

A decorative graphic of a green vine with leaves and small flowers, swirling around the text. The vine starts from the bottom left, goes up and over the text, then down and around the bottom right, ending in a large loop.

IV. POLITICAL ECONOMY OF DEVELOPMENT

Year		1960	1970	1980	1985	1990	1995	2000	2005	2010
Items										
Economic Growth(%)		1.2	8.8	-2.7	6.5	9.0	8.9	8.8	4.0	4.6
GDP(100million\$)		20	81	643	984	2,703	5,313	5,335	8,447	10,147
Income per capita(\$)		79	255	1,660	2,355	6,303	11,735	11,292	17,531	20,562
Compositi on of Industry (%)	Agriculture, Forestry Fishery	36.8	29.1	16.0	13.3	8.7	6.2	4.6	3.3	2.6
	Mining									
	Manufacturing	15.9	20.2	26.0	28.0	27.4	27.2	28.6	27.8	30.5
	Utilities	4.1	1.3	2.1	2.9	2.1	2.0	2.5	2.3	2.0
	Construction		5.1	7.9	6.9	10.4	10.1	6.9	7.6	6.3
	Service Industry	43.2	44.3	48.0	49.0	51.5	54.6	57.3	59.0	58.5
Trade (million \$)	Balance	-311	-1,149	-4,787	-853	-4,828	-10,061	11,787	23,181	41,172
	Export	33	835	17,505	30,283	65,016	125,058	172,268	284,419	466,384
	Import	344	1,984	22,292	31,136	69,844	135,119	160,481	261,238	425,212

Source : The Bank of Korea



1. Chronology

1) Aid Economy (1953-1960)

- Import substitution policy
- US aid played an important role
(6 billions dollars till early 1970s)
- PL480 supplied US surplus agricultural goods
- 3 White industries 3백 산업: wheat, cotton, sugar



1. Chronology

2) Export oriented industrialization stage 1 (1960s-early 1970s)

- Export of light industrial goods such as textile, garment, wigs, radio
- Vietnam war contributed to Korean economic growth
- “primitive taylorism”: young female labor; low wage; very long working hours; free trade zone such as one in Masan; industrial district in Yongdung-po; garment sweatshops around dongdae-moon; electric industry in Gumi
- the role of government (EPB) = orchestrated Korean economy; Series of “Five-Year Economic Development Plan”; built infrastructure eg) highways; electricity; distribution of international loans

Source: <http://cafe.daum.net/yaccho1004/>



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1. Chronology

3) Export oriented industrialization Stage 2 (mid 1970s-mid 1980s)

- heavy industry eg) steel, ship building, chemical, construction, auto begin to grow
- government played a very important role in industrial restructuring
- several Chaebols such as Hyundai became important
- industrial cities such as Ulsan and Pohang near sea shore
 - >young male migration
- construction boom in the middle east helped Korean economy



1. Chronology

4) Liberalization and the Economic Boom (mid 1980s-1997)

- sharp increase of economic growth rate
- increase of middle class, both white collar and blue collar
- rise in wage->increase in purchasing power
 - >expansion of home market (automobiles, apartments, home appliances)
- financial liberalization=firms borrowed extensively from international private banking
- the relationship between the government and business changed
- Korean firms sought globalization



- Assembly line at Hyundai Motor Company's car factory in Ulsan
- http://en.wikipedia.org/wiki/File:Hyundai_car_assembly_line.jpg



Hyundai Motor Company

- South Korean multinational automaker; Hyundai was founded in 1967; Hyundai Motor Group is the world's fourth largest automobile manufacturer in annual vehicle sales in 2010; sold over 3.6 million vehicles; Hyundai operates the world's largest integrated automobile manufacturing facility in Ulsan
- Revenue US\$ 97.408 billion(2011)
- Net income US\$ 4.707 billion(2011)
- Total assets US\$ 104.06 billion(2011)
- Employees 80,000 (2011)

http://en.wikipedia.org/wiki/Hyundai_Motor_Company



1. Chronology

5) Liberalization and Polarization (1997 - today)

