

Death of Despair and the Destruction of Neoliberalism in East Asia: Economic Development, Democratization, and Social Pressure in Japan, Korea, and Taiwan

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Abstract: Japan, South Korea and Taiwan (China) successively achieved economic miracles and political democratisation between the 1960s and 1990s. The international community attributes these achievements to the application of neoliberalism in East Asia. However, neoliberalism brought not only economic success but also destruction, which, along with the traditions of East Asian societies, resulted in more severe political consequences in civil society. This paper argues that in East Asian societies, democracy is the result of economic development and not the other way round, while further exploring the application of the concept of death of despair in East Asian societies and providing a critical review of the neoliberal paradigm.

1. Introduction

Death of despair is a concept proposed by Case and Deaton (2020)^[1] to provide a social and health analysis of the state of social abandonment and death of low-educated whites in the United States. However, this framework actually takes the deprivation brought about by neoliberalism as a deeper context and can be connected to Harvey's (2007)^[2] critical reflection on neoliberalism as a theory of creative destruction. This research paper argues that the theoretical framework of the death of despair can be used to examine the social pressures and destruction on citizenship caused by the neoliberal paradigm in East Asian societies. Thus, this research paper firstly discusses how the theoretical framework of the death of despair identifies and critiques the structural problems of the neoliberal paradigm by identifying the definition of the death of despair and how it manifests itself differently in East Asian and North American societies; explaining the neoliberal discourse and development patterns in East Asia; and exploring how the neoliberal paradigm causes exploitation and deprivation. This research paper then considers the commonalities and problems of economic development and democratization in East Asia in terms of institutional ills and the dynamics of economic growth; the authoritarian-led democratization and its negative effects; and state capitalism, corporatism, and public-private partnership as political and economic features of East Asian societies. Finally, this research paper explains the practical application of the death of despair theoretical framework in East Asian societies and attempts to explain its social implications in three areas: female identity, marriage, and family relations; employment and overwork; and privatization of education and vicious

competition.

2. Death of Despair as a Critique on Neoliberalism and its “Creative Destruction”

Death of despair discusses the social reality of neoliberal ills in the United States and leads to a deeper theoretical debate framed in a way that is consistent with the destructive nature of neoliberalism and applied to East Asian societies in a different way. Thus, this part (1) identifies the essential causes of the Death of Despair concept as resulting from the economic and political ills brought about by neoliberalism and equally present in East Asian societies; (2) explains how Death of Despair arose in the context of neoliberalism and entered East Asian societies; and (3) recognizes how it reshapes power and accomplishes new capital accumulation in the East Asian system posing broader structural problems.

Firstly, as a framework for critiquing neoliberalism, the death of despair is not only used to describe the structural problems of American society. It is a health and sociological concept developed by Case and Deaton (2020) that reviews and traces the collection of oppression and destruction (both physical and mental) caused by several political and economic problems of modern society; specifically, it is "suicides, drug overdoses, and alcoholic liver disease" (p. 2).^[1] These three types of death are intrinsically linked because they are all spontaneous, chronic deaths caused by direct relief sought in suffering or indirect self-paralysis. The main group of death of despair is low-educated white Americans, which reflects two qualities of this concept. (A) Death of despair reflect strong class attributes, and (B) Death of despair is a time-sensitive issue. However, through these appearances, however, the death of despair is not just a problem for American society itself.

The death of despair framework can also be applied to East Asian societies, and although some of the premises and paradigms are different, the deprivation, inequality, increased social pressure, and loss of self-identity and citizenship brought about by neoliberalism are similar. Although the death of despair began as a result of economic insecurity and structural oppression brought about by changing social dynamics, it gradually evolved into a cultural and psychological problem and led to an eventual high mortality rate. For example, in the United States, "Jobs are not just the source of money; they are the basis for the rituals, customs, and routines of working-class life. It is the loss of meaning, of dignity, of pride, and of self-respect that comes with the loss of marriage and of community that brings on despair, not just or even primarily the loss of money" (Case & Deaton, 2020, p. 8)^[1]. In East Asian societies, people, not just the underclass or working class, begin to question what the point of high-intensity but low-reward competition is, feeling a strong burnout but unable to rage.

