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## Article

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## Discursive (de)legitimation of a contested return of former chairman Lee Kun-Hee to Samsung *chaebol*

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### ABSTRACT

This paper is a critical analysis of media discourse on an action of Korean *chaebol*, using the return of former chairman Lee Kun-Hee to Samsung *chaebol*. Chairman Lee attempts to legitimise his return as a necessity of leadership to enable Samsung overcome the global crisis of conglomerates, as an owner of a *chaebol* in response to its crisis. To analyse the discursive struggle related to his return, we divided discourses into two: one legitimising his return as an owner of a *chaebol* and the other arguing that his return is unjust because it indicates the return of autocratic management with infinite power but without responsibility. We have elucidated the crucial role of the media that makes sense of and consequently react to such discursive (de)legitimation for understanding of management of Korean *chaebols*.

*Keywords:* Chaebol, Discursive struggle, Critical discourse analysis, Legitimacy, Lee Kun-Hee, Samsung

## I. INTRODUCTION

In the Korean economy, *chaebols* are giant corporations governed by owner-managers and their family. *Chaebols* function as owner-managers, controlling shareholders of the *chaebol*'s affiliates and managers who make important decisions in the management of the various affiliates (Cuervo-Cazurra, 2006; Jun et al. 2010; Yoo and Lee, 1987). In a *chaebol*, controlling shareholders exercise control with only a small equity-holding by using dual-class shares, pyramids or cross-shareholdings (Kim et al.,

2007; Yiu et al., 2005). The study of *chaebols* tends to focus on the problem of performance and efficiency in owner management as controlling shareholders. Scholars have paid little attention to examine the discursive legitimacy of *chaebols* actions, although their influence on society has significantly provoked a discursive struggle.

We aim to reveal the discursive struggle on the (de)legitimacy of controversial corporate actions that raise the issue of management of the public corporation. In spite of the central role of legitimacy in owner-manager of *chaebols* in Korea, little is known of meaning-making processes through which various actors attempt to set up legitimacy for their management. We address this issue using the case of the return of Lee Kun-Hee as an owner of Samsung *chaebol*, as shown in the discourses in the Korean

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media. Our starting point is that an argumentation of (de)legitimacy takes the form of a discourse that indicates the results of performing an action, rather than the description of an action. Discourses are acts of writing or speaking. The meaning of discourses is not included in them inherently but is defined according to the context of the associated space. In our study, we argue that the return of chairman Lee Kun-Hee to Samsung *chaebol* activates certain crucial sociopolitical processes in a discourse community to legitimatise contested corporate undertakings.

The media should create a preferred interpretation with regard to public events and issues during the news production process. It is the interpretive community as a social group that shares the analysis of the social reality (Berkowitz & TerKeurst, 1999; Zelizer, 1993). The media reflects traces of the past and experience in the production of news, evaluates current activities, and then consolidates it into a common structure of knowledge. The structure of perception in the interpretive community serves as an interpretation frame developed based on the sharing of preferred analysis. In other words, certain beliefs and values or inherent attitudes in the structure of the collective consciousness of a journalist mediate the social power structure and the news frame (Fairclough, 1995; van Dijk, 1988). In this sense, discourse analysis of journalism involved in a competitive frame makes it possible to capture the characteristics and boundaries of journalism practice. In doing so, our aim is to reveal the micro-level discursive struggle used in (de)legitimizing his return in the Korean media. We focus on the media as not a very well-known legitimating mechanism in organizational communication research. Our research question is as follows:

What are the discursive struggles used when (de)legitimizing a return of former chairman Lee Kun-Hee in the Korean media.

We focus on the subtle discursive practices that tend to construct a sense of (de)legitimacy around his return, in the Korea media which had created

a lively debate. We thus offer it as an excellent example of micro-level discursive practices employed when making sense of, and giving sense to, his return considered here as an action of *chaebols*. Our analysis clearly brings out problems with (de)legitimizing debates around corporate social responsibility. We illustrate some of the societal and political tensions produced by his return to Samsung *chaebol*. To this end, we select critical discourse analysis (CDA) as a useful method in uncovering socio-political processes to (de)legitimize the discourses related to his return to Samsung. CDA analyses texts as by-products of social actions in the language and use of language in order to understand the interaction of social relationships, orders, and fluctuations of social structure (Fairclough, 2008; Weiss and Wodak, 2007; Wodak and Meyer, 2001). CDA evolves by producing meanings only within the linguistic order and analyses the production, reproduction, distribution and consumption of discourses in a social structure and their mediation with non-linguistic forms (Phillips et al., 2004). This case illustrates how the media frames the (de) legitimacy of his return by using aspects such as management environment, social reputation, social opinion, and future outlook.

In the next section, we begin with a brief of discursive perspective on legitimation which is useful in explaining the legitimation of contested his return. In the following, we present not only CDA as a methodology to (de)legitimize the discourses related to Lee's return but also the case and the method analysis. Then, we examine discourses by selecting articles from The Korea Economic Daily that support *chaebols'* stance and articles from The Hankyoreh that protests the stance. We chose articles that are associated with Lee's return. In examining his return, we attempt to perform a social re-contextualisation of the meanings of owners of public corporations from discourses, building on the assumption of owners of corporations. In the conclusion, we summarise the results of this study and present the merits, limitations and recommendations for future studies.

## II. DISCURSIVE PERSPECTIVE ON LEGITIMACY

Legitimacy is seen as a socially constructed sense of appropriateness (Suchman, 1995). It is closely linked with other key social and political terms such as authority, power, and ideology (Berger and Luckmann, 1966). In the organizational studies of legitimacy, scholars traditionally have focused on the different bases: the pragmatic, meaning calculations involving self-interest; the moral, based on normative approval; and the cognitive, based on comprehensibility and taken-for-grantedness (Suchman, 1995). Even though they take different stands on legitimacy, we can accept it as “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions” (Suchman 1995, p. 574).

