# **Case Report**

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# A Burkean Dramatistic Analysis of Tae-Joon Park's Rhetoric: The Chairman and CEO of POSCO

# Sangchul Lee

Sungkyunkwan University, Seoul, Korea

**Objectives:** This study analyzes the rhetoric of "Korea's steel king," Tae-Joon Park (TJ Park), the founder of POSCO (formerly Pohang Iron and Steel Company), with a specific focus on TJ Park's rhetorical style and strategy, through a close reading of two speeches: his inaugural address at POSCO in 1968 and his speech commemorating the 10th anniversary of POSCO in 1978.

Methods: This study applied the work of Kenneth Burke because of the impact of rhetorical analysis on the field of business communication studies. Burke's approach includes the five qualities that comprise the pentad (scene, act, agent, agency, and purpose). Herein, these concepts are used to analyze TJ Park's speeches, followed by an examination of how the Burkean notion of identification works in his addresses.

Results: The present study demonstrated the basic rhetorical strategies in business communication that have influenced developments in research methodology based on Kenneth Burke's concepts of the pentad and identification. Burke's dramatistic method for the analysis of Park's corporate rhetoric enabled an analysis of the relationship among features of Park's rhetoric in terms of the business rhetorical situation.

**Conclusions:** With his rhetoric, TJ Park set the scene to encourage employee motivation for the upper hierarchy of values, promoted employees' future acts, changed the workers' mentality, habits, and behaviors and turned them into "POSCO men," shielded the management of POSCO from bureaucratic interference and unreasonable political pressure, and sublimated the corporate mission to a "national duty" and "historical mission." His unique rhetoric contributed to the success of his management.

Key Words: Rhetorical Criticism, Business Speech, Dramatism, CEO Speech, Burkean Dramatistic Analysis

#### Introduction

It is important to analyze the rhetoric of corporate leaders' public discourse, particularly CEOs' speeches. A CEO's speech not only shapes his or her personal image, but also motivates

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University College, Sungkyunkwan University, Chongro-Ku, Seoul 03063, Korea Tel: +82-2-740-1586, E-mail: scleemn@skku.edu

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employees, determines the direction of the company, and has a significant socio-political impact. CEOs' speeches can have a tremendous impact not only on the enterprise, employees, and customers, but also on social and public affairs. Many studies have examined issues related to rhetoric and CEOs' speeches (Cyphert, 2010; Green & Li, 2011). The most obvious goal of a rhetorical analysis of a CEO's speech may be simply to understand it on a human level, especially with regard to the impact of business rhetoric on modern economic, social, and political processes (Conrad & Malphrus, 2008; Spinuzzi, 2017). Through a critical study of rhetorical strategies, we learn about the beliefs and values of the discourse community (Cheney, 1992; Deetz, 1992). Many studies have analyzed the rhetoric of American

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business leaders, but relatively few studies have conducted rhetorical analyses of East Asian business leaders.

This study analyzes the rhetoric of "Korea's steel king," Tae-Joon Park (hereafter referred to as "TJ Park"), the CEO of POSCO (formerly Pohang Iron and Steel Company). It aims to analyze TJ Park's rhetorical style and strategy through a close reading of two speeches: his inaugural address of POSCO in 1968 and his speech commemorating the 10th anniversary of POSCO in 1978. It applies the work of Kenneth Burke because of the impact of rhetorical analysis on the field of business communication studies. The present study also adopts Kenneth Burke's pentad (act, agent, agency, scene, and purpose) to analyze TJ Park's speeches and examines how the Burkean notion of identification works in Park's addresses. Finally, it discusses and evaluates the impact of TJ Park's rhetoric on Korean business communication.

In the 1960s, the Korean administration concluded that self-sufficiency in steel and the construction of integrated steelworks was essential for economic development. Since the Republic of Korea had not possessed any modern steel plants prior to 1968, many foreign and domestic businesses were skeptical of the decision made by the Korean government to invest so heavily in developing its own industry. The Korean President Chung-hee Park (no relation), believing that the steel industry would be a catalyst for the economic development of Korea, appointed TJ Park to lead the construction of a steel mill.

Despite the skepticism, the CEO TJ Park started the construction of the POSCO steel mill with the support of the Korean government. He completed construction of the factory and began production in 1972, just four years after the company's inauguration in April 1968 with 39 employees. TJ Park had been a confidant of the Korean President Park, since the two had served together in the army and joined in a military coup in which President Park, then a general, seized power in 1961. TJ Park led the company until 1993. TJ Park's success with the POSCO, one of the world's largest steel companies, helped to lay the foundation for Korea to rise from an impoverished postcolonial and postwar society into an industrial powerhouse in the 1980s. When TJ Park was given this responsibility, Korea was largely an agrarian economy. For the first of what eventually would become a complex of factories, he selected a site on the coast of Pohang, a port in southeastern Korea.

# **Case Description**

Scene: Turn Right (to the Sea) and Drown! (If the Company Fails)

Before the inauguration ceremony for the construction of POS-

CO in April 1968 with 39 employees, Park dramatized the circumstances by stating that "Pohang Iron and Steel Company is a national enterprise that is funded by Korea's Colonial Property Claims against Japan" and "Pohang Iron and Steel is a factory built with the blood of our ancestors. If this enterprise fails, we become sinners before our ancestors. Youngilman (bay) is now on the right side of the field office. If the company fails, we all have no choice but to drown in the sea and die." The silvery sandy beach and pine forest were turned into a barren field, and the headquarters for the construction of POSCO, a temporary small building, was built with sand and dust on the empty field. Its nickname was "Rommelhaus." Due to its desert-like image at the beginning of its construction, the office was named after the famous German field commander Edwin Rommel, known during World War II as the "Desert Fox."

The Burkean concept of scene is the context in which an act occurs and refers to the background of the act (Burke, 1962). The scene may be the actual physical setting, or it may be the social, political, or economic environment of the rhetor and audience. A scene requires a particular act or agent. In his inaugural address, Park set the stage for creation: "from a wasteland to an economic powerhouse," "to something out of nothing," and "from impossible to possible."

On June 22, 1965, the Republic of Korea and Japan signed a treaty to normalize formal diplomatic relations after the Second World War. In this treaty, Japan agreed to compensate Korea and its people for property damage, psychological pain, and humiliation suffered during the 36 years of Japanese occupation. The Property Claims against Japan included \$500 million in loans and grants. Meanwhile, in 1966, the Korea International Steel Association (KISA) was officially launched, as seven steel companies representing four countries, when the Korean government requested the U.S. government to support the construction of an integrated steel mill. The KISA had preliminarily agreed to finance the construction of a steel mill in Korea.

However, one year later, after evaluating the Korean economy, the KISA chose not to support the Korea steel mill project. When KISA rejected this project, TJ Park envisioned the use of property claims fund. Diverting property and money from agriculture, forestry, and marine sectors into the steel project was virtually impossible, since 80% of Korean assemblymen were from districts where the agricultural sector predominated. Park believed that the property claims money should be used for Korea's economic development. He persuaded the Korean President Park to divert these funds despite sharp objections in the Assembly. In the end, POSCO used an \$88.68 million loan and a \$30.8 million grant (in total, \$119.48 million), corresponding to 23.9% of the \$500 million in loans and grants. The reparation

money was commonly called *pi-don* (blood money). With the metaphor of the "blood of our ancestors," TJ Park set the scene to encourage employees' motivation for the upper hierarchy of values.

