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Reinterpretation of cultural imperialism: emerging domestic market vs continuing US dominance

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Korean popular culture has become dominant in East and Southeast Asia over the last decade. Korean television programs, such as drama and mini-series, are increasingly penetrating different countries in the region, including China, Taiwan, Vietnam, Hong Kong and Japan. Korean films and pop music (K-pop) have also become one of the most popular cultural products in Asia. Korean TV dramas and films seem likely to have even more success ahead as they have begun to find new audiences in other parts of the world. Although this is still in its infancy, several Korean dramas and films have been shown in Mexico and other Latin American countries (Turan, 2004: 4). Indeed, the total amount of Korean television program exports increased as many as 13 times between 1995 and 2004, from $5.5 million in 1995 to $71.4 million in 2004 (Ministry of Culture and Tourism, 2004, 2005).

A growing body of literature over the years has examined the newly emerging Korean cultural market and its implications in the Asian region. Several scholars (Ha and Yang, 2002; Ko, 2002; Lee, 2004) have explored these trends primarily from cultural perspectives, such as cultural proximity and cultural homogenization in East and Southeast Asia. The growing literature has contributed to our understanding of whether Korea is constructing a regional hegemony in the global cultural market, as in the case of Mexico, Brazil and India (Sinclair and Harrison, 2004; Straubhaar, 2000).

Regardless of increasing scholarship and media coverage of the role of Korean cultural products, there is no convergence in views on Korea's roles in global-local cultural markets because several different factors – including political, historical, economic and cultural ones – have in a complicated manner influenced the rise in exports of Korean cultural products to Asia. In particular, the rapid growth of Korean popular culture in Asia has raised the issue

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of whether cultural imperialism, symbolizing a one-way flow of cultural products from Western countries to developing countries, is a reliable thesis to explain the Korean cultural market in the globalization era. With the rapid penetration of Korean popular culture in the East and Southeast Asian region, some critical reviews have alluded to the notion that cultural imperialism was over in Korea. Moreover, several news media, including the *Financial Times*, stated: 'Korean creative industries are staging their own version of cultural imperialism by expanding into neighboring Asian markets', although this is a new phenomenon occurring in recent years (in Ward, 2002: 12).

Using a historical analysis approach and a cultural imperialism framework, this article investigates the recent development of the Korean cultural industry, providing empirical evidence to demonstrate the increasing role of Korean popular culture in the region. The study explores Korean cultural product flow in Asia to articulate the increasingly hegemonic role of Korean popular culture in the regional audiovisual market. It then debates whether cultural imperialism has retreated and whether it is still a useful concept for explaining the Korean cultural market, mainly through exploring the nature of the transnationalization of the Korean cultural industry.

Cultural imperialism vs counter-cultural imperialism

The debate on cultural imperialism has been a long-standing topic within international communication research over the last several decades. Several media scholars, including Herbert Schiller, Jeremy Tunstall, Tapio Varis and Thomas Guback, debated dominance in international cultural exchange when the international communication system mainly expanded by supplying television programs and motion pictures from Western countries to developing countries throughout the 1960s and 1970s. They argued that the international communication system was characterized by imbalances and inequalities between rich and poor nations, and that these imbalances were deepening the already existing economic and technological gaps between countries (UNESCO, 1980: 111–15).

According to Herbert Schiller (1976), the powerful US communication industry forced global commercialization on the international communication system. He identified the dominance of the US and a few European nations in the global flow of media products as an integral component of Western imperialism, and dubbed it cultural imperialism. Jeremy Tunstall observed that: 'the cultural imperialism theory has claimed that authentic, traditional and local culture in many parts of the world is being overwhelmed by the indiscriminate dumping of large quantities of slick commercial media products, mainly from the US' (1977: 57). Meanwhile, as Thomas Guback argued (1984: 155–6), the powerful US communication industry, including film and television as well as news, exerts sometimes quite considerable influence over the cultural life of other nations.

These scholars defined the international exchange of television programs and motion pictures as a one-way flow – from the prosperous nations of the West to the countries of the Third World and/or from the US to the rest of the world. In other words, these critics generally defined cultural imperialism as the conscious and organized effort made by Western, particularly US communication conglomerates to maintain commercial, political and military superiority. Those multinational corporations exerted power through a vast extension in cultural control and domination, and thus saturated the cultural space of most countries in the world.

Since the early 1990s, however, the cultural imperialism thesis has come under increasing criticism from diverse perspectives. Some media scholars have argued that, in the current global media environment, which is characterized by a plurality of actors and media flows, it is no longer possible to sustain the notion of Western media domination (Chadha and Kavoori, 2000; Sonwalkar, 2001). There are several emerging domestic cultural industries in various parts of the world, primarily aimed at markets in the same region, or at viewers of the same ethnicity, who share similar language and cultural backgrounds. Several Latin American and Asian broadcasters and film producers have been expanding their operations, including program production and distribution in and out of their respective nations or regions in the last decade. Television program producers in Mexico and Brazil have created programs for Latin America, and producers in Hong Kong have made programs for the East Asian cultural market (Sinclair et al., 1996). Broadcasting firms and film producers in these countries have indeed produced programs that are more attuned to local tastes (Langdale, 1997).

Media scholars, including Joseph Straubhaar, Michael Tracy and Geoffrey Reeves, have each made a case against the cultural imperialism thesis. With the example of Televisa in Mexico and TV Globo in Brazil, Straubhaar (1991) emphasizes that national cultures can now defend their ways of life and, in some respects, even share their images with the rest of the world. He argues that some countries find themselves unequal but possessing variable degrees of power and initiative in culture as well as economics. Tracy (1988) states that traditionally culture-weak Third World producers have now strengthened their national cultural industries to compete against dominant US and European cultural power. Reeves (1993) also points out that the emergence of many developing nations such as Brazil, Mexico and India as both major producers and global exporters of audiovisual products, has not only altered any one-way flow of Western media content, but has effectively undermined the hegemonic model represented by cultural imperialism. Meanwhile, John Sinclair and Mark Harrison (2004) emphasize that India and China represent immensely growing markets that provide television program content and services across borders and regions due to their great diasporas in the world. These theoreticians are proponents of a reverse cultural imperialism, and they address the significance of the popularity of cultural producers and media flows, arguing that cultural pluralism has now arrived.

Another main line of attack on the cultural imperialism thesis focuses on the second weak link in its argument, its underestimation of local resistance to Western dominance (Curran and Park, 2000). For example, Liebes and Katz (1990) and Straubhaar (2000) argue that audiences in several countries actively resist media content of Western products, while enjoying at least some nationally produced genres. As Straubhaar points out: 'audiences will tend to prefer that programming which is closest or most proximate to their own culture: national programming if it can be supported by the local economy' (2000: 4).

In recent years, this reverse or counter-cultural imperialism seems to apply in the case of South Korea, with the rapid growth of its domestic cultural industries and its exports to the East and South Asian regions. The Korean audiovisual industry has begun to produce and export domestic television programs and films on a large scale. The process remains complex, however, because the US still dominates the Korean cultural market through both cultural products and capital.

The Korean cultural market under cultural imperialism

Between the late 1950s and the mid-1990s, Korea was an exemplary case of the cultural imperialism thesis. From the inception of Korean TV history in 1956, Korean TV programming relied enormously on imports from the US during the 1950s and 1960s, as in many other countries. An unequal flow of films, television programs and music, as well as structural inequalities of cultural production, was widely witnessed in Korea. There had been uneven flows or sales and consumption of various imported television programs and films. On the production, sales and flow side, there was an asymmetrical interdependence, in which Korea imported more culture from the US than it sold to the US.

In particular, the market share of foreign television programs in the Korean broadcasting industry grew in the early 1990s. Foreign television programs existed in Korea before the early 1990s; however, they were relatively rare compared to foreign films because the Korean government restricted foreign television programs through a program quota system. The importing of foreign television programs began to increase after the government eased the quota system in the early 1990s. Imports also increased in the domestic broadcasting market until 1996, mainly because of the introduction of new terrestrial and cable television channels. Korea, which had only three television channels in the early 1980s, rushed headlong into a multi-channel television era in the 1990s. Twelve new commercial terrestrial broadcasting channels and 153 cable channels were established during the 1990s. Foreign television programs were supposed to surge into Korean living rooms with the increase in the number of television channels, as in many other countries.

This forecast was realized during the first few years of the new terrestrial and cable television era, which began in the early 1990s. Total television program imports increased over the previous year by 40.3 percent in 1995 and 49.3 percent in 1996 respectively, by dollar value. The imported programs was 12,921 units in 1995, as opposed to 8074 units in 1994, mostly from the US (Ha and Yang, 2002: 75). The one-way flow of cultural production from the developed countries, in particular the US, to the developing countries, was apparent in Korea until the mid-1990s.