Therefore, although the representations of despair death are different in East Asia and North America, for the same reasons and logical circuits, it provides rationality and relevance for the application of this theoretical framework in East Asian societies. Case and Deaton (2020) identified opioid abuse as a “common cause of death in despair death in North America as an alternative to suicide”^[1]. However, this is the immediate cause of the death of despair, and the underlying cause is the gradual spillover of harsh socio-economic problems into individual lives and the resulting lack of personal agency, greater work pressure, alienated social relationships, and consequent stress and disappointment.

Secondly, death of despair critically points to the structural problems of neoliberalism. Keynesianism states that "modern capitalism had to be subjected to certain regulations and controls by a strong secular state" (Steger & Roy. 2021, p. 39)^[3], which provides the theoretical basis for the visible hand of government involvement in macro-regulation, state monopolies and public enterprises, central banking and monetary policy. Indeed, Keynesianism brought growth and affluence to some extent, while the developed countries experienced an almost idealistic smaller gap between rich and poor until the 1980s because of strong government control: "rising wages and increased social

services in the wealthy countries of the global North offered workers entry into the middle class" (Steger & Roy, 2021, p. 40)^[3]. Neoliberalism thus constructs a comprehensive social picture of the future of capitalism: an elitist ideology propagated in the name of freedom and market competition, a transformation of bureaucratic identities and government features, decentralization of markets and lowering of trade barriers, deregulation of finance, accelerated privatization and lowering of social welfare to stimulate efficiency. Despite their varying degrees of authoritarian nature, East Asian societies are all seen as having applied neoliberalism and achieved economic take-off after the 1980s. While the East Asian economies performed strongly and believed that democracy brought the end of history, they did not realize that they were "still too young to know that life never gives anything for nothing, and that a price is always exacted for what fate bestows".

Thirdly, however, contrary to its initial promise, neoliberalism creates a recentralization of power and wealth that provides sufficient social context for the death of despair: a greater gap between rich and poor, more rent-seeking, reinvented classes and vested interests, and dispossession. Neoliberalism has not only reshaped the flow of wealth from marginal to dominant countries in the international trading system, but also "channeling wealth from subordinate classes to dominant ones" (Harvey, 2007, p. 22)^[2]. Ultimately, neoliberalism recovers the wealth and power of the ruling class, because neoliberalism does not mean that the government abandons Keynesian incentives, controls, and taxes in favor of devolving power to free market competition; rather, it means that the government uses a different set of controls to intentionally control the flow of capital and distribution to the upper echelons of society, all in the name of freedom. By completing primitive accumulation and dispossession through privatization, neoliberalism brought about more changes not in production but in distribution, restoring the class status of the ruling elite or creating the conditions for the formation of an industrial aristocracy and bourgeoisie in developing countries. Thereafter, more than its hypocritical commitment, neoliberalism maintains a system that is "failed if not disingenuous and Utopian project" (Harvey, 2007, p. 42)^[2].

The natural authoritarian attributes of the East Asian model allow neoliberalism to emerge in a particular form; as noted above, the government does not withdraw, the government simply makes control more invisible. As Harvey (2007) describes, "In Asia, the Japanese model implanted under authoritarian systems of governance in South Korea, Taiwan, and Singapore also proved viable and consistent with reasonable equality of distribution" (p. 33)^[2]. Asian countries have accomplished political and economic recentralization in more pronounced ways.

3. The Social Dynamics along with Neoliberalism and Democratization in East Asia

When considering the impact of neoliberalism, the problems within East Asia have some unique commonalities and ultimately give rise to different situations in the application of the death of despair theory as a critique of neoliberalism. They all completed their economic take-off in the 1960s-1990s, and they all gradually completed their democratization after largely modernizing, rather than the other way around. In fact, authoritarian politics in East Asia witnessed rapid development: in the 1970s and 1980s, South Korea produced two successive military governments, Park Chung-hee and Chun Doo-hwan; Taiwan did not lift military martial law until the last year of Chiang Ching-kuo in 1987; and Japan's Liberal Democratic Party maintained its dominance for more than 40 years despite being a democratically elected government. Democratization is a gradual process. Thus, this part examines commonalities in the economic and political dynamics of East Asia: (1) the institutional problems and structural violence that accompany high growth during periods of economic takeoff; (2) the authoritarian ethos of democratization in East Asia and the similar relationship to economic development; and (3) corporatism and the close government-business relationship.

