

## When a Secret Fund (*pijagŭm*) Is Not a Secret: Changing Perceptions about Family, Gender, and Excess in South Korea during the Cold War

### Secret fund: this insidious practice is exposed in a “Nasty Lady” cartoon

Popular culture often dealt with marital conflicts over money. This syndicated cartoon, “Nasty Lady,” appeared in a women’s magazine, *Yŏsŏng Tonga*, in October 1981. Though it primarily satirizes a married couple’s problems, it also wittingly reflects South Korean society at that time.<sup>1</sup> In the fall, people liked to collect golden ginkgo leaves and other brightly colored foliage and dry the leaves between the pages of a book. Husbands would hide money, a “secret fund,” among the leaves, thinking that their wives would never notice. Today, wages are usually deposited directly into bank accounts, but in the 1960s to 1980s, South Koreans often received their wages (cash or check) in an envelope. Sly husbands would take some of their pay out of the envelope and hide it in a secret fund for themselves, as we see in this cartoon.



**Illustration 1.** “Nasty Lady.” *Yŏsŏng Tonga*, October 1981, 201.

Wife: “Ah, leaves are already falling...”

Husband: “They remind you of your teenage years, so you’ll place a ginkgo leaf in the book?”

Wife: “Oh, well.”

“This isn’t the first time that you’ve put a secret fund into your book!”

<sup>1</sup> Social satire cartoons were commonplace in women’s magazines, usually focusing on married women’s lives.

As a ginkgo leaf drifts through the open window, the husband mentions that it may remind his wife nostalgically of her teenage years (prior to the demands of married life). Alarmed, she rushes to the bookshelf in the next room and finds his secret fund. She's not surprised at the discovery and berates her husband for hiding money again. Her reaction as she outwits her husband and his obvious frustration suggest that this game of "hide and seek" happened often. Another cartoon depicts a wife who also finds her husband's secret fund in a book and then reclaims the money for the family, telling her husband that their household budget was now in the black.<sup>2</sup> In both cartoons, the wife's knowing look contrasts with her husband's dejected face, which shows that few wives were fooled by their husband's tricks. Many husbands and wives had different attitudes towards how money should be spent: wives thought it should be spent on food, clothing, housing and other necessities (*ũisikchu*) for the family, while husbands selfishly spent it on themselves. Housewives managed *ũisikchu* expenses as a part of the family's monthly budget (*saenghwalbi*). Wives would divide up their husband's monthly pay check to cover the family's needs and the husband's personal allowance (*yongdon*); not surprisingly, there was no corollary personal allowance for wives. Perhaps resentful that their wives managed the family budget and thinking that they deserved more pocket money, husbands would secretly take money out of their pay envelopes before giving them to their wives, causing them much distress. But the cartoon's title, "Nasty Lady," subtly undermines the wife's justified anger, construing her as "nasty" for upbraiding her misbehaving husband.

### **What is a secret fund?**

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<sup>2</sup> "Surplus in the Household Ledger," *Yōsōng Tonga*, August 1978, 159.

Changing socioeconomic conditions modified women's perceptions about relationships, marriage, and family during the 1960s and '70s. As the number of women graduating from college increased and women participated more actively in society, many women began to recognize the importance of economic stability in married life. Women's magazines reported on the factors that were crucial for economic success in married life: budgeting knowhow, ledger-keeping, wise consumption practices, and so on. Some married women, who contributed articles in these magazines, wrote about their hands-on experiences in successfully purchasing a home, starting sideline businesses, and even how much money they spent or earned.

Of course, women openly sharing their financial knowledge was a positive change, but their frank discussion of a husband's secret fund was a truly bold move. The former showed competence, the latter potential weakness, which could even risk the family, or husband, losing face. It's unlikely that husbands hid money in secret funds because of insufficient household income, rather they thought it their male prerogative to have more money to spend on themselves than their allotted allowance. Two different Korean terms can apply to a secret fund: *bisangkum* (비상금, 非常金) means "emergency fund," whereas *bijageum* (비자금, 秘資金) refers to businesses who purposely hide money as a way to dodge taxes and to appropriate other illegitimate fund. Many wives viewed their husband's secret fund as selfish greed that took much needed money from the family rather than as an emergency fund that would support the family in time of need, so they would derisively call it *bijageum* to taunt their spouse as if his act of subterfuge within the family were akin to corporate tax evasion or a political slush fund.