- Chaebol and market became important (no longer state-led development strategy)
- Bipolarization of companies: Samsung, Hyundai vs. others = dual system of Chaebol and SMEs
- Innovation became a key word
- Information technology leads the economy
- Financial sector needs improvement
- In between China and Japan, Korea faces significant challenge
- Decreasing middle class
- Inequality of income and wealth



- Source:
http://en.wikipedia.org/wiki/File:Samsung_Galaxy_S_II_in_hand.jpg



Samsung Electronics

- South Korean multinational electronics and information technology company
- world's-largest IT company by revenues since 2009
- has assembly plants and sales networks in 61 countries and employs around 221,000
- world's largest mobile phone maker ; world's second largest semiconductor chip maker; world's largest television manufacturer since 2006; world's largest maker of LCD panels for eight consecutive years; has largest market share worldwide in memory chips



Samsung Electronics

- With the introduction of the Samsung Galaxy S mobile phone, the company's smartphone lineup was first place in terms of global sales figures for 2011. Samsung has also established a prominent position in the tablet computer market, with the release of the Android-powered Samsung Galaxy Tab to compete with the iPad from Apple.
- Revenue US\$ 148.944 billion (2011)
- Profit US\$ 12.059 billion (2011)
- Employees 221,726 (2011)



2. Factors for Economic Success

1. Internal factors

- the role of the government
- highly educated human resource
- cheap and abundant labor
- Confucian ethic emphasizing family, hard work, education
- historical contingency (land reform, Korean war)
- chaebol: Korean miracle is partly due to “can do spirit that the leaders of chaebol displayed” (p.168, Korea Herald)
- market-sensitive & innovation-emphasized research centers run by big companies

2. Factors for Economic Success



2. External Factors

- the cold war=competition between the two regimes
- role of the US=military umbrella, aid, market, financial assistance
- Vietnam War, construction boom in the Middle East
- restructuring of international division of labor
- rise of China as an important market
- globalization and trade liberalization which benefited export-oriented economies

Trade Partners of Korea: 1992 vs. 2011

1992년 VS 2011년 한국의 주요 교역대상국

(단위 : 억달러, %)

순위	1992년			2011년		
	국가명	교역액	비중	국가명	교역액	비중
1	미국	363.8	23	중국	2206.2	20.4
2	일본	310.6	19.6	일본	1080	10
3	홍콩	67	4.2	미국	1007.8	9.3
4	독일	66.2	4.2	사우디아라비아	439.4	4.1
5	중국	63.8	4	호주	344.8	3.2
6	싱가포르	50.1	3.2	홍콩	332.8	3.1
7	사우디아라비아	47.4	3	대만	329	3
8	인도네시아	42.3	2.7	인도네시아	307.8	2.9
9	호주	41.8	2.6	싱가포르	298.1	2.8
10	대만	35.8	2.3	독일	264.6	2.5

A decorative graphic featuring a central light green rectangular area with a gradient. This area is surrounded by intricate, swirling green lines that resemble vines and leaves. Small, five-petaled flowers are scattered throughout the design, particularly along the left and right sides of the central rectangle. The overall aesthetic is clean and organic.

V. POPULATION CHANGES



Total Population of South Korea?

50,734,284 (2011)

Source: Statistics Korea



Austria?

Canada?

China?

Germany?

Philippines?

Indonesia?

Scotland?