#### Act: A "You Can Do It" Spirit with Pride and Honor

An act is related to the world view of realism: It is associated with dramatic action verbs—what happened, what is going on, what takes place in thought and deed. Burke defines that "any verb, no matter how specific or general, that connotations of consciousness or purpose falls under this category." In his inaugural address, TJ Park defined the employee's actions as "honorable participation," "a painful responsibility," "blood and sweat," and "passion and sincerity." He advised employees: "In the process of promoting the project, we have to sign contracts..... carry out a lot of negotiations with foreign consultants and international loan groups to implement them. We must engage in negotiations with agility, adaptability, high creativity, and planning to achieve the most favorable outcomes for us. In particular, in the process of consultation or negotiation, we need to accurately understand the Korean administrative culture and adapt in good faith. This can be maximized when each individual has confidence and responsibility for his/her own work through self-judgment at the department manager level or higher." He also encouraged employees by stating, "You can do it."

TJ Park promoted employees' future acts by facilitating a particular corporate understanding of problems in the specific situation and justifying the corporate stance. Park emphasized the act by stating, "Please do your work fairly with a fresh ethos and a pure mindset." "Regardless of your position, regardless of your personal circumstances, please be faithful to your work by demonstrating a spirit of participation with pride and honor." In the 10<sup>th</sup> anniversary address, he praised employees' acts, stating "Just like the old saying that rivers and mountains change in ten years, we can't help but feel proud that we have sublimated a wasteland where sand and wind blows into the cradle of our country's industrialization. Since 10 years ago, when we agreed to build an integrated steel mill, which was the long-cherished dream of the nation, we have fulfilled this great historical mission that will be the cornerstone of the nation's centenary by responding to the people's expectations and aspirations and obeying the solemn orders of the Korean people" (Cho, 1995).

With these actions by the members of the organization, TJ Park got off to a strong start and overcame countless adversities with a relentless focus on the construction of the integrated steel mill. He transformed a fantasy into a reality. The success in the construction and partial operation of the steel mill became the object of admiration in the domestic and foreign steel industry,

proving the success of their "you can do it" approach in reality.

#### **Agent: Business Organizations are Human and Vice Versa**

An agent is a person who performs an act. The concept of the agent defines the audience's role and reflects the rhetor's worldview of philosophical idealism. It answers the question, "by whom?" Park recreated the role of the audience, stating "a new organization is often a simple aggregation of heterogeneous elements in terms of its people. In many cases, it is not possible to form a rational unity to achieve the original purpose of the organization. In order to increase the efficiency of the organization, I earnestly request mutual cooperation based on the spirit of mutual concession. It is impossible to achieve the company's overall goals without the collective power of each. The basis of this cooperation is a smooth human relationship that does not view the union of people as a mere concept of material resources, but a personal mutual union."

Burke (1962) considers that rhetoric is entailed in all socialization—that is, rhetoric is seen as "a moralizing process" (p. 563). An analysis from this perspective describes how "the members of a group promote social cohesion by acting rhetorically upon themselves and one another" (p. 522). According to Burke, the urge to identify derives from the human ability to respond to symbols and from an intrinsic biological need of human beings to overcome division—from each other, from nature, and from their own bodies.

Park personified the principle that "business organization is human." Employees are the most important asset of a company. He viewed humans as inherently wanting to act independently and autonomously rather than being controlled or regulated. In communication among employees, he tried his new management policy to overcome the traditional Korean social hierarchy according to age and social class. In order for an employee to function autonomously, he or she must have the ability and spirit to act alone. In the 1960s, the employees of some business organizations in Korean society lacked self-discipline and autonomy, resulting in the imposition of control and regulations (Song, et al., 2012). Tighter controls and regulations do not help business communication. Park attempted to ultimately resolve these social situations by cultivating employees' competence and autonomy. He believed that control or regulation should be used only as a temporary expedient.

TJ Park had the rhetorical power to change workers' habits from non-productive to productive, from mediocrity to excellence, from sloppiness to precision, from negative to positive. These work habits and mental attitudes became major ingredients of many Korean corporate cultures. His rhetorical strategy was to change the workers' mentality, habits, and behaviors and



turn them into "POSCO men." "POSCO men don't require supervision, they think, behave, act, and work at their best," he said (Seo, 1997, p. 390).