Not until around 1960 did the media begin to talk about secret funds, even though this harmful custom had long been practiced across all social classes, because openly and honestly discussing any aspect of family finances, much less an underhanded one, was taboo. Mentioning

a secret fund could also expose family conflicts over money, which women usually dealt with privately. Then, why did this public dialogue suddenly begin? Was it just a coincidence or due to something else? I think that secret funds began to draw media attention at a time when long simmering marital conflicts over money were escalating and when, increasingly, corporations were trying to evade taxes and politicians were building up slush funds. The media realized that hiding money, for various purposes, was not just a problem within families but also in politics and business; and it reflected South Koreans' changing perspectives on financial transparency. In this essay, I trace the history of the secret fund, which first appeared within families, then in politics and business. I will examine wives' subversive resistance to that patriarchal practice and the ways that they challenged gender role norms; then I will look at corporations and political leaders, who felt they were justified in hiding their financial misdeeds as necessary "emergency funds," which often absolved them from any wrongdoing. The apparent need for secret funds in all levels of society suggests major problems existed with micro- and macro-finance, incomes, job security, and the welfare system, but also that most Koreans seemed willing to turn a blind eye to serious financial misconduct. Looking at changing attitudes towards the secret fund and financial transparency, within families and society at large, will provide new insights into South Korean economic development, excess, family, and gender ideology during the Cold War.

### **Why does a secret fund matter?**

From individual families to big business to presidents, secret funds have long permeated South Korean society. If secret funds have lasted so long and are so pervasive and seemingly tolerated, are they really a problem, or just an integral part of Korea's unique culture? Or are they more sinister—a form of power and control? Should we think of secret funds within individual

families as a separate issue from those within larger social institutions? Should secret funds remain private? To answer these questions, we need to think about how changing cultural attitudes and gender politics affect financial decisions and the ever-evolving secret fund.

The underhanded secrecy of such funds may be a characteristic shared by all, but the secret fund within a family was quite different from its analogs in business and politics because women exerted influence within the family, something they were usually not able to do in the rest of society, especially during the Cold War. Housewives could object to a husband's secret fund and try to defy traditional gendered roles. They saw their husbands as prone to taking risks and less responsible for managing the household budget, which wives oversaw, and wives were left to pick up the pieces when their husband's selfish misdeeds created financial troubles. But if a wife discovered her husband's secret fund, objected to it, and, even worse, revealed it to others, she risked flaunting traditional gender norms ingrained in Confucian mores and patriarchal notions of the family: even in the 1960s, a time of rapid economic development in South Korea, the "wise mother and good wife" (*hyŏnmo yangch'ŏ*) discourse was pervasive. The ideal married woman was a fulltime housewife whose main duty was to care for her husband and children, so she should not be involved in financial activities or earn an income. In reality, however, many married women had to work to augment their husband's salary, work that remained relatively invisible within official economic metrics. And these married women worked a "double shift" fulfilling their wifely duties while also doing outside work or earning extra money with sideline businesses, micro-financial activities, such as Rotating Credit Associations (*kye*), and cottage industries. They also saved money by purchasing household items collectively with friends and neighbors and some took out *kye* loans to address their family's financial crises. Recognizing the

importance of financial stability for their families, housewives deftly navigated through family difficulties, earned money, and expertly managed the family budget.

By talking frankly about secret funds, wives began to problematize or resist them and the drain they made on family finances, even though such open talk could bring disgrace to their families, especially their husbands, whose selfish spending and inability to properly fulfill their roles as breadwinner and head of the family would be exposed. Despite the risk of losing face, secret funds began to be widely discussed in the early 1960s, revealing a troubling domestic secret long hidden from public scrutiny because proscriptive gender norms dictated that every “wise mother and good wife” (*hyŏnmo yangch'ŏ*) should dutifully support her husband and never question his actions, while the ideology of patriarchy validated male authority and the idea that husbands had the right to spend money however they pleased.