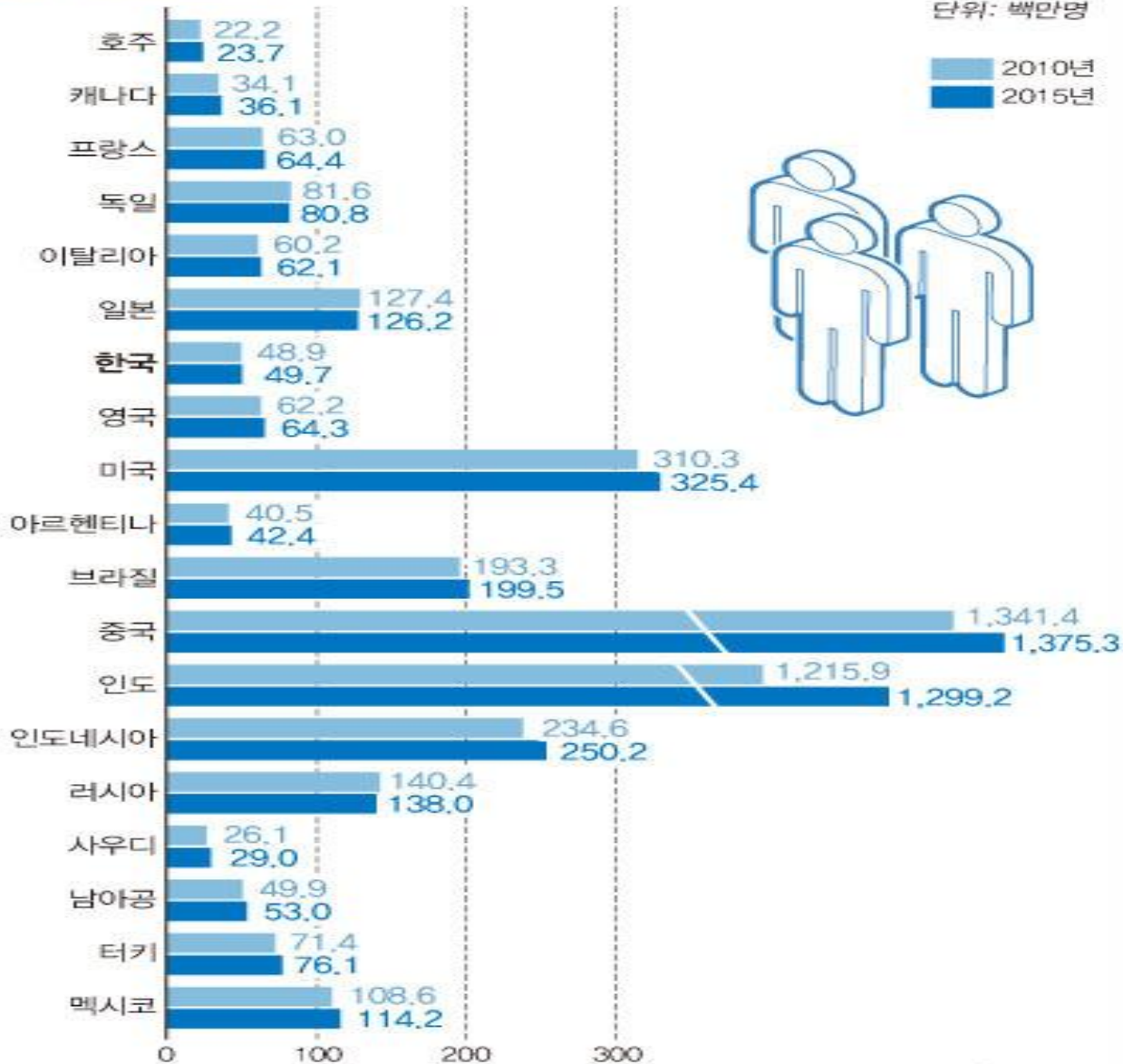
Singapore?

USA?

