AN ASIAN TIGER: KOREA'S ECONOMIC MIRACLE
Mini-Course Curriculum
An Asian Tiger: Korea's Economic Miracle

GRADE LEVEL: 10-12
SUBJECT: World history, economics
TIME REQUIRED: Three 45-minute class sessions

COURSE OVERVIEW
This course examines Korea’s booming economy: its growth over the past fifty years has transformed it from one of the poorest countries in Asia to one of the world’s 15th-largest economies, and Korea is now known as one of the four “Asian Tigers.” This course consists of three lessons:

Lesson #1: Economic Growth: Past, Present, & Future
Lesson #2: Charting and Graphing an Economic Landscape
Lesson #3: Planes, Trains, & Automobiles: Korea in the Media

Korea’s meteoric economic growth can be traced from the basic industries of cement, fertilizer, and industrial chemical production to the complex production of automobiles, electronics, iron, steel, ships and technological products. Its current per capita gross domestic product (GDP) is about $20,000, contrasted with $100 in 1960. The course explores Korea’s unique success, from enhancing existing technologies to creating innovative high-tech development that garnered a competitive advantage in the world economy. Also addressed in this course is President Lee’s success in passing a federal trade agreement (FTA), which aided the advancement of Korean products in the United States and the role of various media (commercials, news clips, and speeches) to elucidate Korea’s economic climate.

OBJECTIVES

1. Identify Korea’s economic growth in terms of GDP and other economic factors.
2. Understand the policies that transformed Korea’s economy.
3. Discover the impact of technology on Korea’s economic growth.
4. Practice reading and analyzing charts and graphs to gain a better understanding of a country’s economy.
DISCUSSION

1. What overall conclusions about Korea’s economic status can be made based simply on charts and graphs depicting various aspects of the country’s economy?
2. Based on recent growth patterns, what is Korea’s economic forecast for the next fifty years? What concerns does Korea have in thinking about future economic security?
3. What is Korea’s influence on American life?
4. What decisions has Korea’s government made to bolster economic growth? Has the government made decisions that also impede economic growth?
5. What is the effect of Korea’s recent openness to innovation?
6. How will the newest Free Trade Agreement affect the United States’ and Korean economies?

EXERCISES & ASSIGNMENTS

Reading Comprehension
Students should be assigned, at the teacher’s discretion, selections from the recommended course readings listed below. Brief individual written responses to the readings should be incorporated into class discussion. (Lesson 1)

Summary, Paraphrase, Citation in Essay Form
Students will understand the difference between summary, paraphrase, proper citation and practice each in response papers at instructor’s discretion. (Lesson 1-3)

Interpreting Charts and Graphs
Students should work in groups to interpret and analyze a handout packet of charts and graphs and present an economic impression of Korea to the class in a discussion-based setting. (Lesson 2)

Interpreting Visual Culture
Students will watch and take notes on Korean commercials and videos about Korea, discussing in small groups the economic strategies and factors involved in each. (Lesson 3)
EVALUATION
Students should be evaluated on an ongoing basis, with grading determined by students’ cooperation, attitude, and participation; by the mechanics and organization of the written assignments; and by their overall understanding of the complexity of the subject matter. An essay assignment might be designed as follows:

Essay: Write a well-organized essay on Korea’s economic growth that includes an introduction, several paragraphs and a conclusion. You will use instances of summary, paraphrase, and direct quotes throughout your essay. Use evidence from at least five required materials to support your response. Your essay should:
1. Identify the Korean Economy as an Asian Tiger.
2. Discuss the influences of Korean growth and GDP.
3. Analyze the roles of the United States and other countries in Korea’s international expansion.

RESOURCES & MATERIALS

Graphics showing the following:
• Korea economic growth
• Economic performance indicator
• Major Businesses: Products & Regions
• Per capita GDP comparison of North and South Korea
• Korea GDP growth
• U.S. per capita income compared to North Korea
• Korea exports
• Korea imports
• Korean Recovery after 1997

Articles
• “Asia’s Latest Miracle,” TIME
  http://www.time.com/time/magazine/article/0,9171,2029399,00.html

• U.S.-Korea Free Trade Agreement

• Korea Economic Forecast, 2012-2013: A Business Perspective

**Videos**

• President Obama and President Lee on KORUS FTA video:

• Olympics Preparation to Boost Korea Economy

• Korean Air Commercial
  [http://www.youtube.com/watch?v=n4k_v3zNJu0](http://www.youtube.com/watch?v=n4k_v3zNJu0)

• Invest in Korea Commercial:
  [www.youtube.com/watch?v=JOJIXDgKFCU&noredirect=1](http://www.youtube.com/watch?v=JOJIXDgKFCU&noredirect=1)

**Handouts**

A handout for each lesson covering key issues is provided below.

**Books**

• *The Rise of the Korean Economy* by Byung-Nak Song
  “This standard work by a noted Korean economist is already well known for providing a unique insider's view on Korea's impressive economic and industrial growth. This new edition is now updated with statistics as recent as 1996 as well as a new chapter on the Korean model” (Google Books).

• *Korea's Place In The Sun* by Bruce Cumings
  “An account of Korea's travails and triumphs in the modern period, this history of the country's turbulent peaks and troughs seeks to throw light on Korea's place in East Asian history in the 20th century. Bruce Cumings traces the growth of Korea from a string of competing walled city-states to its present dual nationhood. He examines the ways in which Korean culture has been influenced by Japan and China, and the ways in which it has subtly influenced its more powerful neighbors. Cumings also considers the recent changes in the South, where authoritarianism is giving way to democracy, and in the North, which Cumings depicts as a "socialist corporatist" state more like a neo-Confucian kingdom than a Stalinist regime. *Korea's Place in the Sun* does much to help
Western readers understand the complexities of Korea's past and present (Amazon.com).

- *Korea Through The Ages, Vol.2 Modern* edited by Gil-sang Lee
  A general history textbook focusing on modern Korea.
Lesson Overview
In recent decades, Korea has achieved an incredible record of growth and global integration to become a high-tech industrialized economy. This has allowed the country to rise from the rubble of the Korean War to the ranks of the Organization for Cooperation and Development (OECD). Four decades ago, gross domestic product (GDP) per capita was comparable with levels in the poorest countries of Africa and Asia. Today, Korea is the United States' seventh-largest trading partner and the fifteenth-largest global economy. The Korean economy's long-term challenges include a rapidly aging population, inflexible labor market, and overdependence on manufacturing exports to drive economic growth.

Economic History at a Glance
In the early 1960s, the government of President Park Chung Hee developed economic policy changes emphasizing exports and labor-intensive light industries, leading to rapid debt-financed industrial expansion. The government carried out a currency reform, strengthened financial institutions, and introduced flexible economic planning. In the 1970s, Korea began directing fiscal and financial policies toward promoting heavy and chemical industries, consumer electronics, and automobiles. Manufacturing continued to grow rapidly in the 1980s and early 1990s.
Fluctuating Economic Climates
In recent years, Korea's economy has moved away from the centrally planned, government-directed investment model toward a more market-oriented one. Korea bounced back from the 1997-98 Asian financial crisis with assistance from the International Monetary Fund (IMF), but its recovery was based largely on extensive financial reforms that restored stability to markets. The Asian financial crisis of 1997-98 exposed longstanding weaknesses in Korea's development model, including high debt/equity ratios and massive short-term foreign borrowing. The GDP plunged by 6.9% in 1998 and then recovered by 9% in 1999-2000. Adopting numerous economic reforms following the crisis, Korea became more open to foreign investment and imports. Growth moderated to about 4-5% annually between 2003 and 2007. With the global economic downturn in late 2008, Korean GDP growth slowed to 0.2% in 2009. In the third quarter of 2009, the economy began to recover—in large part due to export growth, low interest rates, and an expansionary fiscal policy—and growth exceeded 6% in 2010.

Smart Importing
In 2004, Korea joined the trillion-dollar club of world economies, and is currently among the world's 20 largest economies. Initially, a system of close government and business ties, including directed credit and import restrictions, made this success possible. The government promoted the import of raw materials and technology rather than consumer goods, and it encouraged savings and investment over consumption. Economic performance in 2004 improved to 4.6% due to an increase in exports, and remained at or above 4% in 2005, 2006, and 2007. With the onset of the global financial and economic crisis in the third quarter of 2008, annual GDP growth slowed to 2.3% in 2008 and just 0.2% in 2009.

Concerns for the Future
Economists have highlighted concerns that Korea's economic growth potential has fallen because of a rapidly aging population and increasingly apparent structural problems. Foremost among these structural concerns is the rigidity of Korea's labor regulations, the need for more constructive relations between management and workers, the country's underdeveloped financial markets, and a general lack of regulatory transparency. Korean policymakers are increasingly worried about diversion of corporate investment to China and other lower wage countries, and by Korea's falling foreign direct investment (FDI). President Lee Myung-bak was
elected in December 2007 on a platform that promised to boost Korea's economic growth rate through deregulation, tax reform, increased FDI, labor reform, and free trade agreements (FTAs) with major markets. President Lee's economic agenda necessarily shifted in the final months of 2008 to dealing with the global economic crisis. In 2009, the economy benefited from a robust fiscal stimulus package and low interest rates, which has supported its vast boom to the present day.
LESSON TWO: Charting and Graphing an Economic Landscape

Lesson Overview
Based on the charts and graphs below, students should work in groups to decipher, draw conclusions, and present a well-rounded view of South Korea’s economy, including any questions raised by the charts and graphs, with discussion to follow.

1. SOUTH KOREA ECONOMIC GROWTH

2. ECONOMIC PERFORMANCE INDICATOR
3. MAJOR BUSINESSES: PRODUCTS AND REGIONS

![Map of South Korea showing major businesses and regions.](image)

4. GROWTH RATE COMPARISONS

**Average annual growth rates in real GDP per capita, 1995-2000 and 2000-2006**

![Graph showing growth rates.](image)
5. IMPORTS AND EXPORTS

EXPORTS:

- Germany 3%
- Hong Kong 6%
- Japan 9%
- China 15%
- USA 20%
- Other 47%

IMPORTS:

- Australia 4%
- Saudi Arabia 5%
- China 11%
- USA 15%
- Other 45%
- Japan 20%

8. U.S./KOREA COMPARISON CHARTS

U.S. Per Capita Real GDP
1800 to 2011

N. Korea = U.S. in 1826

Sources: Global Financial Data
Blog, American
8. SOUTH KOREA’S RECOVERY

LESSON THREE: Planes, Trains, & Automobiles: South Korea in the Media

In recent years, South Korea has made a tremendous effort to market its products to the global economy. Watch the four videos below: a commercial for Korean Air, a general marketing commercial for South Korea, a news clip concerning the 2018 Olympic games’ economic impact on South Korea, and a speech by President Obama and President Lee concerning the automobile industry. Interpret and forecast the effect of these videos on the South Korean economy.

Videos

- President Obama and President Lee on KORUS FTA video:

- Olympics Preparation to Boost Korea Economy
  http://www.bloomberg.com/video/72017234/

- Korean Air Commercial
  http://www.youtube.com/watch?v=n4k_v3zNJu0

- Invest in Korea Commercial:
  www.youtube.com/watch?v=JOJIxDgKFCU&noredirect=1

Tips on analyzing visual culture:

Helpful questions for analyzing commercials (from Understand Media http://www.understandmedia.com/media-theory/110-how-to-analyze-a-television-commercial)

1. **What is the product or service being sold?** Can you easily figure out what the product is?

2. **What is the general mood or feeling of the commercial?** Since we know the product or service being sold, what methods are the advertisers using to make us interested? How do they portray the product or service in a positive light?

3. **How does the soundtrack play a role in your interpretation of the commercial?** Is the music cheery, dreary, suspenseful, whimsical, fun, or exciting? Does the music affect our perception of the mood? Is there a voice-over of someone
telling us something? What is the voice over trying to tell us? Does the person speaking coincide with the overall mood of the commercial? Would our perception of the voice change if the voice was of a different gender or race?

4. **How do the actors playing the characters affect your interpretation of the commercial?** Would your interpretation change if the characters were of a different race or gender? What if the characters dressed differently or spoke differently? How would that change your perception of the character?

5. **How does the commercial try to get your attention?** