

Pardon me

Aug 14th 2008 | SEOUL

From *The Economist* print edition

The president forgives some tycoons

THE leaders of South Korea's conglomerates or chaebols have long acted as if they were above the law. Kim Seung-youn, chairman of Hanwha, an explosives, construction and insurance group, confessed last year to beating bar workers at a building site with the help of his own goons. He was retaliating after his son was hurt in a scuffle. After a few months in jail, Mr Kim was released on health grounds, and was soon back at his desk running Hanwha. This week, to mark the day South Korea celebrates liberation from Japanese colonialism, the president, Lee Myung-bak, pardoned him and 341,863 others.

They included Chung Mong-koo, the chairman of Hyundai, the world's sixth-largest carmaker. Last year Mr Chung was convicted of embezzling about \$90m from his company, and sentenced to 300 hours of community service. Chey Tae-won, of SK Group, a telecommunications, oil-refining and construction chaebol, was convicted in 2003 of illegal share swaps designed to keep the most lucrative parts of the group in his family's control. Mr Chey did not serve any time in prison, but was given a suspended sentence. Now Mr Lee has pardoned him, too.

President Lee came to power earlier this year pledging to raise average national income per head to \$40,000 a year and to achieve 7% annual economic growth. He has appealed to chaebol leaders to boost investment and jobs. But at his inauguration Mr Lee also promised to back "business leaders who are transparent and put in an honest day's work". So the pardons for the three chaebol bosses look a bit odd. Many South Koreans see them as proof that the wealthy are held to different standards from those applied to ordinary citizens.