G20 인구 현황 및 전망

단위: 백만명

2010년
2015년



자료/IMF, G20 중장기 인구 전망



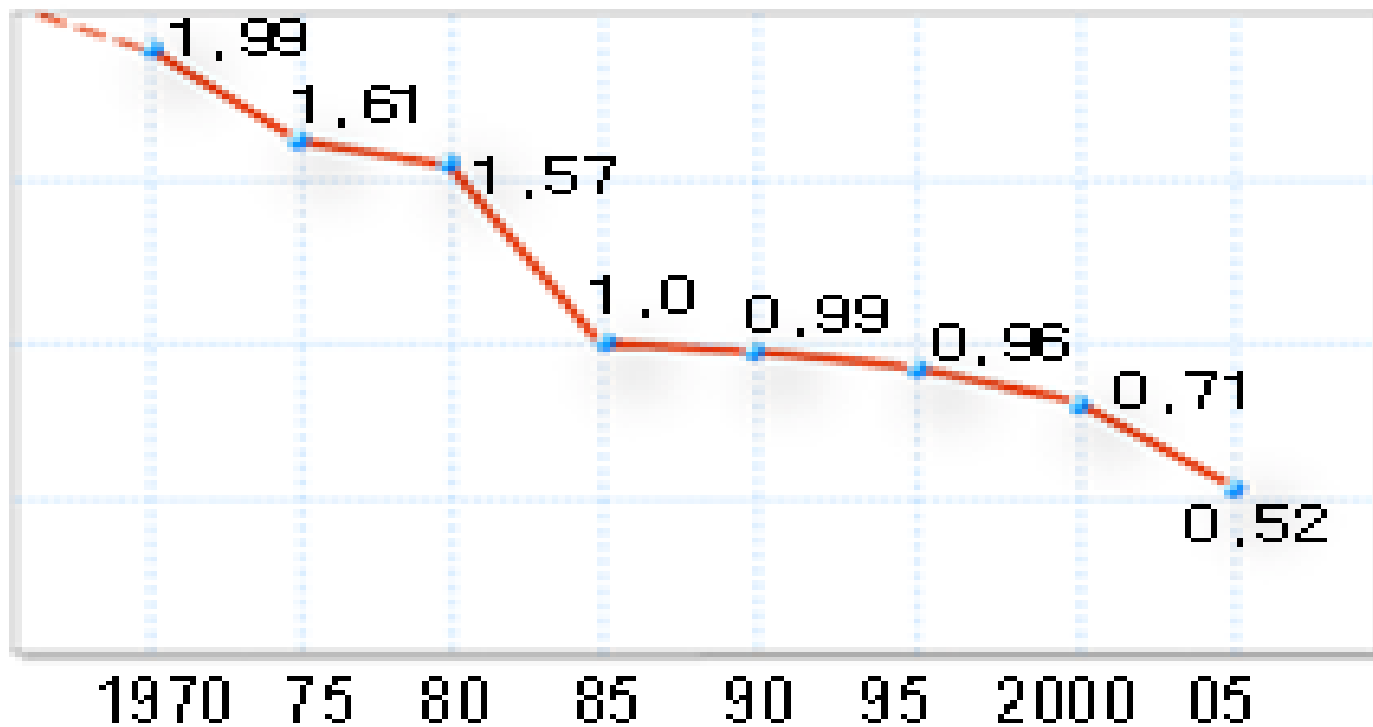
Key Features of Korean Population

1. Decrease in population growth rate & potential decline of total population

1970	1.99%
2005	0.44%
2010	0.30%
2020	0.01%
2030	-0.28%

Source: Statistics Korea

Decrease in population growth rate



Source: Statistics Korea



Population Changes in Korea ('000)

Region	Year						
	1980	1985	1990	1995	2000	2005	2010
Seoul	8,364	9,639	10,613	10,231	9,895	9,820	9,631
Kyonggi -do	4,933	4,794	6,156	7,650	8,984	10,415	11,196
Total S. Korea	37,436	40,448	43,411	44,609	46,136	47,278	48,580

