cultural imperialism’ also tends to neglect the importance of Hong Kong, the other foreign commercial cinema to gain popularity in Korea during different historical moments. Finally, it is also worth noting that notions of imitation do not provide a stringent framework for discussing Korean and Hollywood movies in competition with one another in markets outside of Korea, such as Japan. Since Japan is a site of cultural engagement where geo-political and linguistic differences between American and Korean films are diluted, the recent success of Korean films in Japan cannot so easily be bound to the idea of Hollywood mimicry.

1.7 Screen Quota: Protection of Culture or Protection of Commerce?

A final common illusion about the recent commercial success of Korean cinema concerns the government’s protectionist film policy, specifically its implementation of a screen quota system. There have been various changes to the screen quota since 1966, when it was first introduced as an amendment to the Motion Picture Law. Since 1985, screen quota law has required exhibitors to screen Korean productions for 146 days per year, or 40% of the time. Theatre
owners who screened Korean films more frequently than two-fifths of the time during peak seasons were often granted additional quota concessions of up to twenty days. After modification to the law in 1996, concessions from the Minister of Culture and Tourism could extend to a maximum of forty days, meaning that the screen quota has recently obliged some theatre owners to screen Korean films for just 106 days or 30% of the year. In reality, many operators received concessions that fell somewhere in between the two extremes, such that 126 days is another oft-quoted figure for the actual quota obligation.

Proponents of the screen quota, including the majority of the film industry’s creative personnel, have argued that without artificial protection from foreign imports the Korean production sector would not have revived from its early 1990s slump nor emerged in the late 1990s in a form competitive with Hollywood. In 1994, the head of the MPPC suggested, “If the law hadn’t forced theater owners to show Korean-made movies … Korean moviemakers would be chasing flies and fanning themselves.” Another advocate of the quota, Pusan festival director Kim Dong-ho, has asserted, “South Korean films were able to achieve tremendous success at the box office, as it was mandatory for them to be shown … [The] screen quota system contributed enormously to promote South Korean cinema.”

A debate concerning the efficacy of the screen quota has been prevalent over the past several years. Critics of the quota system argue that contrary to the claims of its supporters, there has been no causal relationship between its implementation and the recent success of Korean cinema. Writing for business journals such as Hollywood Reporter, Newsweek and Movie Marketing Asia, film correspondent Mark Russell argues that a multitude of other contemporary factors have contributed to the revitalisation, including the rising costs of film imports in the
mid-1990s, the increase in domestic film investment due to the decline of the won between 1997 and 1998, the rapid construction of multiplexes in the late 1990s, and the rise of vertically integrated film companies.\textsuperscript{107}

Quota breaches are a compelling article of evidence supporting the position of the quota’s detractors. While exhibitors were legally required to satisfy the quota by screening productions made in Korea, it was discovered that they regularly deceived or paid off regulators in order to screen foreign films instead. In 1993, for instance, Korean films were shown for 58 days or just 16% of the time, 88 days fewer than the 146 days mandated under law.\textsuperscript{108} Since theatre owners escaped such transgressions without punishment, they were free to ignore quota restrictions and book foreign pictures, which at the time were still more profitable than domestically produced movies, as often as they dared.

Stricter regulation of exhibitors followed the launch of the Screen Quota Watchers in 1993, an organisation known today as the Coalition for Cultural Diversity in Moving Images in Korea (CDMI). Through its watchdog activities the CDMI reduced breaches in the quota, ensuring more Korean films played in theatres. It is difficult to judge the impact of the CDMI’s actions, however, since the CDMI was not responsible for enticing consumers to purchase tickets for those Korean films. Viewers make choices about what they plan to see when they attend a theatre, especially in a multi-screen environment where choices abound. Having more Korean films on screen after the introduction of the CDMI increased the competitiveness of local distributors but it did not automatically safeguard domestic market share. Regardless of the questionable argument that more Korean films on local screens necessarily implies more admissions to those films, the CDMI insists that there has been a causal relationship between their enforcement
of the screen quota and the recent commercial success of Korean cinema. In a speech given to UNESCO in 2005, the general director of the CDMI suggested that the screen quota was chiefly responsible for not only Korea's late 1990s audience boom, but also the increase in Korean film exports over the past few years, the critical impact of a selection of arthouse pictures at international festivals, and the runaway success of the Pusan International Film Festival since its 1996 inception.109

A graph showing the rate of change in quota days actually observed by exhibitors against the rate of change in admissions for local productions demonstrates the tenuous nature of the CDMI’s assertion (Fig. 1, next page). For a causal relationship to exist, the expectation is that changes in adherence to the screen quota would have a noticeable effect on changes in total admissions, i.e. the lines on the graph should follow similar trajectories. Given the divergence between these two factors as seen in the graph below, the indication is that other factors in addition to the screen quota have influenced the downturns and upturns of ticket sales.