In addition, some scholars have paid special attention to the discursive aspects of legitimation. The focus here is on actual legitimation process rather than an established sense of legitimacy. Vaara and Tienari (2002) focus on justification, legitimization and naturalization processes in three historically significant cases in the Finnish media on the discursive construction of mergers and acquisitions. Vaara et al. (2006) examines the discursive legitimation strategies used to understand global industrial restructuring in the media. Vaara and Tienari (2008) elucidate various textual strategies used to legitimize multinational corporations' actions to examine the micro level processes of discursive legitimation. Joutsenvirta and Vaara (2009) investigate meaning-making processes through which social actors attempt to establish or de-establish legitimacy for socially contested corporate undertakings, and through which they, at the same time, struggle to define the proper social role and responsibility of corporations by using Finnish media texts. Vaara and Monin (2010) regard discursive legitimation as an inherent part of unfolding merger processes. They try to explain the dynamics of discursive legitimation and organizational action

in post-merger organizations.

In the discursive perspective on legitimacy, discourses play important role in the social construction of social order (Fairclough, 2003). Social order requires legitimation. Legitimation must be able to “provide the explanations and justification of the salient elements of the institutional tradition” (Berger and Luckman, 1966, p. 93). The work of legitimation is an accomplished language and uses language as its principal instrument (Berger and Luckman, 1966). Language is not a simple medium for the transport of meaning, but it is assumed that language provides the means to communicate instructively in and on various realities. People participating in a discourse, in the real world, use language not only to make accurate representations of certain objects but also to accomplish things (Alvesson & Kärreman, 2000). On similar lines, discourses serve not merely as representation but also constitution of social reality. Legitimacy is built in relation to discourses that make sense of particular issues and make it understandable for people (van Leeuwen and Wodak, 1999). Legitimation thus is considered as “an ongoing political struggle in specific organizational and societal contexts” (Vaara & Tienari, 2008, p. 986). Legitimation makes a sense of the positive, the beneficial, the ethical, the understandable, and the necessary (van Leeuwen and Wodak, 1999). Thus it increases the stability of the institution (Green, 2004). On the contrary, delegitimation associates a sense of negative, morally reprehensible, or otherwise unacceptable action (van Leeuwen and Wodak, 1999) and decreases the stability of the institution (Oliver, 1992). Delegitimation thus poses resistance to legitimation in situations. This approach allows us to shift attention from established legitimacy to the “*discursive sense-making processes through which legitimacy is established*” (Vaara and Monin, 2010, p. 5).

### III. CDA TO LEGITIMATION

Discursive perspective legitimacy lay great emphasis on the fact that societal norms and values are culturally and historically restricted and constantly become the focus of social contest and change. Following discursive legitimacy, we argue CDA approach is used to (de)legitimize a controversial corporate actions. In this context, we draw on Hall's definition of a discourse as "‘rules in’ certain ways of talking about a topic, it ‘rules out’, limits and restricts other ways of talking, of conducting ourselves in relation to the topic or constructing knowledge about it" (Hall 2001, p. 72). Discourse can both restrict and mobilise certain discussions of a topic. In other words, discourses "do not just describe things; they *do* things" (Potter & Wetherell, 1987, p. 6). That highlights language use are defined by social conventions through the production and consumption of texts-in other words. Language is not separate from society but it is part of society itself. In this case, language indexes power (Wodak, 2001). Power is not as something that dominant members of society but in terms of the relationship between power and resistance (Foucault, 1972). It is 'a specific relation between social groups or institutions' (van Dijk, 1997, p. 17). In fact, power does not derive from language, but language can be used to challenge power, to subvert it, to alter distributions of power. This means that text does not stand alone and outside of its context and discourses are inevitably affected from their political or ideological content (Fairclough, 2001; van Dijk, 1998). Discourses have permeated ideologies through the assumptions embedded in the texts. These assumptions appeared as 'triggered' by use of language from a social context in a text (Fairclough, 2003). This shows why should densely analyze a text. In doing so a text is contextualized within a particular combination of genres, styles and discourses (Fairclough, 2003). The discourse constantly constructed and reconstructed by different actors in discursive events. The actors have the knowledge of a social context, the knowledge will be able to

change. Furthermore, there are certain forms of knowledge that actors might support or neglect due to their institutional legitimacy. This brings us to the concept of discourse as a form of social practice based on composition of language by a factor of social events. Through discourse, social actors constitute knowledge, social roles and legitimacy and relations between social groups (Phillips et al., 2004).

We selected the dialectical relational approach by Fairclough (1995, 2001, 2003) from various CDA methodologies. Fairclough (2003) divided discursive analyses into internal relational analysis and external relational analysis of texts and analysis of discursive levels mediating the former two. Internal relational analysis of texts needs an analysis of discursive levels in order to develop into external relational analysis of social contexts. Internal relational analysis as a microscopic analysis examines lexical, grammatical, or semantic relations (Fairclough, 2001, 2003). In this study, we used internal relational analysis to research which terms are used to ascribe meaning to Lee's return to Samsung because the aspects of the texts structuralise discursive events towards orientations that are different from the terms selected. Although the texts represent the same discursive event (i.e. his return), the discourses differ in content. Also, we identified which metaphors are used for his return. Metaphors describe an event in a way that makes it familiar to readers and fundamentally structuralises ways of thinking, patterns of behaviours and systems of knowledge and belief.