Source: Statistics Korea



2. Changing Sex Ratio at Birth



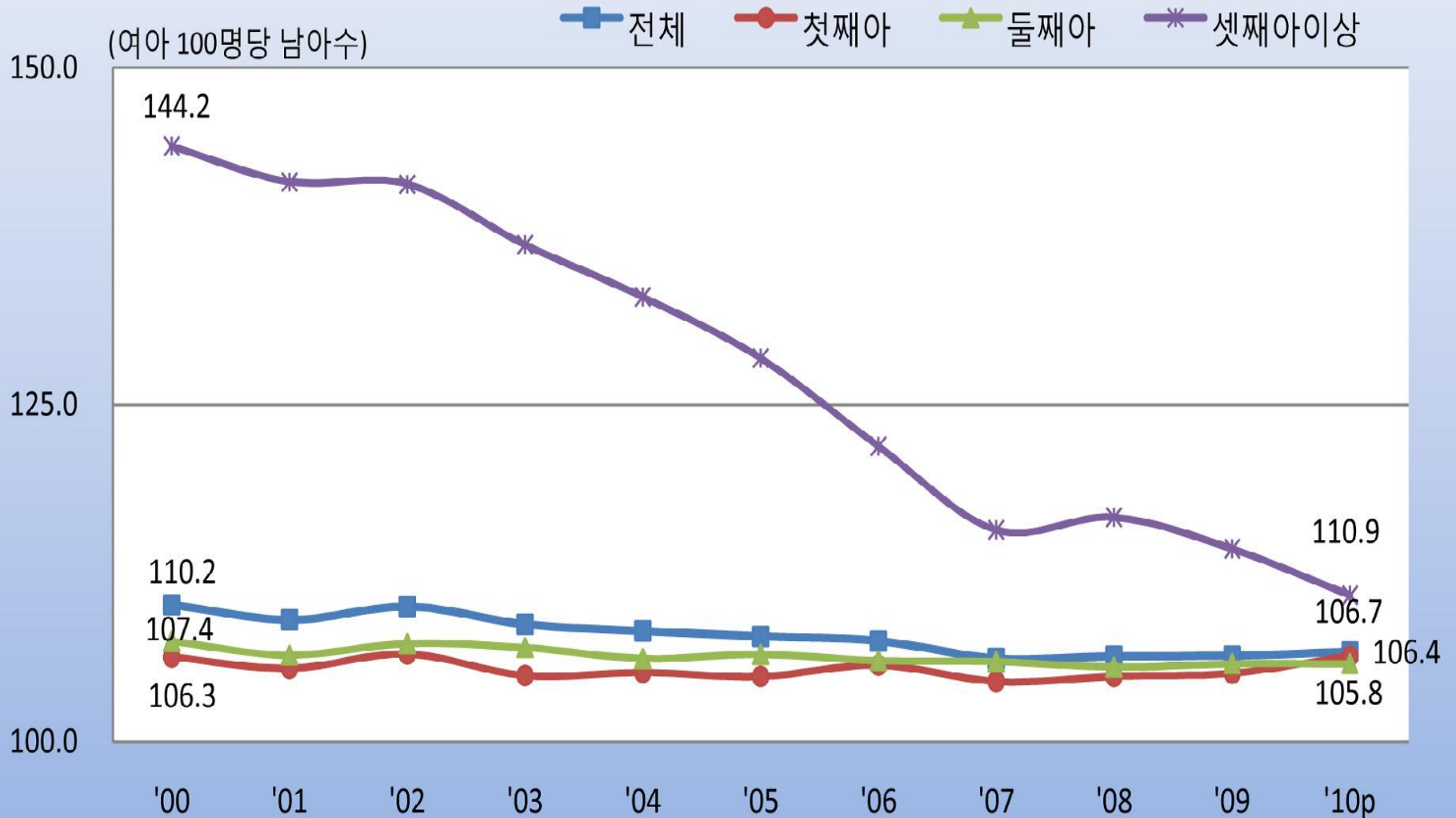
Sex Ratio of Korea

	1985	1990	1995	2000	2005	2010
<i>Average</i>	<i>109.5</i>	<i>116.5</i>	<i>113.2</i>	<i>110.2</i>	<i>107.8</i>	<i>106.9</i>
First Child	106.0	108.5	105.8	106.2	104.8	106.4
Second Child	107.8	117.0	111.7	107.4	106.5	105.8
Third+ Child	134.2	192.7	180.2	143.9	128.5	110.9

Source: Statistics Korea

Sex Ratio by order of birth

Source: Statistics Korea





Key Features of Korean Population (cont.)