Patriarchal ideologies that informed gender norms within families meant that a husband’s secret fund was one way he could exercise power and control.<sup>3</sup> It was expected that husbands earn and produce while wives save and spend. Because men were the breadwinners, they thought they had the right to control the family purse strings and hide money for their own use, even if that deprived their families. As seen in the “Nasty Lady” cartoon, such secrecy could erode trust between spouses. The husband’s nonchalance did not fool his wife, who suspected he had money stashed away and quickly looked for it in the book they used for pressing autumn leaves. Her immediate distrust implies that he had done this many times before and would likely do it again. Her visible anger and his acute frustration show their marital discord and that it will be hard to rebuild trust. She has every right to take back his secret fund and spend it on the family, which

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<sup>3</sup> Secret funds tie into the “purse string debate,” that is, who should have control over managing the family budget. A survey conducted in 1981 by Professor Soh found that in urban families, 34 percent of wives allocate the entire family income, 35.5 percent are in charge of all expenditures, and 27 percent oversee only the household monthly allowance (*saenghwalbi*) with husbands responsible for all other expenditures (*Yŏsŏng Tonga*, October 1981, 298).

he could not prevent, knowing that he was in the wrong. His selfish greed unmasked, the power balance between them has, at least temporarily, shifted in the wife's favor.

Subtle changes in gender norms and power relationships within marriages also affected what was considered proper conduct within a family. Public opinion and popular discourses had viewed husbands as the morally superior head of the family, so a wife was expected to defer to her husband's authority, pretending not to know about his secret fund and trying to cope with financial problems all on her own. But by the early 1960s, many families were experiencing such acute financial distress, that wives realized that concealing financial troubles was not wise nor would it maintain genuine marital harmony. That stimulated open and frank discussion of secret funds and other financial matters between husbands and wives and within society at large.

### **How do we perceive excess during the Cold War?**

The wildly popular Korean film, *Ode to My Father* (2014), highlights the baby boomer generation's hardships that they had to endure from the Korean War to the Vietnam War. Like many other young Koreans, the male protagonist was sent to Germany to work as a "guest worker" to earn hard currency during the lean years that characterized Park Chunghee's regime. His life was very difficult as a low ranking laborer in a foreign country, but his sacrifice was emblematic of his generation's dedication to their families and their children's education. The film also touches upon that generation's nostalgia for a time when they harbored hope for a better future. Hard work should benefit individual families and the nation as a whole, which motivated the protagonist, once he returned from Germany, to try, with his wife, to build a successful wholesale business in Busan. Like many of that generation, the protagonist and his wife believed that working diligently, sacrificing for their family, and accumulating wealth by

honest means was a virtuous way of life which should yield economic prosperity and happiness. This box-office hit resonated with older people, validating their ideas about success and prosperity, but hasn't received as positive a response from younger viewers. This disparity suggests that older and younger Koreans have very different views on life goals, affluence, and how one achieves happiness. A frugal life doesn't necessarily guarantee a stable future, a felicitous outcome that may only be possible in a movie.

### **The paradox between wanting a better future and living a worse reality**

The baby boomer generation's nostalgic view of the past as depicted in *Ode to My Father* may have been at odds with the harsh reality that they faced. South Korea's export-driven, labor-intensive economy suppressed wages to maintain its competitive edge internationally. That economic success helped legitimize Park Chunghee's political leadership. Park claimed that by 1980, every family would be affluent enough to own their own home. Such a rosy prospect was difficult to realize since so many families were struggling to make ends meet with rising prices. Despite a limited housing stock, many families dreamed of having their own home, as rents skyrocketed in cities. To address the serious housing shortage, Park Chunghee included state-led housing projects in his five-year economic plans from 1962 to 1981 and enacted the Urban Planning Law in 1962 and the Seoul Urban Development Plan in 1966. Yet, Park would later renege on those ambitious public housing projects when he handed control over those projects to private companies. That privatization escalated the price of new apartment complexes. Park's massive housing projects ironically ended up forsaking working people and the lower classes who needed housing the most.