Internal relational analysis of texts is not yet sufficient to perform certain roles in social contexts, and analysis at the discourse level is needed to mediate between the internal level of texts and social context. Analysis at the discourse level investigates the nature of the process in which individual texts are produced, distributed and consumed. Producers and consumers of texts are restricted by social structure, norms and conventions that are internalised as social members in the process of production, distribution and consumption of texts. Such restrictions in resources to social members define how texts are used in the analysis of external relations, as we discuss below.

Analysis of discourses can be divided into three types of texts namely genres, discourses and style.

First, genres, a type of discourse, internalise frames of action, frames that restrict both producers and consumers. Certain texts are produced by already-required frames in certain texts and readers familiar with such genres interpret the texts based on given frames and formulate their own responses. News articles, namely reports, analyses, interviews and editorials, as different genres perform specific actions for readers. Then, discourses indicate representations of certain phenomena as something associated with different significances of the same phenomena or objects. Discourses should be written in the plural form because this form focuses on contexts in which actions are performed to represent phenomena or objects, highlighting that language representing the same phenomena or objects can be described as having other meanings in other contexts. Analysis of discourses attempt to investigate how the same phenomenon is represented differently by each person. Lastly, style, as an author's formation of identification in texts, is a tool for expressing an author's self as something identified. Styles exhibit how the self is formed towards certain orientation as ways of being from the view of the author. In this study, we observe how Lee's return to Samsung is evaluated by the styles of authors in discourses, analysing the appearance of certain aspects, focusing on the expression of adjectives granting supposed values or verbs as endings.

External relational analysis of texts as social practice examines how existing economic, political and cultural ideologies and hegemonies are re-constituted and re-structuralised on the basis of mediations in internal relational analysis of texts and analysis of discourses. Such analyses aim to understand how differences in expressions are linked to social practices such as accomplishment of hegemonies and formation of ideologies at the microscopic level by analysing the expressions as well as the contexts. External relational analysis of texts criticise intentions with which specific dominant relationships in society by understanding the order

of discourses as a structuralised discursive system in a certain social system. Thus, external relational analysis of texts may establish order of discourses structuralised in discourses to deconstruct self-evidence of ideologies of discourses and provide alternative perceptions.

#### IV. CASE AND ANALYTIC METHOD

Our empirical research has focused on return of former chairman Lee Kun-Hee to Samsung *chaebol*. He rejoined Samsung as its chairman, two years after resigning from the group chairman's post following an independent counsel inquiry into tax evasion and breach of duty. Due to this move, he is not on the board of directors. His return to Samsung is an apt case for our study on the controversial corporate action of *chaebol*. First, his return needs to be made sense of with respect to the changes at that time what was happening and what was needed to legitimate the changes taking place. The action of Samsung *chaebol*, as a tremendous social power in Korean society, was sufficiently sensitive and dynamic to the production of discourses, which was naturally contained as a historical and social phenomenon in Korea. Secondly, it created an intensive discussion in the Korean media, providing ample material for an analysis of different types on discursive struggle. The Samsung *chaebol* has always been the grand hope that has been accomplished or a case of the dark side of Korean corporations. Thirdly, his return to Samsung *chaebol* was in many ways controversial, considering his resignation from the same office following enquiry into tax evasion and breach of duty as mentioned above. This created a special need for (de)legitimation. Business community welcomed the move, but civil rights groups have seen Lee's case as an indictment of standards of corporate governance in Korea.

By utilizing the electronic archive of Korea Press Foundation (<http://www.bigkinds.or.kr/>), we collected all

articles that contained the words ‘Lee Kun-Hee’ and ‘Samsung’ based on the day he returned, covering the period from 24 March 2010 to 30 March 2010. The total number of articles was 189, nearly all of which were published within two days. We carefully selected those articles that were built around various parties’ opinions about the conflict of his return. During this process of carefully arranging those articles, we found that the two newspapers of respective interpretive community had controversial news about his return. Therefore, a total of 6 articles were eventually chosen, for a detailed and systematic analysis, from these two newspapers. We have added these articles as appendices. The Korea Economic Daily defended and justified his return. However, The Hankyoreh allowed us to make interactive comparisons and study both legitimating and delegitimizing attempts.

We can distinguish three important stages in our analysis using CDA: internal relational analysis of text, analysis of discourses, distinguishing different discourse types used in (de)legitimation, and external relational analysis of texts on the basis of mediations in internal relational analysis of texts and analysis of discourses. We began with an internal relational analysis of text, which led to an understanding of what kinds of issues were discussed in the Lee return case and what kinds of topics seem to be brought up more frequently in relation to his return. Some of the important themes were real crisis, global conglomerates, responsibility, leadership, justice, expectation, and concern. At this stage, we carried out a detailed analysis by picking out those parts of texts that were most relevant.

At the second stage, we focused on the various discourses which dealt with themes such as social structure, norms and conventions in the respective interpretive communities. In brief, we distinguished between three types of discourses: leadership in crisis vs. infinite power; expectation vs. concerns; creative management vs. autocratic management. These discourses provided very different kind of means for framing specific issues and for establishing (de)legitimacy purposes. In particular, most of the legitimation involved some references to management experts or business organizations that benefited from owner management. We also found attempts to criticize or delegitimize his return through avoidance

of responsibility for exerting enormous power and breaking promises given to Korean society.

At the third stage, we proceeded by carrying out an external relational analysis of texts of the (de)legitimizing purposes used in the media texts. This was necessary, to understand how specific discourses were used in actual social practice for (de)establishing economic, political and cultural ideologies and hegemonies as a structural discursive system in a certain social construct. We, then, focused on the media texts authored by journalists as an interpretation frame made by sharing preferred analysis. This led to the distinguishing of three competing types of social practices by journalists: owner’s strong leadership in crisis vs. unjustness of his return; positive roles of *chaebols* in Korean society vs. pointing out limitations in legal, democratic control over *chaebols*; his return as the beginning of a new era vs. stressing on *chaebol* management as a retrogression to an old era. Finally, we went on to distinguish and elaborate the various forms of multiple legitimation in more detail as reported in the following sections.