3. Increasing Life Expectancy

	female	male
1971	66.1	59.0
1981	70.5	62.3
1991	75.9	67.7
2008	83.3	76.5
2010	84.1	77.2

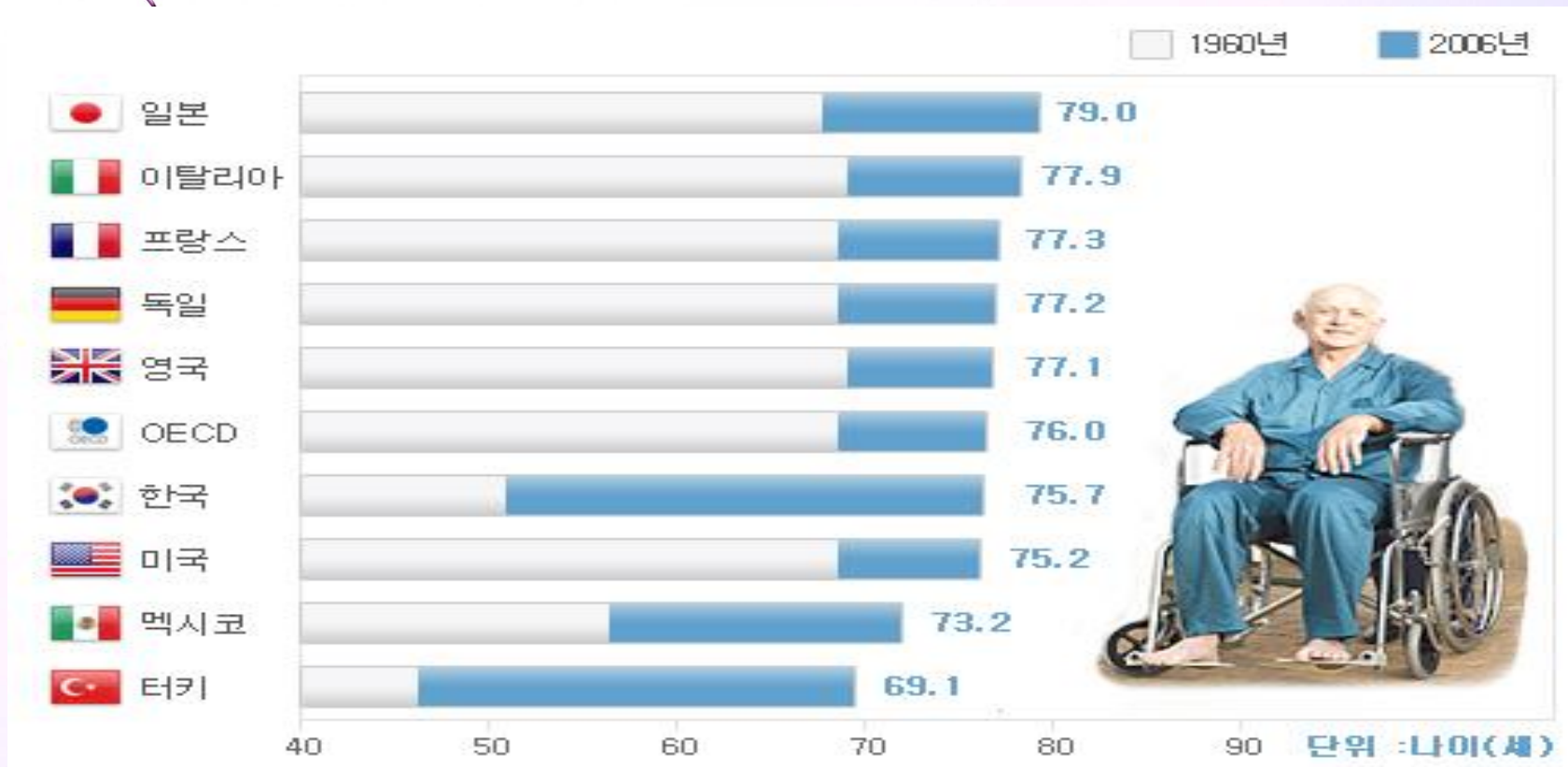
Source: Statistics Korea



Life Expectancy

Source: Statistics Korea

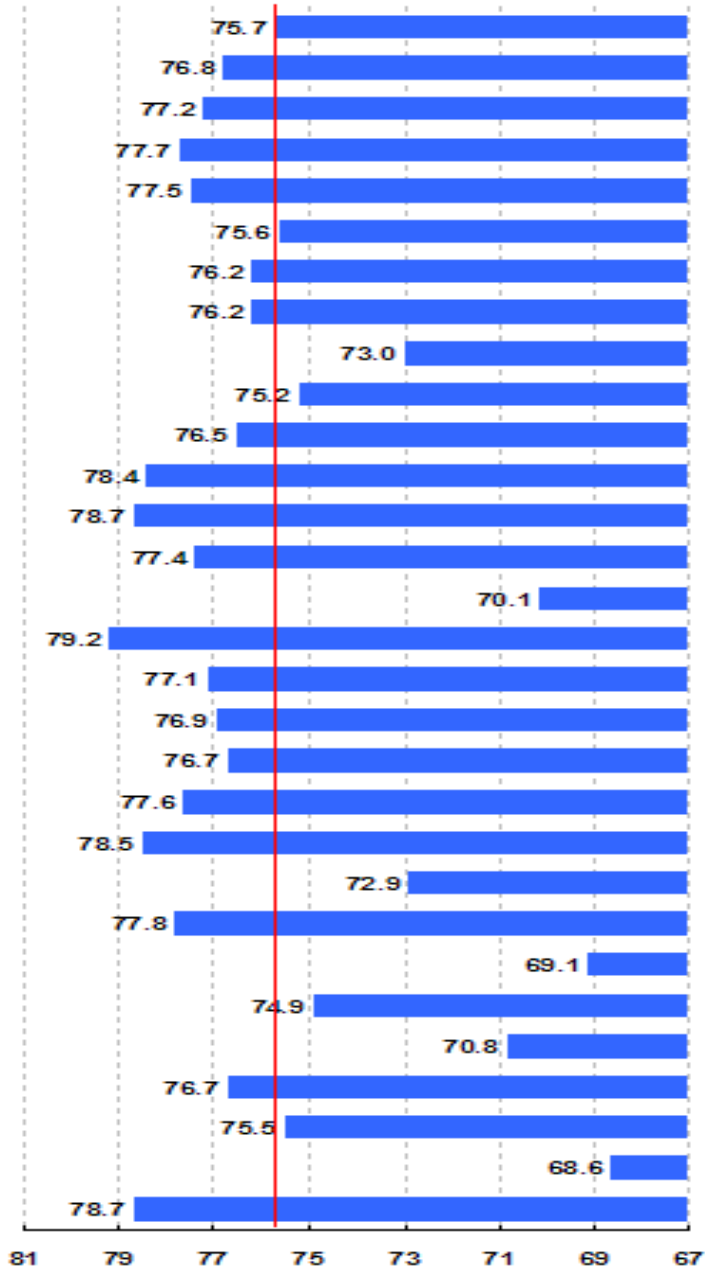
Age	male	female
40	37.9	44.4
45	33.3	39.6
50	28.9	34.8
55	24.6	30.1
60	20.5	25.5
65	16.6	21.0
70	13.0	16.7
75	9.9	12.8



http://img.kormedi.com/news/article/_icsFiles/artimage/2009/05/11/c_km601/cc_20090509.jpg

남 자

한국의 기대수명



여 자

Source: OECD

한국의 기대수명