### **How secret funds play out in politics and businesses**

Just as husbands set up secret funds, so did politicians and corporations, but with different agendas. A husband may have selfishly wanted more pocket money, which was bad enough since it sowed marital discord and could cause financial hardship, but the reasons behind secret funds in politics and business were truly malevolent. Authoritarian regimes, fueled by a leader's charisma and repressive power, created their own type of secret fund: a slush fund where monies were extorted from businesses in exchange for the regime giving them special favors and protection. In some cases, the Department of the Treasury even set up a "personal vault" for the president. Corrupt collusion between politicians and businesses persisted from one president to another. Even former presidents continued to be involved in slush funds and speculation, which fostered considerable public contempt. A corruption scandal swirled around former President Lee Myung-Bak, who was accused of speculating in securities that involved a firm named DAS. Though he repeatedly denied those allegations, most Koreans didn't believe him, venting their anger through caricatures of Lee and other negative images; the backlash against Lee peaked when the sarcastic phrase "Whose is DAS?" went viral. His was just one of a series of political scandals around slush funds and other types of collusion between corrupt politicians and the business sector. The justice system, loyal to the authoritarian regimes, sparked fresh public outrage and mistrust, when it meted out very light sentences, if any, in corruption cases brought against such leaders. The persistent collusion between politicians, the business sector, and the judiciary seemed intractable and most Koreans were giving up hope that openness and financial transparency would ever exist within government or society.

Aside from their slush fund collusion with politicians, businesses had plenty of corrupt practices of their own. Dubious record-keeping—so-called "double ledgers"—was widespread.

A coercive male drinking culture flourished in corporations, which could tear apart families and ruin them financially; and bribes were regularly given out to grease the biddings process. All of these socially and economically corrosive practices, from husbands hiding extra pocket money amidst autumn leaves to slush funds, illegal bookkeeping, excessive male drinking, and rampant bribery, relate to the development of an authoritarian, hierarchical, and male-dominated ethos within families, corporations and political life. They are an outgrowth of what Seung-Sook Moon calls “militarized modernity.” During the Cold War, South Korea depended on conscripting men to work in national industries and for military defense. Militarized modernity created a hierarchy between male and female workers which gave men an unfair advantage in the workplace; and that sense of male superiority was internalized by workers and management alike. Patriarchal ideology further privileged men over women, so men thought they were entitled to their secret funds. Moreover, the secrecy that those funds, and other nefarious activities, depended upon was deeply entwined with their illegitimacy.

### **Sharing the truth about one’s financial situation online**

The financial crisis that hit the nation in 1997, during the so-called IMF era, transformed many aspects of South Korean society. Stable lifelong employment was replaced by irregular or temporary labor or contract work. As a result, massive layoffs occurred, precipitating economic hardship that increased homeless and divorce rates, fueled suicide among the unemployed, created delinquent fathers who caused the breakdown of families, and shattered the myth of the husband as sole breadwinner and head of the family. This time of economic turmoil adversely affected companies as well as individuals and families. Even though the IMF era differed from that of Park’s regime, it was individual families who suffered the most. The demise of what was

believed to be stable within society, such as lifetime jobs and homeownership, changed people's perceptions about financial stability and excess during the IMF era.

That severe economic slowdown was a stark contrast to the prosperity prior to the IMF era. Opportunities for upward mobility were very limited within the fiercely competitive neoliberal market economy. The younger generation recognized that this made it much more difficult to pursue their goals in life. They abandoned the hope that their parents' generation had cherished that the government would protect jobs and provide an adequate welfare system and safety net for everyone. In the early 2000s, new and highly critical terms like *sampo saedae* (a generation that gives up on three crucial aspects of life—courtship, marriage, and having children) and *helchoson* (Chosŏn was the dynastic name for Korea, so this means “hellish Korea”) began to circulate, indicating that a profound pessimism gripped the younger generation. Another new term, “house poor,” refers to those who own a house or apartment but are burdened with such a huge mortgage that they cannot live a decent life. News outlets reflected people's unease about the economy, producing programs and articles that encouraged people to talk openly about their personal finances and to seek out strategies to ensure their financial wellbeing.