## V. FORMATION OF DISCOURSES ABOUT RETURN LEE KUN-HEE

### A. Acceptance and criticism of Lee’s return

- ① The Korea Economic Daily (25 March 2010)  
(Article Title) Chairman Lee Kun-Hee says,  
‘This is a real crisis... no time to hesitate’

In the discourse on the crises of global conglomerates, his return was portrayed as necessary to avoid a crisis. It was legitimized specifically by articulation with the management crisis of global conglomerates. As Bakhtin points out, ‘our speech... is filled with others’ words, varying degrees of otherness and varying degrees of “our-own-ness”, varying degrees of awareness and detachment’ (Bakhtin, 1981, cited in Fairclough 1992, p. 102). Lee’s return secures a

semantic space when articulated with the management crisis of global conglomerates. His return is represented as an alternative for the Samsung *chaebol* by contrasting his return with the crisis of global conglomerates. The words expressing the reality of global enterprises are structuralised by specific measures of images of firms. Such global conglomerates are represented by phrases including 'global leading enterprises are collapsing', 'the downfall of global firms' and 'the fall of leading enterprises', in which the reality of crises is described by words such as 'fall' and 'downfall'. Such words provide a visual representation of firms collapsing under crises and using these words represents the state of firms more convincingly and reveals the necessity of immediate measures to deal with the crisis. Lee's return secures meanings by being contrasted with global conglomerates based on the relationships among the words, which starts with the crisis of Samsung being identified with the crisis of global enterprises. The reality of Samsung is established as a crisis by being contrasted with the crisis of global enterprises and the meaning of his return is portrayed as 'leadership' necessary to overcome Samsung's crisis by comparing this crisis to that of global conglomerates. As a result, his return is legitimised by being connected to discourses on strong leadership to overcome the real crisis of management in Samsung.

In doing so, the author of the article establishes his/her style in advance towards legitimisation of Lee's return. The article aims to deliver a positive meaning of his return to the reader unilaterally by using words related to crisis management and citing statements of Lee and persons involved with Samsung. The style of the author is expressed by focusing on delivering positive meanings of his return to the reader under the assumption that the legitimisation of his return is already accepted by the readers, which is clearly shown in the headline of the article. How Lee feels about his return is expressed in the headline by citing what he said to the executives and staff members of Samsung: Chairman Lee says, "This is a real crisis... no time to hesitate". The ellipsis in the headline enables

readers to fill in the gap with his intentions as the readers read the content of the article. Such headlines focus on delivering Lee's intention to the readers than on representing the key contents of the articles. The expression 'no time to hesitate' indicates strong aversion to the present reality, highlighting that people cannot settle for the way things are and should take action. Also, by adding the adjective 'real' before the noun 'crisis', whose meaning is generally urgent and dangerous, the headline removes opportunities to pose a question about the status quo. The headline reveals the author's inclination to legitimise Lee's return rather than to present key contents of the article about his return to the readers. It insists that his return is caused by the real crisis of Samsung, legitimising his return as a remedy for the crisis. The first sentence of the article attempts to legitimise his return by describing the managerial environment as 'rapidly changing' and that the Samsung presidential committee 'required' his return 'as soon as possible'. Also, the second sentence in the article was structuralised as a declarative sentence that conveys the meaning of acceptance ('was caused') and does not ask why his return was required. The style of the author in the article aims only to deliver Samsung's opinion to the readers by using words that legitimise Lee's return when in fact the necessity of his return has been agreed upon in advance. The author's psychological decision functions as a starting point where Lee's sudden 'decisive action' to return may enable Samsung to get out of the real crisis, thereby legitimising his return for the readers.

Such discourses legitimising Lee's return play several roles in the social context where Lee is an owner of a *chaebol* articulated with 'the crisis of global conglomerates'. First, the discourse focuses on the urgency to escape from the existing crisis by contrasting the crisis of the Samsung *chaebol* with the crisis of global conglomerates. It asserts that the Samsung presidential committee 'required' the chairman as the owner of the *chaebol* to return. By depicting his return as a general procedure of appointing someone to the top management, the discourse attempts to exclude the problem that his

return did not go through sufficient consent from the board of directors or general stockholders' meeting. The discourse addresses the crisis of a Korean *chaebol* and that of global enterprises on an equal basis, suppressing the consequent problem that a dominant shareholder with a small share takes control over a firm. Second, the discourse excludes examination of whether the reasons that caused his resignation 23 months ago have been resolved, by stating that his return was 'rapidly decided' due to the crisis of global conglomerates. Thus, the social practice shown in the discourse for his return is articulated with the crisis of global conglomerates, legitimising and socially contextualising his return as a strong leadership necessity to overcome the crisis of the Samsung *chaebol*. Moreover, the social practice of the discourse is seen as business management by an enterprise owner as a matter of course, prompting the Korean society to voluntarily consent to Lee's return and the hegemony of his owner management consistently. When the discourse legitimising his return is compared to a counter-discourse posing critical questions against his return, however, the ideology orientation of each discourse can be revealed.

- ② The Hankyoreh (25 March 2010)  
 (Article Title) Chairman of Samsung Electronics  
 Lee Kun-Hee Returns / Procedure of Return  
 is 'Deformed' / Without Responsibility, Only  
 with Infinite Power

The title of the article portrays his return using the metaphors 'deformed' and 'infinite power'. His return is represented by words with negative connotations such as 'appointed', 'loopholes', 'practical interest' and 'funny occurrence' and is assessed in the article's ending with phrases such as 'without any legal power', 'it can be said', 'may be' and 'can'.