#### **Agency: Fight against Corruption**

Agency refers to the means, methods, or instruments used in performing an act—that is, how the act was done. Burke defines agency as "what instrument or instruments he used." This is a broad category that includes those elements that contribute to the accomplishment of an act. An agency can be a law, an institution, a machine, a device, an attitude that promotes an act, or process that allows an act to take place. In the inaugural address, TJ Park bemoaned the widespread corruption in Korean society; "We must boldly challenge the penetration of traditional Korean social scourges that may shake the foundations of our healthy start-ups. I strongly request that you make it a basic principle to plan and execute all tasks with a firm belief that we will never tolerate unreasonable personnel management, budget accounting, and resource management, which are common in Korean society" (Cho, 1995).

Corruption was rampant in Korean society in the 1960s, after decades of colonization and the brutal Korean war. In particular, government-funded companies received many requests from influential politicians for hiring or personnel promotion. When managers evaluated their employees, there was also corruption (i.e., considering external influences rather than evaluating employees fairly). Unfair personnel management is a common practice in government-funded corporate organizations in underdeveloped countries. In Korean slang, an employee hired by social power is commonly referred to as a "parachute person." TJ Park warned that employment based on blood ties, personal ties, academic ties, or relatives demoralizes honest and hardworking employees. Park established the principles and conducted fair human resource management with conviction. He stated that "an employee who has done something wrong at work can be forgiven, but an employee who is ethically troubled cannot continue. Even if it is beneficial to the company, do not do an action if it violates business ethics."

The procurement process for POSCO equipment was complicated by financing arrangements. The equipment-purchase fund came partially from Japanese reparations money and partially from Japanese commercial banks in the form of loans guaranteed through Japanese government affiliates. While POS-CO was concentrating on construction, politicians and government officials began to blatantly intervene in the purchase of factory construction materials. TJ Park needed to be freed from socio-political corruption and unreasonable interference by bureaucrats that caused setbacks in the factory construction process. Because the cost of building the plant was funded by Colonial Property Claims and international loans, the company had to obtain government permission in the process of purchasing construction materials and equipment. Park blatantly rejected the pressures of bureaucrats and politicians to take bribes through the supply of factory construction equipment. He boldly refused the demands of government officials who wanted bribes and powerful politicians who asked for illegal political funding.

In 1978, TJ Park stated in his address that "ten years ago, even major advanced countries and some international prestigious financial and steel companies were suspicious of Korea's plans to build a steel plant..... We procured the latest equipment in the world market at the lowest price. By introducing the latest construction methods and ambitious process management, the construction period was much shorter than planned, thereby realizing a low construction cost that even advanced steel countries could not keep up with" (Cho, 1995). When POSCO started building the factory, many people abroad consistently expressed cynicism, denial, and envy, enumerating all sorts of technical problems, such as difficulties in financing, lack of ability to repay, and inadequacy of conditions and the environment. Even in Korea, some people doubted the possibility of success and called it premature. TJ Park and his team members persuaded the company's critics with perseverance, overcoming all kinds of adversity. One of POSCO's successes was working with government without being pulled into a mesh of political wheeling and dealing. Park's integrity with his words and actions shielded the management of POSCO from bureaucratic interference and unreasonable political pressure.

# Purpose and Identification: The Flesh and Bone of Korean **Industry, National Duty, and Historical Mission**

Purpose is the reason an act was done and the end sought by the agent. It indicates that the agent seeks unity through identification with an ultimate meaning of life. It reflects the world view of mysticism. Purpose is inextricably linked to the analysis of the Burkean concepts of "motives," "action," and "identification." In the inaugural address, TJ Park emphasized that "as a key industry sector planned for the second five-year economic development, it is one of the three major strategic industries along with the petrochemical industry and the machinery industry.

After completion, high-quality and inexpensive steel products should be supplied to the people and the national wealth should be increased. Through efficient and economical corporate management, many difficult social responsibilities must be performed. From a national point of view, the importance of this project is to establish a self-sustaining economy." He adopted the construction slogan of "building the best company with the least cost" and introduced the following mottos for the company: (1) unity and mutual cooperation, (2) active promotion of technician training, (3) rationalization of construction management, and (4) establishment of an economic investment system.