The CDMI has been reluctant to provide strong empirical evidence in support of its assertions, preferring to promote the quota as a device protecting the cultural identity and diversity of Korean cinema from the cultural hegemony of American cinema. The implication of the limited available evidence to support the quota’s positive effect on the popularity of local films is that reductions in quota breaches were a consequence of the successful commercial rejuvenation, not a cause. The CDMI’s nationalist position also raises the question of how the quota has supposedly guaranteed the preservation of diversity on local screens. In the first quarter of 2004, to cite a glaring counter example, the military blockbusters
Silmido and Taegukgi (T'aegŭkki hwinallimyŏ, Kang Che-gyu, dir., 2004) had an asymmetrical effect on local attendances, dominating up to 60% of local screens while contributing to a staggering 72.6% domestic market share. These were big-budget films designed to reap enormous revenues at the box office. The reason each film was booked on so many screens was not to satisfy the quota, but rather due to the saturation release campaigns of distributors.

![Fig. 1 Percentage Annual Change in Quota Days Observed, 1993 - 2001](image)

Source: Coalition for Cultural Diversity in Moving Images.

Emphasising that Korean cinema’s commercialisation had to come before reductions in quota breaches, exhibitors finally fulfilled the requirements of the screen quota system in 2001, two years after attendances for Korean films climbed steeply in response to the industry’s commercial transformation during the 1990s. With annual domestic market share consistently eclipsing 50% since
2001, exhibitors have been content to screen more Korean films than they are required to under the quota. This goes against the CDMI’s belief that theatre owners will play Hollywood films over Korean ones when given the opportunity. There are three central reasons why exhibitors have turned to booking more Korean films. First, local producers are making commercial movies that are capable of generating enormous returns at the box office. Second, exhibitors gain a larger share of revenues from domestic films, keeping 50% of the profits rather than the 40% split they get for imported films.\(^{113}\) With domestic films currently more popular than imports, it’s a sensible business decision to continue screening more local productions. Only if local pictures were substantially less popular would there be sufficient economic grounds to replace domestic movies with foreign films. Third, the companies who own the largest theatre chains are also the producer/distributors of big-budget movies. Vertically integrated film companies have a vested interest in securing screens for their products, since a greater proportion of theatrical revenues are kept in house. When it releases a movie, CJ Entertainment (CJE) finds it relatively easy to secure the screens of the country’s largest multiplex chain, CJ Golden Village (CGV), because both CJE and CGV are controlled by the same parent company, the second-tier chaebol (conglomerate), CJ Corporation (formerly Cheil Jedang). Therefore, so long as the domestic audience remains content with the commercial entertainment structure of the local film industry, theatre owners don’t have to be forced to show Korean films because due to strong financial returns and pre-existing business relationships they are more than happy to do so.

In this environment, it is hard to see how the quota has sustained cultural diversity. Independent, low-budget and experimental films do not usually stand a
chance of securing screens in Korea unless a major Korean or American distributor handles them. Hollywood and commercial Korean films dominate Korean movie houses, meaning smaller films offering non-mainstream stories and modes of artistic practice find it difficult to reach audiences. Low-budget films that do gain release often disappear from theatres very quickly. It took months for Song Il-kon’s *Feathers in the Wind* (*Git*, 2005) to secure just four screens in Seoul, but only a handful of days for it to be pulled after selling fewer than 3,000 tickets. Kim Ki-dŏk resorted to distributing *The Bow* (*Hwal*, 2005) himself, giving it a tiny and unsuccessful limited release on one screen in Seoul. It too was taken off screen within a few days. The screen quota and the CDMI have clearly failed to support filmmakers who are concerned with a personalised or marginalised art cinema, as are Kim and Song.

The screen quota system is an emotional issue that has brought conflicting opinions about its necessity to the surface. The CDMI has not provided compelling evidence to demonstrate that the quota has been an effective instrument in Korean cinema's revitalisation nor useful in terms of protecting local screen culture. The CDMI’s position that the quota has had a casual role in the commercial revival of Korean cinema is questionable as it foregrounds external government regulation over an analysis of the internal industrial conditions that have shaped Korean cinema.

### 1.8 Korean Cinema in Context

In order to comprehend Korean cinema’s revitalisation in more specific detail, it is necessary to look beyond the various text-based approaches to the issue and the
influence of the screen quota law. Explanations delving into the notion of a quality cinema, the rise of a new generation of filmmakers, Hollywood imitation, and the effect of the screen quota have so far provided insufficient reasons for the commercial rise of Korean cinema in the domestic market and the Asian region since the late 1990s. To gain a better understanding of the commercial success, this thesis seeks a contextual engagement with Korean national cinema, emphasising the relations of film policy, distribution, exhibition and post-theatrical sectors, film finance, and salient international and regional markets. My original research is organised according to three broad periods of activity, which taken together provide a basis for many of the important aspects regarding why and how Korean cinema is thriving today.