The article conveys the unjustness of Lee's return by citing the procedure related to the return, exertion of infinite power and consistently dominant position as a shareholder. First, the article begins by questioning the main agent that required his return

in terms of procedure; it clarifies that the 'Samsung presidential committee' that required his return does not have any authority under the Korean legal system. His return was implemented by the appointment of a random body within the firm. The article questions the legality of his return, describing it as one that resulted from a 'deformed' procedure that did not follow the proper one for appointment of an executive officer under the legal system related to Korean corporations. Also, his return is described as pursuing 'practical interests', giving the chairman managerial control without managerial responsibility, by taking advantage of 'loopholes of the existing relevant legislation'. The article then reveals that although Lee is already a dominant shareholder owning 3.38% of Samsung Electronics shares, he now has 'infinite power' on the management of Samsung Electronics because of the fact that the Samsung presidential committee, a random body within Samsung, ordered his return without following legal procedures related to appointment of an executive officer of a corporation. The article consequently reports that Lee has intervened in the management of Samsung as a long-time dominant stockholder, criticising his action by using the word 'return'. The article's critical style creates a counter-discourse to the legitimisation of Lee's return as an owner of the firm, describing the unjustness of his return as the chairman of the Samsung *chaebol*.

The discourse poses a question to the readers about whether the return of a dominant stockholder of an enterprise without following procedures required by the Korean legal system bears legality on exerting managerial control. In addition, it reveals the reality that the managerial responsibility that comes with the chairman's position cannot be compelled even though Lee's small share in Samsung Electronics enables him to exert managerial control over the entire Samsung *chaebol*. He has no managerial responsibility as the 'chairman' of the Samsung *chaebol* because he has enormous power without any duties to the board of directors or general shareholders' meeting and no structure is established to control his power and his responsibility for that

power. In this context, the discourse clarifies the necessary social practices, that is, his return required following reasonable procedures and Lee must have both authority and responsibility for his role in the Samsung *chaebol* in the Korean economy.

## B. Expansion of return discourse to financial world and civil society

The above-mentioned legitimisation and criticism of Lee's return use other genres to add persuasion to their own discourses. First, each newspaper intensified the legitimisation of its discourse by using the interview genre to secure supporting opinions for the discourse.

- ③ The Korea Economic Daily (24 March 2010)  
(Article Title) Business World Shows 'Being Desirable', 'Expectation'

In this interview genre, Lee's return is described as 'desirable' and a 'significant decision'. The meanings of the words significantly legitimise his return. Furthermore, his return is described as not only having positive effects on a *chaebol* but as expected to 'play a positive role in our economy' and to 'be a motivating power for economic recovery and help Korea leap into the ranks of developed nations'. In short, his return is articulated with the future of the Korean economy. Also, his return is described to entail 'the management responsibility of the owner', legitimising managerial control for the owner of the enterprise. The interviewees assessed his return positively as management experts world, portraying Lee as someone who will help Samsung overcome its existing problems and help the Korean economy overcome its difficulties.

The social practice of the interview discourse intends to expand and reproduce the opinion of the business world, conveying the opinion of for-profit corporations in the discourse on his return as that of the entire Korean society. The Federation of Korean Industries, which represent the common interest of

*chaebols*, a small number of Korean conglomerates, had an opportunity to clearly state that Lee's return gives him managerial control of a firm as the owner of the firm, combining the growth of the Samsung *chaebol* and the profits of the Korean economy by describing his return as a contribution to the future of the Korean economy. The discourse excludes negative aspects of the Korean economy, whose development centres on *chaebols*. Thus, these interviews intend to emphasize the significance of *chaebols* in the Korean economy via the discursive event of his return, concealing the impediment of the Korean economy by *chaebols* and paralysing the criticism on the attitudes of *chaebols*.

- ④ The Hankyoreh (25 March 2010)  
(Article Title) Lee Kun-Hee Returns as Chairman of Samsung Electronics / Troubled Procedure in His Return / Trial after 10 Years... Amnesty in 4 Months... Return in 3 Months

The article first addresses the opinions of legal circles on Lee's return, given that it was suddenly conducted through the presidential amnesty, establishing it as a discursive event related to civil society by containing opinions of social groups of citizens who are critical of the attitudes of Korean *chaebols*. The legal circles expressed 'concern' and pointed out 'disregard' for constitutionalism regarding his return. The fact that Lee was finally judged after 10 years and then pardoned in seven months in order to return to Samsung's management is described as a matter deteriorating the foundation of constitutionalism. Furthermore, civic groups directly criticised his return by using the phrases 'reigning over' and 'without special reflection', arguing that his amnesty and return were conducted in a brief space of time, which indicates that the Samsung *chaebol* and Lee are 'reigning over' the Korean law. In addition, his return when the problems that caused his resignation 23 months before are still unsolved induces the fact that his reflection in the past is not sincere.

The social practice of the interview genre related to his return highlights that his return is not simply

a return to management of an owner of a *chaebol* but is articulated with the problems borne of Korean legal, democratic procedures. In this context, the discourse exposes the restriction of legal, democratic control in Korean society on his action by addressing his return associated with legal, democratic procedures in Korea. The discourse contrasts that legitimising his return by thoroughly excluding processes before and after his return and intensifying the necessity of his strong leadership as an owner of the firm to Samsung overcoming its crisis. The discourse questions the ethics of his return by exposing the discordance between his words and action regarding items he promised during his resignation; in short, by contrasting his resignation and return. The social practice of the discourse clarifies that his return is associated with not only problems of a corporation but with the sense of ethics in Korean society by presenting opinions of leaders in Korean civil society. Thus, the interview genre contains opinions of civil society not only to reconfirm the unjustness of his return but to reveal the necessity of more active control and intervention by civil society towards immoral actions of *chaebols*.