Five years later, in 1973, on the completion of the steel mill, he praised the company, stating that "our achievements in the construction and partial operation of our steel mills have been highly praised through the admiration of the steel industry at home and abroad. We have proven our will of 'you can do it' in reality. The one who laughs last is the true winner" (Cho, 1995). He adopted the metaphor, "the steel industry is a basic industry that supplies basic materials that will become 'the flesh and bone of all industries,' and is a strategic industry with the greatest ripple effect on related industries. It is also important as a national industry directly linked to the national interest and national economic development."

TJ Park closely linked his purpose to the Burkean concept of identification. He made the bold statement that "iron is the country" and coined the term "iron patriotism (제철보국)." He defined the duty of the workers that "we, who have reached the pinnacle of the steel industry and run an integrated steelwork facility that affects all national industries, must have a great cause and value that the company cannot only be a means of pursuing profit, but must be managed at the higher level of national wealth and national pride." Burke (1966) argues that rhetoric must be viewed as identification rather than persuasion because its function is to proclaim unity. In his theory, identification between the rhetor and audience becomes the precondition and primary means of persuasion; effective persuasion is speech "in the language of a voice within" (p. 563).

Park sublimated the role of the audience to national duty and pride, stating that "as good volunteers and managers for the common good of the nation, not a specific individual, we will carve out the future destiny of the steel industry, which will become the pillar of national development." He linked his rhetoric with the enterprise's purpose by emphasizing that the success of the company is not a success of individuals but is the essence of national wealth and national pride. In the face of such a solemn proposition, employees are well aware of the mission entrusted to them and what they must offer to their higher goal. In Park's rhetorical strategy, "national duty" and "historical mission" are symbolic means of creating cooperation.

## Discussion

TJ Park firmly believed that the success or failure of a business

depends on the workers' mental and physical health and personal dedication. The welfare policy of TJ Park was distinct from that of other Korean companies at that time. An excellent example is furnished by the company's housing policy. Park built an employee housing complex, including a school, so that employees would not have to worry about housing. In an interview, when a reporter asked him why he was carrying a baton, he replied, in one word, that the company is an iron orchestra that makes iron. I am in charge of this orchestra. So I only have an orchestra baton.

With his words and deeds, Park served as POSCO's CEO for 24 years, from its foundation in 1968 to 1992. In 1992, The company was the second largest producer of crude steel in the world by the time he left office. It is impossible within the space limitations of this paper to capture the rich complexities of his rhetorical success in management. Hence, this paper describes the basic rhetorical strategies used in business communication that have influenced the development of research methodology, based on Kenneth Burke's pentad (agent, act, agency, purpose, and scene).

Burke (1962) provided a dramatistic method for the analysis of Park's corporate rhetoric. The analysis focuses on the dynamic and constitutive aspects of language as a "species of action, or expression of attitudes, rather than an instrument of definition" (Burke, 1968). The method provides a means to analyze the relationships among the features of Park's rhetoric with other aspects of the business rhetorical situation. The Burkean dramatistic method of analyzing the CEO's speech reveals how certain "realities" came into being and how Park's rhetoric thus motivated particular understandings, attitudes, and predispositions toward identification and cooperative action.

# **Conclusion**

This analysis of TJ Park's two speeches demonstrated the basic rhetorical strategies in business communication that have influenced the development of research methodology, based on Kenneth Burke's concepts of the pentad and identification. With his rhetoric, TJ Park set the scene to encourage employee motivation for the upper hierarchy of values, promoted employees' future acts, changed the workers' mentality, habits, and behaviors and turned them into "POSCO men," shielded the management of POSCO from bureaucratic interference and the unreasonable political pressure, and sublimated the corporate mission to a "national duty" and "historical mission." His unique rhetoric led to the success of the management.



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