The next chapter examines the consequences of the film industry’s deregulation and liberalisation between 1986 and the early 1990s. Encompassing the height of New Wave production, this period was highlighted industrially by the ascension of film imports and the decline of domestic market share against foreign competition. When trade pressure from America opened the local film market to a proliferation of Hollywood products, the Korean film industry was ill equipped to deal with a struggle for commercial dominance. Long sheltered under successive dictatorial governments, Korean cinema’s challenging introduction to freer trade and the international guile of the Hollywood studios was full of adversity. Losses sustained in this period brought about an urgent sense of crisis as the industry struggled to establish procedures that could inhibit the supremacy of Hollywood. The reforms that surfaced in response to the gloom surrounding this period were constructive in the long-term, reviving Korean cinema and paving the way for the unmitigated recovery of the late 1990s. Liberalisation and the withdrawal of
government regulation led to a situation where economic and industrial factors could be brought into play to set the commercial transformation of Korean cinema in motion. It is within the context of late 1980s and early 1990s commercial ineffectiveness that we find the critical reasons for the Korean film industry’s adoption of suitably aggressive commercial strategies throughout the 1990s.

Chapter Three traces the commercial development of Korean cinema from 1992 to 1998, a period framed by considerable crises. Throughout 1992 and 1993, Hollywood’s command of Korean screens was stronger than at any time in the preceding forty years, but over the next five years local films grew in popularity and domestic distributors managed to ward off the advances of Hollywood distribution subsidiaries. The most significant difference between this period and the height of the New Wave period in the late 1980s was the emergence of film subsidiaries at Korea’s largest conglomerates, the five ‘first-tier’ chaebol (Samsung, Hyundai, Daewoo, LG, and the SK Group). For more than a decade prior to the early 1990s, the government had prohibited the chaebol from establishing media enterprises in Korea. After this restriction was relaxed, the chaebol set about building vertically and horizontally integrated media empires around their film distribution businesses. With Hollywood distribution subsidiaries now in control of the majority of American films circulating in Korea, chaebol film subsidiaries invested in local films in order to nurture an alternative production stream for their distribution pipelines. The emergence of large-scale chaebol production investment shifted the emphasis in Korea away from an art cinema model of production towards an environment that encouraged commercial filmmaking. Audiences returned to theatres throughout the 1990s, increasingly favouring mainstream Korean films over American entertainment. Confidence in
Korean cinema grew, and the *chaebŏl* announced plans to expand the under-developed theatrical exhibition sector with the construction of multiplexes. However, the onset of the 1997/98 South East Asian economic crisis curtailed *chaebŏl* involvement in the film industry. For the *chaebŏl*, the impact of the currency crisis was severe. All of the first-tier conglomerates were compelled to cut ties with the motion picture business as a result of the International Monetary Fund’s prescribed measures for economic reform. What happened next was instrumental for the ongoing commercial revitalisation of Korean cinema. Relatively unscathed by the economic crisis, a cluster of smaller independent film companies (Cinema Service) and others connected to second-tier *chaebŏl* (CJ Entertainment, Mediaplex, Lotte Cinema) obtained financial support to consolidate the central achievements of the major *chaebŏl*. There was a vast transference of properties, infrastructure, and talent as the multiplex projects, cable channels, and film producers abandoned by the *chaebŏl* were brought under the wing of the rapidly expanding new entertainment companies.

Chapter Four covers the mainstream commercialisation and the amplified regionalisation of Korean cinema since 1999. The foundations of the commercial entertainment cinema laid down by the *chaebŏl* between 1992 and 1998 assisted the swift recovery of the film industry in the aftermath of the economic crisis. During the financial crisis, the deterioration of the foreign exchange rate encouraged investors to turn their backs on overseas markets and search for ways to make money at home. For the major new film companies, the emergence of funding streams from local venture capital firms breathed life into mainstream film production. Fuelled by the huge increase in attendances to Korean films after 1999, the new majors constructed multiplexes around the country and opened
films on much wider releases than before. The past eight years have witnessed a tremendous sustained demand for Korean films within Korea. Relatively few Hollywood films have knocked local titles off the top of the box office charts, which have at times been dominated for several weeks by one or two Korean blockbusters. Success at home has been supported by Korean cinema’s regional expansion. Japan has become a significant buyer of Korean films, to the extent that a pre-sale to a Japanese distributor is sometimes enough to cover a film’s entire production budget. Through sales to Japan and other Asian countries including Hong Kong, China, Taiwan, Thailand, Malaysia, Singapore, Indonesia and the Philippines, Korean cinema’s total export revenues have climbed at an extraordinary pace. Particular movies such as *Shiri* and *My Sassy Girl* became phenomenal Asia-wide sensations, while others like *Windstruck* (*Nae yŏjajingurul sogae hamnida*, Kwak Chae-yong, dir., 2004) and *April Snow* have performed significantly better overseas than at home. Along with the growing interest in Korean culture across East and South East Asia there has been the crystallisation of an exploitable Korean star system. In non-Chinese speaking territories outside Korea, remarkably popular actors like Chang Tong-gŏn (*Taegukgi*), Pae Yong-joon (*Untold Scandal*, TV series *Winter Sonata* (*Kyŏul yŏnga*, 2002)), and Chŏn Chi-hyŏn (*My Sassy Girl*) have eclipsed the drawing power of Asian stalwarts such as Hong Kong’s Jackie Chan, Chow Yun-fat, and Brigitte Lin.