### C. New era or return of old era

- ⑤ The Korea Economic Daily (25 March 2010)  
(Article Title) Opening 3.0 Era of Samsung...  
Introducing Creative Management

The beginning of the article reads like a tense, dramatic scene describing the Communication Team's office to which employees sent their comments about Lee's return. The author of this article subjectively describes what he/she felt while covering the case. By revealing his/her feelings on the atmosphere of the office from the perspective of an observer, the author intentionally stimulates the emotions of the readers. The story-like article actively tries to stir the interest of the readers, who then emotionally accept what the author had written. By revealing his/her subjective feelings on the situation in the

office, the author tries to evoke the same emotion among the readers, that is, a transfer of emotion. The author used words such as 'nervousness', 'excitement', 'surprised' and 'welcome' to describe the responses that express the expectation of the employees of Lee's return. The first part of the article favourably conveys the emotions of the employees on his return for the readers to create a feeling of homogeneity, ultimately connecting his return to a discourse on a new prospect. The article attempts a mixture of narrative genre and news commentary as a type of discourse. The narrative represents the expectation of the employees more actively, which portray his return as a metaphor for 'the 3.0 era of Samsung'. The expectation of Lee's return as the beginning of a new era indicates that he is a management professional with active values. The 3.0 era of Samsung articulated with 'creative management' induces a new discourse. The discourse of creative management has social re-contextualisation among 'the young employees'. The phrase 'the employees' in the beginning of the article is replaced with 'the young employees', who expect from Lee's return creative management and a leadership guiding the young employees' desire. Then, his return is not simply a return in response to a crisis but represents him as a leader of the spirit of the times who leads the young employees' desire. His return is not a return to the management anymore; he, as an owner of an enterprise with a strong leadership to cope with the crisis of global conglomerates, is now the leader of creative management among the young employees of Samsung.

The discourse of creative management and the 3.0 era of Samsung not only completely removed the memory of the special prosecution just 23 months ago that caused Lee's resignation from Samsung but portrayed Lee as the leader who shares the desires of Samsung's young employees on his return. His return is re-contextualised into creative management that realises the desires of the young employees and he became the leader pioneering the 3.0 era of Samsung with his return and announcement of a new management. The discourse definitely does not

question the legitimacy of his control over various Samsung affiliates with his small share and portrays him not as an owner who controls Samsung but as a leader who shows prospects for a new future.

- ⑥ The Hankyoreh (25 March 2010)  
(Article Title) News Analysis / Sudden Return as Chairman of Samsung Electronics / Return of Chairman Lee Kun-Hee... Revival of 'Autocratic Management' of Samsung

The significance of his return is not restricted to one enterprise but is linked to a critical analysis from the view of civil society. Consequently, his return is described with phrases with a negative connotation, such as 'much faster', 'is doubtful', 'contrasts' and 'far from'. By reminding the readers the reasons for his resignation and his promises with the resignation, the article shows how urgent and unjust his return was. Even though his legal state changed, his return is represented as an unjust discursive event that jumped on the bandwagon of managerial crisis without fulfilling his promises. His behaviours as the dominant shareholder of the Samsung *chaebol* are seen as excessively exerting rights for small shares and as a so-called autocratic management that takes no responsibility. The discourse, consequently, reveals that his return means he is backing down on his promises of improving the management structure of *chaebols* in Korean society and he intends to consistently control the corporation with smaller ownership shares.

Today's *chaebols* in Korea have an autocratic management form focusing on a small number of dominant shareholders without corporate democratisation sufficient for progress in democracy in Korean society. The company results focus on expansion and reproduction of interests of dominant shareholders rather than on an agreement on profit distribution with stakeholders. One such case of dominant shareholders is the secret fund that caused the former chairman Lee to resign 23 months ago. Then, his return, articulated with the assumed crisis without the fulfilment of the managerial change that Lee

promised when he resigned due to the secret fund, shows that Samsung, as a global enterprise, has a long way to go in realising a normal management structure. That his return does not resolve but retains problems of corporate governance of the Samsung *chaebol* shows the necessity of critical introspection on managerial behaviours of the Samsung *chaebol* by Korean civil society.

## VI. CONCLUSION

We began that scholars have not focused adequately on discursive legitimation processes and practices in relation to the act of *chaebols*. We have suggested a micro level discursive perspective to complement the existing *chaebol's* research. We argued that a discursive perspective on legitimacy is required to explore contradictory socio-political processes involved in the legitimation of contested *chaebol's* action. Through the example of Korean media texts, we focused on the controversial return of Lee. The primary aim of our study was to examine discursive struggle through which various actors constructed a sense of (de)legitimacy in socio-political conflicts involving his return. We illustrated three types of discursive struggle through which protagonist and antagonists attempted to (de)legitimize his widely contested return. These struggles are summarized in Table 1.