Reshaping cultural products flow

The one-way flow of US films and television programs temporarily decreased in Korea between the late 1990s and the early years of the 21st century. After the mid-1990s, Korea reduced foreign audiovisual products in the national cultural market, while increasing its production and exports of domestic cultural products. In particular, imports of foreign television programs significantly decreased in the post-1997 economic crisis era. According to the Ministry of Culture and Tourism of Korea (2002a), imported television programs from other countries decreased 70.5 percent by dollar value between 1996 and 2001, from $69.3 million in 1996 to $20.4 million in 2001. Cable television companies' imports decreased dramatically, reflecting their financial deficits after the 1997 economic crisis. The total amount of imports of cable television companies decreased 91.8 percent in the same period, compared to 47.4 percent for terrestrial television channels (Ministry of Culture and Tourism, 2002b:1–2).

There are several significant causes for the decrease in television program imports, including the 1997 economic crisis and the increase in the number of domestic program producers. The 1997 economic crisis influenced the popular cultural market as well as the financial markets because the broadcasting industry needed to cut down on foreign television programs due to budget cuts (Jin, forthcoming). Broadcasting companies had no choice but to take cost-cutting measures as dwindling advertising revenues put them in financial trouble. Forced to trim costs, three terrestrial broadcasting companies – KBS, MBC and SBS – reduced broadcasting airtime by two hours in January 1998 while also reducing their foreign program imports (Kwak, 1998). The total units of imported television programs in 2001, therefore, were 4581, about one-third of the number in 1995 (Ministry of Culture and Tourism, 2002b).

Meanwhile, the amount of audiovisual products produced domestically has rapidly grown with the development of the Korean media industry in the post-1997 economic crisis era. The Korean media industry has increased its production, including television programs, and Korea has increased its exports of cultural products across the world, particularly in East and Southeast Asia, because 'the reorganized communication apparatus, in turn, furnished unprecedented supranational cultural product' (Miege, 1989: 21). Increasing export of cultural products is also a result of diversified product sourcing, which has come about through transnationalized investment, the increase in new domestic producers, and co-production between broadcasters in different countries (Schiller, 2003), as will be explained in detail later.

Under these circumstances, the total amount of television program exports increased nearly nine-fold between 1997 and 2004, from $8.3 million in 1997 to $71.5 million in 2004 (Ministry of Culture and Tourism, 2005). Exports of television programs in 2002 exceeded imports of television programs for the first time in history. Among television program exports, soap operas accounted for the largest share (76.8%) in 2002, followed by animation (8.9%), entertainment (5.5%) and documentaries (1.8%). These Korean television programs penetrated China, Taiwan, Vietnam, Japan and Hong Kong, although Korean television programs were rarely broadcast abroad a decade ago.

The popularity of Korea's television programs in Asia also functioned to expedite exports of other audiovisual products, such as films and music, because many broadcasters and audiences in Asia gradually became interested in Korean audiovisual products through viewing Korean television programs (Jin, forthcoming). The nascent Korean cultural products boom in these countries has been further bolstered by the advance of Korean movies and, more than anything else, Korean pop music (K-pop), which often incorporates dynamic rhythms and powerful dances by the artists (Choe, 2002). For instance, Boa, one of Korea's young pop artists, had hits with four singles in Japan, and launched her first album in Tokyo in 2002 (Ward, 2002: 12).

Reasons for the growth of Korean cultural products

There are several dimensions to the rise in the exports of Korean audiovisual products in Asia: diverse product sourcing; the cultural proximity of East and Southeast Asia; economic and technological development of the region; changes in media policies in the region; and political and historical considerations. To begin with, Korea has developed new local producers, and they have produced better programs because of strong competition among them over the last several years. As Herbert Schiller pointed out (1989: 42), numerous small regional and local producers have begun to play significant roles in producing nationally acclaimed materials.

In Korea, the three network broadcasters dominated television program production and their exports. In 2001 KBS, MBC and SBS accounted for 90.6 percent of television program exports, including programs produced for these companies by independent producers (Korea Press Foundation, 2002: 302). Unlike independent producers and cable broadcasters, these network broadcasters have the corporate stability and experience to produce diverse programs and to set up region-wide marketing strategies. In particular, they have been able to draw upon their long experience in overseas selling, so they became exporters of television programs.