Korean cinema has also taken great steps beyond Asia. Prior to 1999, for those in the West the only consistent place to encounter Korean cinema in theatres was the international film festival circuit. The domestic and regional accomplishments of Korean cinema have brought it to the attention of a much wider range of
observers. Established in 1996, the Pusan International Film Festival has been instrumental in gathering buyers from overseas and exposing them to Korean films. Distributors from North America, Europe, South America and Oceania are now releasing Korean pictures far more frequently than they were before the late 1990s. Regardless of the increase in Korean cinema’s international visibility, however, overseas distributors still typically conflate Korean cinema within the broader contexts of a regional Asian cinema. The ‘Asia Extreme’ entertainment label of United Kingdom distributor Tartan Films offers one such example. Individual Korean movies marketed and released by Tartan (Oldboy, A Tale of Two Sisters (Changhwa, Hongnyŏn, Kim Chi-un, dir., 2003)) are lifted from their immediate cultural contexts and fused to imprecise categories (‘extreme’ cinema from ‘Asia’) in order to appeal to the mixed tastes of diverse Western viewers. By incorporating Korean and other national cinemas into one identifiable brand, Tartan and other similar labels expand the total range of films they can exploit, while funnelling to their audiences only the select handful of those films that meet specific criteria. Tartan president Hamish McAlpine, for instance, prefers to purchase and distribute films that exhibit “MTV-style editing … and then go to more extreme places than an American movie ever would.”\textsuperscript{114} This regional generalisation of Asian cinemas within Western film industries is perhaps the largest stumbling block for Korean cinema’s ongoing international expansion.
Notes


Stephen Crofts, World Cinema, p. 6.


Tom O’Regan, Australian National Cinema, p. 49. (Emphasis O’Regan’s.)


Hyangjin Lee, Contemporary Korean Cinema, p. 47.


24 Isolde Standish, *Colonialism and Nationalism in Asian Cinema*, p. 72.


34 Eungjun Min, et. al, *Korean Film*, p. 50.


38 Lee Young-Ill, *History of Korean Cinema*, p. 263.


43 Tony Rayns, *Sight and Sound*: 22.


David E. James, “Buddhism,” *Im Kwon-taek*, pp. 48-51.


Cho Hae Joang, *Im Kwon-taek*, pp. 146-147.

Cho Hae Joang, *Im Kwon-taek*, p. 147.


Eungiun Min, et. al, *Korean Film*, p. 61.


Kyung Hyun Kim, *Im Kwon-Taek*, p. 35.


Source: Korean Film Council <www.koreanfilm.or.kr/statistics/statistics03.asp> (accessed June 24, 2004). Data obtained from this source are hereafter referred to as ‘KOFIC statistics’.


Gina Chon, “Golden Summer,” Asiaweek (October 26, 2001)


76 Hyangjin Lee, Contemporary Korean Cinema, p. 61.


Tony Rayns, Seoul Stirring, p. 21.

Tony Rayns, Seoul Stirring, p. 39.


Kyung Hyun Kim, Remasculinization, p. 274.


Tony Rayns, Seoul Stirring, p. 20.


KOFIC statistics.

Darcy Paquet, New Korean Cinema, p. 42.


Kyung Hyun Kim, Remasculinization, p. 273.


Quoted in Lalit Rao, *Koreanfilm.org*.


Kyung Hyun Kim, *Im Kwon-Taek* p. 44n28. Interestingly, the Coalition for Cultural Diversity in Moving Images in Korea reports differently that there were
only 48 sham quota days in 1993, i.e. Korean films were shown on at least 78 (126 minus 48) days. Even if the latter is a more accurate account, it still represents a significant level of false reporting from exhibitors.


Sham quota days reached zero after diminishing throughout the 1990s.


Choi Byung-il, “Whither the Korean Film? After the Reduction of the ‘Screen Quota’,” *Korea Focus* 14, no. 2 (Summer 2006): 94.