In our study, Lee's return indicates that discursive struggle over the legitimacy of an action of Samsung *chaebol* is a highly contextual process, deeply contained in the socio-political specificities of Korean economy. Journalists devoted to establish (de)legitimacy for Lee's contested return, reconstructed his roles and responsibilities in corporation with respect to the Korean economy. Journalists were able to drive their intentions to generally accepted values and norms in conflictual context. This is socio-political in the sense that the (de)legitimation process is a struggle over meanings and the power to influence some meanings. This contextual processes are

**Table 1.** Levels of analyses in forming discourses on the return of former chairman Lee

Formation of discourses	Levels of discursive analysis		
	Internal relational analysis	Discursive level analysis (mediation)	External relational analysis
Crisis of global conglomerates and Lee's return	Examination of semantics and estimation of values of words expressing his return	Genre: (reporting) article Discourses: leadership in crisis vs. infinite power Style: support vs. resist	Necessity of owner's strong leadership in crisis vs. disclosure of unjustness of the return
Responses of Korean society to his return: the business world and civil society	Semantics of words related to his return	Genre: interview Discourses: expectation vs. concerns	Emphasising positive roles of chaebols in Korean society vs. pointing out limitations in legal, democratic control against chaebols
Prospect of his return: creative management vs. autocratic management	Analysis of metaphors giving meanings to his return	Genre: mixed (narrative and description) and news analysis Discourses: creative management vs. autocratic management Style: management commentator vs. civil campaigner	Understanding his return as the beginning of a new era vs. stressing deep introspection of chaebol management for the public as retrogression to an old era

produced by various competing, contradictory and complementary discourses. It shows that (de)legitimation practices are closely linked with language used to align with or contradict other discourses. Discourses generate the power effect through language in particular contexts to retain or change the specific world as “the power of these pre-constructed semantic systems” (Fairclough, 2003, p. 130) steer people's thoughts to a desired direction (Fairclough, 2003). Thus, discourses are accompanied with a power struggle to (de)legitimise discourses in order to deliver the intended image to people. It shows that power has its effects through language in particular contexts.

We argue that it makes three contributions to organization communication. First, we have specifically made the case that, looking at discursive legitimation processes and practices helps us understand the complexities, ambiguities, and contradictions of a legitimation process that can easily pass unnoticed (Vaara and Tienari, 2008). Secondly, scholars have paid little attention to the media as a discursive struggle of legitimation arena. Our study helps to understand the role of the media that makes sense of (de)legitimacy around specific organizational phenomena. CDA serves as a useful approach to complement the existing organizational communication

research, when revealing textual dynamics with more critically oriented analysis of controversial action, concerning discursive legitimation in and through the media. Thirdly, our study adds to the knowledge concerning the phenomenon of Korean *chaebols*, as we have focused on the return of Lee Kun-Hee as an owner of Samsung *chaebol*. We have elucidated the crucial role of the media that makes sense of and consequently reacts to such discursive (de)legitimation that have passed unnoticed on the micro level of legitimation in previous research on *chaebols*.

This study also has some limitations that may be addressed in further studies. First, we did not analyse articles of well-known foreign newspapers on Lee's return when Korean *chaebols* represent an unusual type of firm in a capitalistic society. Thus, future studies could compare discourses in various countries, not just domestic discourses on actions of a firm. Secondly, this study focused on discourses to address the question of whether a public corporation has an owner at the discursive level but did not deeply examine it on a theoretical basis. Thus, further studies could conduct critical research on ownership of an entity that cannot be owned, with reference to the problem of ownership a corporation. For instance, such critical research may build upon the studies

of Kim (2012), Stout (2012), Kelly (2012, 2001) and Demsetz (1967) which newly examine today's corporate governance. Thirdly, this study is restricted to specific actions of a specific person in a Korean *chaebol* and thus, further studies could be more comprehensive by examining other people who significantly influence enterprises, in relation to business ethics and social responsibility of firms.

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## Appendixes

- ① *The Korea Economic Daily* (25 March 2010)  
(Article Title) *Chairman Lee Kun-Hee says, 'This is a real crisis... no time to hesitate'*

On the 24th, former Samsung Electronics chairman Lee Kun-Hee suddenly returned to the company's management to serve once again as chairman.

His return was caused by the Samsung presidential committee's requirement for him to return as soon as possible to lead management in the rapidly changing managerial environment. Chairman Lee said, 'This is a real crisis,' regarding his return to the company's management. He said, 'Given that leading global enterprises such as Toyota are collapsing, nobody knows what would happen to Samsung at any time'.

-part omitted-

His return to the management may be understood as a result of the fear that Samsung might fall into 'the trap of success' just like global firms such as General Motors in the United States and Toyota in Japan did. At the end of last year, Chairman Lee reportedly expressed his desperate sense of crisis in a series of dinner meetings, saying, 'The fall of a leading enterprise happens suddenly and unexpectedly', as was the case for several firms.

-part omitted-

- ② *The Hankyoreh* (25 March 2010)  
(Article Title) *Chairman of Samsung Electronics Lee Kun-Hee Returns / Procedure of Return is 'Deformed' / Without Responsibility, Only with Infinite Power*

Lee Kun-Hee, the former chairman of Samsung Group, returned to the management front once again as the chairman of Samsung Electronics through a 'deformed' procedure. ... his return was required by Samsung's presidential committee, a consultation body of Samsung Group that is important but does not have any legal power. Despite its lack of authority, however, the body appointed Lee as the chairman of Samsung Electronics without discussing the matter with the firm's stockholders or the board of directors.

Chairman Lee is not going to be a director of Samsung Electronics, indicating that he would take supreme control over Samsung Electronics and then Samsung Group even though he is not a member of the board of directors, which is the legally recognized decision-making body of the organization.

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The deformed procedure of Samsung may be interpreted as a pursuit of practical interests by using the loopholes of the existing relevant legislation. The existing Commercial Law and Capital Market Act (formerly the Securities and Exchange Act) does not require the decision of the board of directors, general stockholders' meeting or prior disclosure in appointing a director without registration as chairman.

A fundamental problem of this procedure is that it provides the chairman infinite power related to the management of the firm but does not require corresponding responsibility.