However, network broadcasters were not the sole players. Many independent producers also played key roles in producing television programs for network or cable channels, and thereafter television program exports. As of the end of March 2003, there were as many as 349 independent television program production companies, as opposed to only eight independent producers in the late 1980s. According to the Korea Independent Productions Association (2003), the majority of independent production companies are venture capital or show business companies, or former television producers for terrestrial broadcasters. Several independent production companies are also affiliates of network broadcasters, including MBC MCNet and SBS DreamMedia. These independent program producers were able to produce 98,137 hour-long programs per year and employed 7416 people in 2001 (Ministry of Culture and Tourism, 2002a: 738). The number of independent producers increased because, according to the Broadcasting Act Enforcement Ordinance (Article 58), up to 40 percent of the programs aired by the network broadcasters have to be produced by independent producers, in order to develop domestic audio-visual industries.

The rapid growth in the number of independent producers has contributed to an increase in the quality of programs and exports of television programs. Network broadcasters aired many television programs produced by independent producers, and exported them to other countries under their brands. Terrestrial television companies strategically used these independent producers because their production costs are lower than those in their own companies. For instance, the cost per production hour for independent producers was $20,000, but $63,000 for network broadcasters by the end of 2002 (Yang, 2003: 8).

Co-production strategies between Korean broadcasters and broadcasters in other East Asian countries have also been a new way of sourcing product, because joint productions appear to have real profit potential for those broadcasters (Yang, 2003). Korean broadcasters found new partners, and were able to circulate their products in East Asia effectively through their partner producers in their own countries. Several network broadcasters and film firms in East Asia provided essential services for Korean production companies, while distributing television dramas produced in Korea in their own countries. The three Korean network broadcasters have also adopted co-production strategies in recent years: MBC and TBS (Japan), MBC and Fuji TV (Japan), KBS and CCTV (China), and SBS and Jet Tone Film (Hong Kong) began to co-produce television programs, mainly dramas, beginning in 2001 (*HanKook Ilbo*, 2001; Kim, 2001). In most cases, partner broadcasters invested the same amount of production costs and the same number of actors and actresses, and the co-produced dramas were broadcast at the same time in both countries; because of different production costs between countries, the content of the contracts varied (Jin, forthcoming). For example, for the drama *Shower*, the second jointly produced drama between MBC and Fuji TV, Fuji TV invested $2.8 million, while MBC spent only $400,000 in 2002 (Moon, 2002). In the 1990s, a few documentaries were produced by the co-production system between KBS and NHK in Japan.

However, it is a very recent trend that broadcasters in Korea and other countries produce dramas together. This type of co-production will increase in the near future because of successes in terms of viewer ratings for the first few dramas, and hence increased advertising revenues. In this regard, Dan Schiller points out:

> … today's multidirectional and somewhat more multicultural programming streams in turn are symptoms of a dual political-economic shift: that transnationalized investment, product sourcing, and distribution patterns are being actively and extensively forged; and that culture industry programs are assembling most-desired audiences in new and increasingly comprehensive ways, mainly to suit the needs of global advertisers. (2003: 140)

Meanwhile, cultural elements have emerged as factors of comparative advantage in building up the Asian markets for audiovisual products. Korean distributors commonly claim that the most important factor behind the popularity of Korean dramas in China and Taiwan is the similarity of these countries' cultures. For example, the hit series *To See You Again and Again*, which aired in several East Asian countries, revolves around heart-warming stories of three generations living together under one roof. As Soo Hui Lee, vice-president of programming for Singapore's terrestrial Channel U points out, 'the audiences enjoy Korean dramas because they are so familiar yet not quite, so that they aren't boring' (Yoon, 2001).

In addition, many people in Asia still find American and Japanese cultures irrelevant to their reality, and feel uncomfortable with their emphasis on violence and sex, although many Asian countries are ready to accept Western values. Se-Min Han, director of SM Entertainment, a major producer of Korean pop music, stated in an interview with the *Financial Times*:

> When Western music labels and film studios were scrambling to enter the world's fastest-growing communication market, Korean companies have crucial advantages that could allow them to snare China's audiences because Korea is so close because of the two countries' cultural links, which emphasize large family and values of filial duty. (Ward, 2002: 12)

