

Comments

Duol Kim

(Korea Development Institute)

1. Conditions for Industrialization?

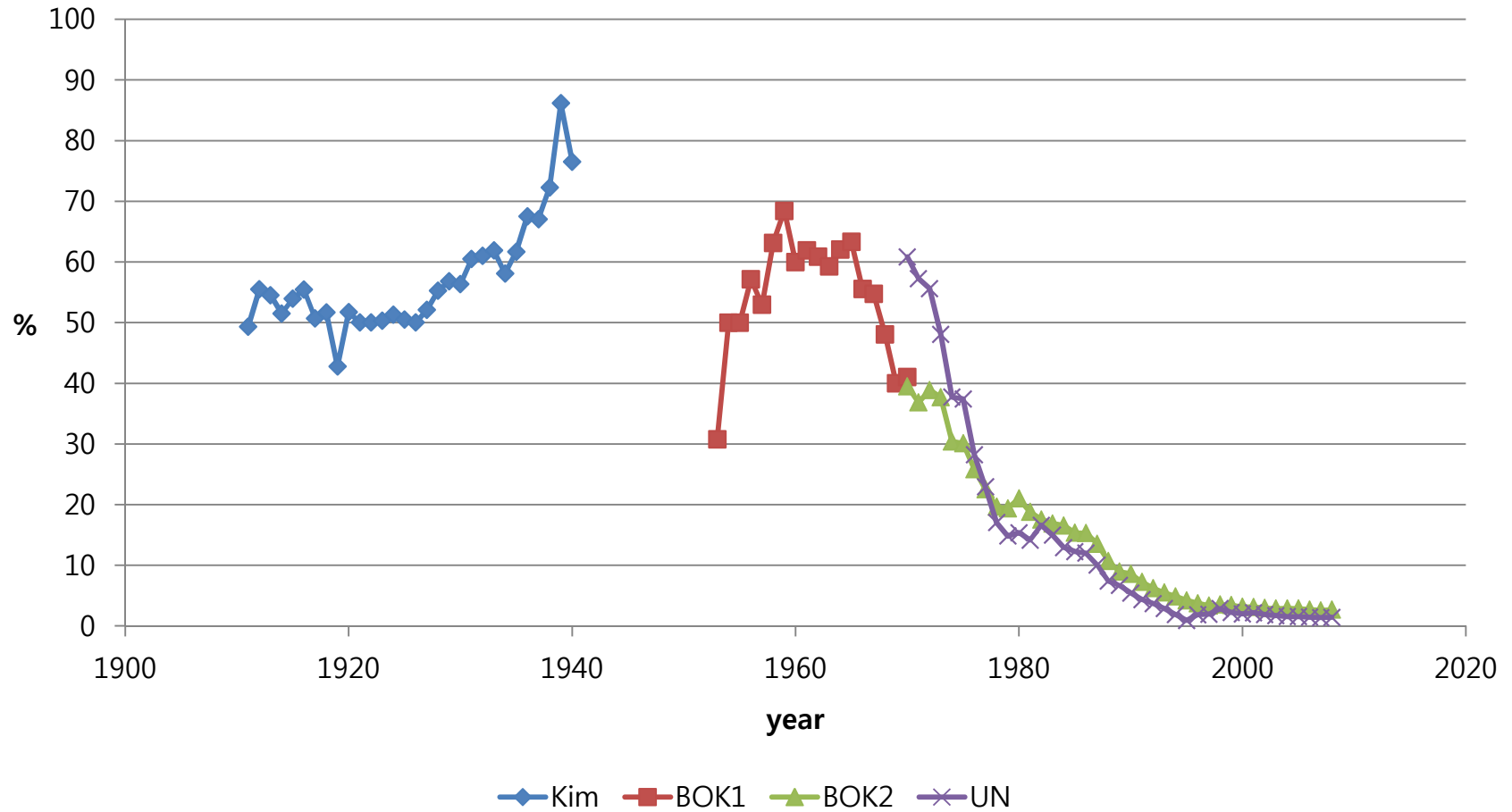
- Industrialization
 - the core of modern economic growth
 - Value added or productivity gap between manufacturing and agriculture or mining
- What strategy would each country take for industrialization?
Or is good natural endowment a blessing or a curse?
 - Korea: nothing but labor
 - > started from the labor intensive industries
 - What about LA countries?

2. Causes of Different Fortune

- South vs. North Korea
- The 1960s
 - High regulation
 - (5-year) Economic Development Plan
 - Export orientation
- Regulation or Industrial policy
 - Attempts to reduce government regulation have already started from the early 1980s

South Korea vs. North Korea

Relative Size of North Korean Economy



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3. Mix of Success and Failure

- Insiders tend to see weakness more than strength or merit.
- Failures in industrial policies
 - Bad Performing Loans
(cyclical bankruptcies and crises in the 1980s and 1990s)
 - Rent-seeking issue
- More detailed study on the industrial policies needs to be done and to be discussed.

Thank You!