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- ③ *The Korea Economic Daily* (24 March 2010)  
(Article Title) *Business World Shows 'Being Desirable', 'Expectation'*

The business world said that the return of Lee Kun-Hee, the former chairman of Samsung Group, to the management front of Samsung Electronics is 'desirable' and encourages strong expectations.

The Federation of Korean Industries commented on the 24<sup>th</sup> that 'the return of former chairman Lee is desirable from a strategic as pectin order for Samsung Electronics to maintain its place as a global firm'.

The organisation added that 'his return may play a positive role in our economy and Samsung is expected to create another take-off via the management responsibility of the owner'.

-part omitted-

The Korea Employers' Federation expects that 'the return of Lee to the management front as chairman of Samsung Electronics, a leading Korean firm, is an appropriate and significant decision given that the world economy has not yet recovered and the Korean economy has an uncertain future'.

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The organisation added, 'we hope that Chairman Lee will demonstrate his past leadership and wisdom in an economy with interior and exterior difficulties in order to be a motivating power for economic recovery and help Korea leap into the ranks of developed nations.

-part omitted-

- ④ *The Hankyoreh* (25 March 2010)  
(Article Title) *Lee Kun-Hee Returns as Chairman of Samsung Electronics / Troubled Procedure in His Return / Trial after 10 Years... Amnesty in 4 Months... Return in 3 Months*

Upon the return of former chairman Lee Kun-Hee of Samsung Group to the management front on the 24th, some legal circles expressed serious concern, saying it is 'a matter deteriorating the foundation of constitutionalism'. Some jurists pointed out that the amnesty for Lee was given 'even before the ink dried' on the judgment for the controversy surrounding Lee for 10 years. They added that this return to management after only three months might result in disregard for constitutionalism as a sense of justice and reduction of constitutionalism in to a tool for the economic juggernaut.

The judgment on former chairman Lee was confirmed only seven months ago (14 August 2009).

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The Citizens' Coalition for Economic Justice (CCEJ) stated that 'we are concerned that the former chairman Lee and Samsung Group may wrongly believe that they are "the Republic of Samsung, reigning over the legal system"; no one is so easily accepted that he becomes the centre of deteriorating constitutionalism and judicial order returns to management without special reflection'. The People's Solidarity for Participatory Democracy (PSPD) criticised his return in a statement, saying that 'the former chairman Lee rejected his word of "bearing his faults of the past" by resigning from the chairmanship and dissolving the strategy planning department'.

-part omitted-

- ⑤ *The Korea Economic Daily* (25 March 2010)  
(Article Title) *Opening 3.0 Era of Samsung... Introducing Creative Management*

In the morning of the 24<sup>th</sup>, the people involved in the Communication Team of Samsung Group could not conceal their nervousness. They were waiting for responses of employees after news of Lee's return was posted on the Intranet. Their nervousness increased because they had had to close the bulletin board as it became filled with posts, written under real names, criticising the firm due to the special prosecution.

After 10 a.m., replies began to be posted one by one. Most of them welcomed Lee's return. The nervousness was transformed into excitement. A person in the Communication Team said, 'We were surprised upon seeing the board. Hundreds of replies welcoming Lee's return were posted voluntarily. Nobody forced people to do it'. After assuming the company presidency in 1987 and announcing a new management in 1993, 'the third era of Lee Kun-Hee' was introduced with welcoming responses from the employees.

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The people involved in Samsung expected Lee's return to be sufficient to inculcate a sense of focus among the employees.

Spreading the wings of creative management

The expectation of young employees of Lee's return may be interpreted as articulated with an expectation of 'creative management'. Chairman Lee introduced creative management in 2006, saying, 'The 21<sup>st</sup> century is not simply an era of manufacturing and selling products; it is an era of collecting creativity, ideas and information to make new values'. He intended to transform the 'Samsung of management' to the 'Samsung of creativity'.

The young employees, then, had a higher expectation. However, Chairman Lee had to scrap his dreams of creative management due to the special prosecution. After that, Samsung made efforts to become more creative but faced some limitations.

-part omitted-

A person involved with Samsung interpreted the

welcome as follows: 'The young employees were excited not only because the chairman returned but because a leader ahead of our time has come back'. A Samsung employee even said, 'This is the beginning of the 3.0 era of Samsung'.

-part omitted-

- ⑥ *The Hankyoreh* (25 March 2010)  
(Article Title) *News Analysis / Sudden Return as Chairman of Samsung Electronics / Return of Chairman Lee Kun-Hee... Revival of 'Autocratic Management' of Samsung*

Many have thought his return to the management is only a matter of time after he was solely pardoned by the Lee Myung-Bak government at the end of last year, but his return was much faster than the general prediction.

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However, many have pointed out that the process of Lee's return again revealed the chronic problems in the governance structure of Samsung. Many think that the nature of Toyota's crisis is not a simple matter of quality but an issue of 'closed management' in which they turn a deaf their ear to social criticism and deny sufficient communication. It is doubtful that Samsung has made efforts to communicate with

society in relation to the controversial position of chairman Lee. His reversal of his decision to resign from the management without a word of explanation contrasts with his decision to step back with apologies to the public two years ago.

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That Samsung will keep its promises of managerial reengineering announced two years ago has been the precondition for Chairman Lee's return to the management. However, of the 10 promises, only minor issues have been addressed and no progress is being made at improving management structure such as changing the organisation into a holding company or resolving cross-shareholding or social restoration of borrowed assets. Rather, the measure of Lee's return looks far from the promises of reengineering.

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Kim Jin Bang, the chairperson of the civil economic organisation of the People's Solidarity for Participatory Democracy (and a professor of Inha University) said, 'he changed his resignation and it looks like he is overturning his statement of implementing a new management system after the secret fund case. He seems to be maintaining the autocratic management'.