More importantly, one of the primary causes of the increase in sales of Korean television programs in the region is the strong demand for products in the rapidly growing audiovisual sectors in these countries. China imports Korean cultural programs because the swiftly growing media industries need content to broadcast on their new channels. China, with its growing broadcasting system, has rapidly emerged as the largest cultural market in Asia and this has greatly helped Korea to export its cultural products to China. In 1997

China accounted for a mere 5.8 percent of Korean television programming sales, but in 2001 it accounted for 24.8 percent, valued at $2.7 million, followed by Taiwan (20.5%, $2.49 million), and became the largest importer of Korean programs (Korea Broadcasting Committee, 2002). In 1999, when China was the largest importer of Korean television programs, program exports to China stood at 29 percent, and even outpaced Japan (24.9%) and Taiwan (11%), which traditionally had earned the larger share (Byun, 1999).

Broadcasting companies in China in the 1990s indeed grew so rapidly that there was not enough television programming to meet their demand; thus many television broadcasters turned their eyes to foreign programs. They first found programs for their channels in Japan, but later turned to Korea because Chinese programming buyers were diversifying import sources away from Japan, which was the largest exporter of television shows in Asia (Ha and Yang, 2002). In the eyes of Chinese buyers, the quality of current Korean programs is almost as good as that of Japanese dramas, especially with noticeable improvements in Korean shows over the past years, but the price is far cheaper (Byun, 1999). In fact, in 2000 the unit price of a Japanese drama was $5000–$8000 in the global television trade market; however, the unit price of a Korean drama was only $1326 in 2001 (Kim, 2003; Ko, 2002).

In sum, the growth in domestic audiovisual products produced by many broadcasting companies has resulted in the spread of Korea's cultural products throughout the Asian region. Domestic films, television programs and music have gained popularity as cultural commodities in several parts of Asia. Korea has begun to play a key role in the emerging cultural market in Asia. This has occurred because the Korean media industry has cultivated demand as well as the cultural affinities in the region. However, it is also necessary to take into account the rapid development of media industries in several Asian countries, and hence the swift growth in the consumption of cultural products during the same period. Regional politics, governments' cultural policies and growing cultural markets also play pivotal roles in the flow of Korean cultural product in Asia.

Reinterpretation of the cultural imperialism thesis

With the rapid growth in production of domestic television programs, Korea seems to have escaped from the dominance of the cultural imperialism. Arguably, Korea is becoming an emerging television program market that provides television programs, services and films across borders and regions, as in a few Latin American and Asian countries. With these new trends, several media scholars and media have asserted that the cultural imperialism thesis could no longer be defended in Korea. As counter-imperialism theorists argue, Korea may currently be defending its way of life and in some respects shares its cultural products with the rest of Asia.

Several events, however, demonstrate that cultural imperialism has not disappeared from Korea. First, Western dominance in the global cultural market, including in Korea, has not decreased at all. The US-based or US-owned cultural industries have greatly expanded their dominance of cultural products and capital over the last decade. Although several transnational corporations (TNCs), including Sony in Japan, News Corporation in Australia and Vivendi in France, have become major media corporations in the US, this does not change cultural imperialism because they too are Western countries. These TNCs have extended their cultural influence worldwide as US-based transnational media giants. Western, and particularly American, dominance has increased more rapidly than the influence of a few regional producers. Moreover, the organization of the world market system by transnational capital has encouraged massive capital flows into many of the former Third World states.

Indeed, the US has maintained its global cultural domination over the last 15 years, just as it did over the last several decades. The rise of cable and satellite television channels as well as terrestrial television channels in Europe, Latin America and Asia has expedited the opening of national markets for foreign producers and distributors, in particular those from the US. Among these markets, East Asia has had the largest number of television sets since the mid-1990s, so the US has focused on this emerging lucrative market as its main trading partner for television programs and films. Needless to say, a few communication giants are dominant both politically and ideologically, and are therefore able to impose their will on people in developing countries (McChesney, 1999: 6). The global export market for television programs and films was the province of a handful of mostly US-owned or US-based production and distribution firms, although there were several emerging domestic producers in many of the communication industries (McChesney, 1999).

According to the US Department of Commerce (2002), US film and television program exports in current dollar terms were valued at slightly over \$1 billion in 1985 and \$2 billion in 1990. However, in 2001, the US exported about \$7.5 billion in 1999 and \$9.17 billion worth of film and television programs to the world. US exports thus increased as much as nine times between 1985 and 2001. Most of this large jump, again, could be attributed to increased exports of US television programs to new channels in foreign countries. Meanwhile, US imports of film and television programs decreased to \$129 million in 2001 from \$228 million in 1994 (US Department of Commerce, 1994, 2002). The net (profit) was over \$9 billion in 2001, making film and television more profitable than any other industry (apart from the weapons industry), and it has yielded great benefits to the US over the last several decades.

Although Europe was the largest audiovisual market for the US, accounting for 62.8 percent of US audiovisual exports in 2001, the Asian audiovisual market gradually increased, from 12.8 percent in 1992 to 17.1 percent in 2001, with its increasing numbers of broadcasting channels (US Department of Commerce, 2002). In the region, Japan, one of the largest television markets in Asia, accounted for 52.1 percent of imports from the US in 2001, but this was a decrease from 70 percent in 1998. Meanwhile, Korea, Hong Kong, Taiwan and China have become major trading partners for the US in recent years.

As noted, the direct flow of cultural products from the US to Korea decreased for a while; however, the import of foreign television programs increased from the previous year by 22.8 percent in 2002 and 11.8 percent in 2003 (Ministry of Culture and Tourism, 2004). The cultural market in Korea has changed direction again. In particular, the import of television programs from the US accounted for 77.8 percent of all imported foreign programs in 2003, while the export of domestic television programs to the US consisted of only 0.4 percent of programs exported to foreign countries in 2003 (Ministry of Culture and Tourism, 2004). As these examples prove, the US has maintained the leading position in TV program and film trade in the world. There is a more uneven flow of sales: every region in the world, including Asia, imports far more cultural products from the US than it sells to the US.

More importantly, Western TNCs have focused on domestic cultural markets with their capital as well as their cultural goods in the era of globalization. The US media giants have firmly demanded that East Asian countries fully open their market to US capital, as well as cultural products. They desire deregulation, privatization and commercialization of the media industry in developing countries for easy penetration. Unlike the period from the 1960s to the 1980s, the US has used delicate strategies to penetrate the world in recent years. The US media giants tend to make use of local cultural resources in order to promote their products, being influenced not so much by any particular regard for national cultures as by market forces. They realize that people prefer to watch programs in their own languages (Thussu, 2000: 184). As Croteau and Hoynes (1997) argued, global media enterprises have been forced to adapt to local cultures, and to link up with local partners, in order to sustain their expansion. This does not mean that global media giants give up their role as cultural imperialists. Instead, the US media giants have adopted a strategy known as ‘think globally, act locally’ to maintain and/or expand their dominance effectively. The US also uses indirect means to penetrate the world. For instance, the US manages international agencies, including the International Monetary Fund (IMF), which have an impact on the Third World. Therefore, the US is a driving force behind the IMF. On a general level, the IMF attempts to reduce government involvement in business decisions to support the style of capitalism long advocated by the US, which is centered on free markets (Schiller, 1999: 190).

More importantly, the transnational corporations have gradually become highly influential institutions in the Korean cultural industry, as in many other countries. Since the late 1990s, TNCs have been able to invest in the Korean broadcasting sector in the forms of (1) direct investment, (2) joint ventures and (3) programming affiliation (or program cooperation), which means that foreign broadcasters air their programs on domestic networks or cable television instead of providing cash investment (Jin, forthcoming). In other words, TNCs are making inroads into the Korean broadcasting sector by cooperating with local cable and satellite operators. Foreign financial companies and communication mega-companies – the two major sources of foreign capital – invested in Korea because they believed the broadcasting business would be as lucrative there as elsewhere. To begin with, direct investment from foreign financial companies was very active. Citicorp Capital, the first foreign investor in the Korean cable business, invested $10 million in CJ39 Shopping and acquired an 8 percent stake of the channel in 1997 (Korea Broadcasting Committee, 2002). Capital International (US) also invested $50 million in On Media, owned by the Dong Yang Group, and became its second largest stockholder (21.7%) in 2000 (Cho, 2002: 114).

Meanwhile, several global mega-communication companies invested in the Korean broadcasting market in the form of joint ventures with domestic media industries or direct investment. In 2000, HBO invested $12.5 million to form a joint venture with On Media and aired movies beginning in October 2000 (Cho, 2002). MTV, an affiliate company of Viacom, also established a music channel, MTV Korea, in the form of a joint venture with On Media in July 2001. On Media, the first and largest multi-channel owner in Korea, therefore, owned eight cable channels altogether, partially as a result of direct investment from foreign financial companies or joint ventures with foreign communication firms, including HBO, HBO Plus, Tooniverse and MTV Korea (Orion Group, 2003). MBC Sports also had an affiliation with ESPN, owned by Disney, and changed its name to MBC-ESPN in 2001. ESPN earned a 33 percent stake in this sports channel. The channel broadcasts NFL (National Football League) Sunday- and Monday-night football, and the Superbowl games, live, and broadcasts many NHL (National Hockey League) and NBA (National Basketball Association) games live most of the time (Volpato, 2002).

Program cooperation became another form of investment in the Korean media industry. JEI, an educational channel, contracted with Nickelodeon, a Viacom affiliate company. JEI broadcasts animation and games produced by Nickelodeon for four hours every day. Q Channel is also tied to the Discovery Channel (US) and began to broadcast programs produced by the Discovery Channel, such as *Travel & Adventure* and *Animal Planet*. Q Channel has also broadcast BBC programs through a program affiliation contract (*Joong-Ang Ilbo*, 2002). In 2002, MBN, a business news channel, signed up with CNBC, the US financial news channel, to exchange financial news and broadcast US stock market news. In addition, Spice TV, an adult movie channel, contracted with Playboy International and Playboy TV to broadcast their programs in 2002 (Korea Broadcasting Committee, 2002). As a result, foreign programs, from children's movies to adult movies, from animation to documentary, have become part of everyday life in many Korean households in recent years.

In fact, the Korean cultural market is not safe from the US media giants. American dominance is rapidly growing in the form of capital investment, as well as the flow of cultural products. When audiences appear to prefer locally made fare, the global media corporations, in particular US ones, rather than flee in despair, globalize their production in a form of capital investment (McChesney, 2001). Several US-owned or US-based Western cultural industries have begun producing films and television programs with national firms in Korea. As Stuart Hall argues, 'transnational capital attempts to rule through other local capitals, rule alongside and in partnership with other economic and political elites' (1991: 28). Increasing its cultural power in the Asian region through its cultural products does not mean that Korea is free from the cultural dominance of the US.

This shows that reverse cultural imperialism thesis, which has identified several emerging markets as evidence of the weaknesses of the cultural imperialism thesis, could not explain the Korean cultural market. Regardless of the fact that Korea has developed its own cultural products and exported them in the same region, it has not overtaken the US in terms of cultural dominance. Instead, the Korean cultural market has changed and has been influenced by the capital and cultural products of transnational corporations.

The problematic of the narrowly focused cultural imperialism thesis

Reverse cultural imperialism has again identified several emerging markets as evidence of the weaknesses of the cultural imperialism thesis. These scholars focused on cultural product flow and its impact. This tradition represents cultural imperialism as a narrowly focused cultural process to do with the flow of cultural products from Western countries, in particular the US, to the Third World. The reverse cultural imperialism proponents primarily interpreted cultural imperialism as (only) the 'iniquitous flow of cultural production' from the First to the Third World (Chadha and Kavoori, 2000).

These critics, however, did not consider recent trends in the transnationalization of cultural industries, as well as growing US dominance in the global cultural market. As discussed, media majors in Western countries have diversified their dominance in developed countries with their capital as well as their cultural products over the last decade. Although Western cultural dominance in television programs and films has decreased in a few countries, Western dominance through capital and industry has greatly increased since developing countries lifted bans on foreign ownership and foreign investment as part of the globalization process. The rise of Western corporate power is not only represented through the flow of cultural production, but also penetrates via capital and the organization of the industry, thus transmitting their cultural and economic values, including commercialism, to large numbers of developing nations around the world (Chadha and Kavoori, 2000).

As Dan Schiller (1996) and Annabelle Sreberny-Mohammadi (1997) point out, undermining domestic media production through dumping US television programs and films, which in turn reinforces one-way information flows, is only one criticism of cultural imperialism. They argue that another profound carrier of Western values, and a major outcome of colonial contact, is the development and spread of American capital, which reinforces commercialism. As Dan Schiller claims, there are several other components which extend the role of pre-emptive agents of transnational corporations and state power, including:

> … cultivation of commercialism through the introduction of commercial Western media systems; systematic violation of sovereignty via new, supranational communication technologies controlled largely by U.S.-based political elites and transnational corporations; mass distribution for global audiences of false or systematically distorted images of poor nations and peoples; and schooling of foreign students to U.S. or U.S.-style media practices, with their built-in assumption that private, advertiser-supported media should dominate. (1996: 102)

Sreberny-Mohammadi also argues:

> … cultural imperialism is not maintaining its rule merely through the export of cultural products, but through institutionalization of European [Western] ways of life, organizational structures, values and interpersonal relations, language. Cultural imperialism should be considered a multi-faceted cultural process since imperialism laid the ground for the ready acceptance and adoption of mediated cultural products which came much, much later. (1997: 51)

In this regard, Tomlinson points out, ‘the idea of cultural imperialism retains a continuing relevance in that it has become part of the general cultural vocabulary of modern societies’ (1999), although it is less fashionable now than it was during the 1970s and 1980s.

What these theoreticians point out is that current media research needs to consider the nature of the transnationalization of the cultural industries, as well as the flow of cultural products from Western countries to developing countries. In the era of globalization, Western cultural industries have changed their strategies to adjust to the changing global environment. Instead of solely focusing on exporting their cultural goods, they have invested in cultural industries in developing countries. In this way, they are able to continue to dominate the world cultural market, while also introducing and reinforcing the commercial ideologies of Western countries.

Conclusion

Korea has become an emerging market with its diverse product sourcing and growing exports. Its national cultural industries are consolidating their new, higher position in the regional market. Several media scholars argue that the national industries successfully compete against dominant US films and TV programs, as in several Latin American countries. Due to the rapid changes in the Korean cultural market, critical reviews have often suggested the idea that cultural imperialism was over in Korea.

The process remains complex, however. Above all, the US dominates the Korean cultural market through both cultural products and capital. The flow of cultural products from the US to Korea has significantly increased over the last few years. The newly created commercial television stations in the mid-1990s faced an immediate need for a high volume of programming, so they relied on US television products, with a few exceptional years. This reliance has increasingly ensured that US programming continues to dominate the Korean market.

The US-owned or US-based TNCs have also penetrated Korea with their capital in the form of joint ventures, direct investment and program affiliations. The transnationalization of domestic cultural industries is nothing but another form of intensified cultural imperialism. US dominance seems to have reached a new level of significance through its capital investments and other new strategies. It now operates not only at the level of content but also at the level of form.

In this light, Herbert Schiller pointed out:

> American cultural imperialism is not dead. Rather, the older form of cultural imperialism no longer adequately describes the global cultural condition. Today it is more useful to view transnational corporate culture as the central force, with a continuing heavy flavor of U.S. media know-how, derived from long experience with marketing and entertainment skills and practices. (1992: 14–15)

As the above clearly indicates, theories of imperialism have been revised and have become more sophisticated. As discussed, several other critics also point out that the cultural imperialism thesis is not only applicable to the flow of cultural products, but also to other aspects of the film and television industry, such as the institutionalization of Western ways of life, organizational structures, values and interpersonal relations, and language. Based on the argument discussed here, therefore, Korea seems to present relatively little evidence of the demise of cultural imperialism, even though it has expanded its role in the East and Southeast Asian cultural markets. The cultural imperialism thesis has not yet phased itself out in Korea, and it has in fact intensified with the new strategies of transnational corporations.

The role of emerging domestic players in Korea has been increasing across East and Southeast Asia over the last several years; however, this does not mean that the inequality and imbalance in the audiovisual service sector between Western countries and Korean and other developing countries has decreased significantly. While Korea plays a key role in the regional cultural market, the dominance of the US has increased even more rapidly, because Korean popular culture has not penetrated Western countries, including the

US, with a few exceptions. In other words, the global reorganization does not imply a complete collapse of American cultural power (Maxwell, 2003).

In summary, the cultural imperialism thesis still plays an important role in interpreting the world cultural and/or media system because cultural imperialism has resulted in a situation whereby the media of advanced capitalist economies have been able to substantially influence the nature of cultural production and consumption of Third World countries (Chadha and Kavoori, 2000). The rapidly growing emerging market in several places is a result of the interaction among transnational capital, international agencies and emerging domestic actors, while the US still maintains its dominance over global communication in the early 21st century. Cultural imperialism maintains its rule in developing countries not only through exports of Western cultural products, but also through the institutionalization of the cultural industries in these countries. Cultural imperialism acts as a means of cultural transformation in the form of flows of cultural products, capital and industries in the globalization era.

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