Firstly, the prevailing political-economic pattern in East Asia during the 1960s-1990s was

characterized by institutional ills accompanied by high growth. Contrary to common perception, a counter-logic is that the most rapid economic growth in Japan, South Korea, and Taiwan was also when institutional problems were most severe. Considering the importance of good institutions and economic policies for development, this phenomenon seems to create a confusion, which is Popa (2021) argues that "economic miracles are accompanied by corruption, rent-seeking and patronage, arguing that these systemic ills may be a natural consequence of a governance structure that promotes growth" (p. 345)^[4]. It seems that corruption is naturally present and even promotes economic growth...?

However, the truth is that the social problems buried by corruption all persist in unseen forms, and socioeconomic growth is due to (A) East Asia's political and cultural mechanisms that dictate a unique logic of policy; (B) complex political dynamics are not black and white, and East Asia's collusion between government and business is distinct from absolute systemic ills; (C) ultimately, high economic growth and high expectations mask the intensity of distributional injustice and exploitation and forced an increase in civil society tolerance; the problems will slowly emerge after economic growth stagnates. Tight resource endowments increased the human-land conflict in East Asia, while Confucianism's emphasis on hierarchy flourished in patriarchal societies. When social practices become the cultural paradigm, they naturally provide the conditions for strongman politics in East Asia, which means that governments take on a somewhat authoritarian role, playing the role of "father": the father has the responsibility and obligation to manage everything, the father will take care of you, but the father cannot and will not admit that he made a mistake. Therefore, East Asian governments choose the most prudent, "not those institutional arrangements that maximize growth" (Popa, 2021, p. 351)^[4].

Secondly, in the context of neoliberalism, democratization in East Asia was led by authoritarianism and was the result rather than the cause of economic growth. In fact, the democratization process of East Asian politics was determined and driven by authoritarian governments in order to gain more legitimacy and ensure their own limited exit. The prevailing view is that democracy is forced upon dictatorial governments and that "if the cost of repression outweighs the cost of tolerance, authoritarian regimes may reluctantly step aside and allow democracy to emerge" (Riedl et al., 2020, p. 2)^[5], or that dictators will face violent revolution. However, authoritarian governments can also be proactive in advancing democratization, and according to Riedl et al. (2020), "authoritarian regimes are more likely to democratize when they have few options or risks. In some cases, the risk of democratizing an authoritarian ruler is so low that ending the dictatorship may not mean exiting power at all" (p. 1)^[5]. Even democratization can allow authoritarian governments to profit by partially solving some structural problems; for example, relative economic equality, asset mobility, and natural resource abundance mean that democracy does not generate overwhelming downward redistributive pressures, they can gain more legitimacy without having to actually withdraw from power, they can manipulate public opinion and divide opposition movements, and they can gain more international acceptance. Thus, democratization in East Asia adapted to a top-down pattern.

Thirdly, the atypical development feature of East Asian economies lies in their close state-market relations and corporatism. Yoshimatsu (2000) notes that "the East Asian economic miracle was characterized by active state intervention in the economy and close state-business relations" (p. 5)^[6]. The state shaped the industrial structure through corporatism, and after completing industrialization through the development of labor-intensive industries, the state concentrated capital and resources to nurture the dominant industries in which large national companies were located. Thus, comparing the mutual existence of political and economic model ills and high growth in East Asia and the strongly related public-private partnership, it is possible to make a more comprehensive judgment of the neoliberal model in East Asia, which is determined by similar cultural foundations, social paradigms, education, marriage patterns, industrial structures, population densities, and positioning in the world

market. This gives East Asia's political economy issues a regional consistency that distinguishes it from the North American model, and different appearances of death of despair.

4. The Death of Despair in East Asia and its Social Implications

The death of despair identifies far-reaching social effects in family, marriage, employment, overwork, and education. Based on the particular development pattern of neoliberalism in East Asia, it can be observed that institutional ills and corruption have greatly weakened the economic capacity and political agency of citizens, and that nepotism is widespread at all levels of society, even in schools and universities, thus creating inequality of opportunity and unequal distribution. The top-down system of authority has weakened the visibility of social issues and allowed sensitive topics to become the elephant in the room, leading to tighter manipulation and official direction of public opinion and actual conflicts. These components complement each other and together constitute the cause of the death of despair.