In 2017, TV programs that featured personal finance consultants gained in popularity. For instance, “Kim Saengmin's Receipt Critique” (*Kimsaengmin ūi yŏngsujŭng*, 2017) began as a podcast but became so popular that it was made into a TV program that was broadcast nationwide. It stars a journalist, Kim Saengmin, who has received far more attention for his extremely frugal lifestyle than for his work as a reporter. In spite of his relatively small income, he carefully saved for more than a decade and eventually was able to purchase a million-dollar luxe apartment in Kangnam. Yet he continued to live frugally, which made him into a star. His

way of making a fortune resembles the diligent saving pursued by his parent’s generation, which was eloquently depicted in *Ode to My Father*.

Kim’s thriftiness also resonated with young men and women who, like him, hoped to save enough to purchase their own home. In his TV show, Kim emphasized rational spending and intensive saving; he also explained various financial strategies to his fans such as how to accumulate \$100,000 as seed money for future investments. Viewers would anonymously submit their employment, age, where they lived, finances, and spending habits for him to critique. He would shout “stupid” or “great” depending on how well he thought they did. Two female co-hosts and comedians, Song Ŭni and Kim Suk, provided comic relief as Kim assessed viewers’ credit card receipts and consumption habits. That potent combination of sage advice, blunt no-holds-bared commentary, and levity made this TV show wildly popular.



**Illustration 2.** YouTube KBS Drama Classic channel clip: “Kim Saengmin’s Receipt Critique: Are you buying a gift for a friend during your honeymoon? Stupid!”<sup>4</sup>

This popular show ended abruptly when Kim became embroiled in a sexual harassment scandal. Female youtubers in their 20s stepped into the breach, dispensing financial advice on TV and YouTube—a new and unexpected trend, since young women were thought to be indifferent to financial strategies and investments. But these young women were keenly interested in money-making skills because they wanted to be financially independent which they considered key to

<sup>4</sup> Accessed on April 1, 2020. <https://www.youtube.com/watch?v=mNn0NFWq0sg&t=41s>

realizing the life of *bihon* (choosing not to marry). Their video clip titles show their objectives: “I don’t need a husband, but a house!” “What are shortcuts for purchasing a home?” “Let’s talk about your ledger!” These young women gave advice on investments, saving plans, and housing markets and suggested prudent financial strategies to their viewers so that they could effectively reach their desired financial goals. Clearly, the younger generation has realized that they need to adapt to what could be a long-term economic downturn in South Korea and to find financial stability despite their limited resources.

## **Conclusion**

So many families experienced chronic financial hardship during the Cold War that both husbands and wives needed to earn money to support their families, which shattered the gender-inflected myth that saw men as the sole breadwinners. As their economic woes grew, wives became less tolerant of their husband’s selfish spending. In the 1960s and ‘70s, popular culture and the media highlighted the issue of secret funds, a pervasive phenomenon previously in the shadows, but now exposed within families, corporations, and political life, which suggests that married women were becoming more vocal about marital conflicts over money and society at large more critical of political and corporate corruption. Interestingly, women’s increasing participation in the workforce may have given them enough financial and moral leverage to chastise their husbands and resist prescribed gender norms. In companies and politics, financial transparency is also a matter of ethics and can indicate a society’s degree of development. The financial crisis, which begun in earnest in the late 1990s, transformed South Korean attitudes about money, privileging transparency over secrecy. Young people today openly discuss their finances on social media as they share insights about prudent saving, investments, and other

sound financial strategies. I argue that these changes in perception and responses to monetary problems aren't simply a result of South Korea's unique culture but should be understood as innovative ways to navigate the complexity of today's shifting social and economic terrain.