Firstly, despite some advancement in women's political rights and social status, gender inequality continues to create more barriers for women, and patriarchal traditions are reinforced by the combination of big government and neoliberal marketization, creating gender inequality and demographic dilemmas in marriage. East Asian women face a fragmented status: patriarchal and Confucian values restrict female identity in every way, while the impact of Westernization and modernized urban lifestyle further deepen and even ideologize the maintenance of traditional lifestyle in mainstream society. According to Ji (2015), "In 2012, the female labor force participation rate was 70% in China, compared to 65%, 63%, and 55% in Singapore, Japan, and South Korea, respectively. As the gender gap in higher education enrollment in the region has narrowed, ...in 2012, the male and female college enrollment rates were 90% in Japan and 75% in South Korea" (p. 1033)^[7]. However, despite these recent trends, women continue to have lower labor force participation rates and earnings than men. The absence of feminism in East Asian societies should be considered for deeper reasons, not only in terms of cultural and social paradigms, but also in terms of economic structures and levels of urbanization.

Secondly, the employment situation in East Asia faces a more dire situation than in North America, where, on the one hand, young people are deprived of labor and trapped in a vicious competition for jobs; on the other hand, overwork and the accompanying physical and mental illnesses cause people to die from stress. Lukacs (2015) identifies a commonality among East Asian countries: "(the three regimes) have mobilized (and disenfranchised) their young demographics in their transitions from a developmental state model of economic growth toward a neoliberal model of economic management and governance" (p. 382)^[8]. Structural inequality of opportunity exacerbates competition and puts young people in an involution dilemma, a social culture of doing meaningless things repeatedly, putting in a lot of effort for no equivalent reward, and having to outperform others at work. The density of the population and the high demands of the jobs lead companies to screen out most of the workforce in hiring and then make the recruited employees do the double work. This corporate culture exists generally in East Asia because no individual can stand up to an organization, and unions and associations are being suppressed.

Moreover, things are not looking good at work, and death from overwork is a common occurrence in these places. Because of the harsh employment situation and non-negotiable corporate-individual relationships, overwork has become a task imposed by companies on middle-class employees. According to a social and health study by Yamauchi et al. (2017), "64.8% of compensated occupational CCVD cases were confirmed having over-time hours between 80 and 119h per month prior to the onset of occupational CCVD." (p. 298)^[9]. At the time, the Abe government failed to respond with effective policies.

Thirdly, the inequality and privatization of educational resources has led to a disproportionate input and return, creating confusion about prospects and skepticism about the system, and involution in employment and excessive competition are gradually eroding schools as educational resources are

commodified. In Taiwan, for example, "educational technology has been used primarily and increasingly as a tool for privatizing education and commodifying people through top-down assessment structures in which the government colludes with neoliberal interests" (Thomas & Yang, 2013, p. 107)^[10]. The situation in Japan is much better, based on a successful universal education system, however, college is still the path to success, students who graduate from high school or specialized schools mostly stay in their home cities rather than pursue better careers, and the education system screens for industrial elites and political aristocrats rather than on the basis of individual ability and willingness to learn.

5. Conclusion

Conclusively, death of despair describes many of the underlying and overt social pressures and structural problems that neoliberalism has brought to East Asian societies. Death of despair is a theoretical system to explain the death of low-educated whites in the United States, but it can also be applied to explain social problems in East Asia, as it pioneers the identification of the potential threats posed by neoliberalism and its negative cultural and civic impacts. The myth of neoliberalism actually creates a recentralization of power and wealth, reshapes social classes and deepens deprivation, and ultimately creates creative destruction. Asia witnessed rapid economic development in the 1960s-1990s at the height of systemic illness and gradually completed democratization after modernization rather than the other way around. They all share some authoritarian characteristics and have pursued top-down democratization. In addition, their development models are based on a close relationship between the state and the market and corporatism. Thus, at the social level, the absence of feminism has created an oppressive position against women, reinforcing marriage problems and demographic dilemmas. The second problem is the severe employment situation in East Asia, where young people are trapped in involution and deprived of labor opportunities, while those who are employed face serious social pressure and overwork. The privatization of education and resource constraints then create deeper inequalities of opportunity, exposing East Asian societies to deeper disorientation and despair. Although different from the immediate cause of death described in the death of despair framework, East Asian societies face the same political and economic ills brought about by neoliberalism.

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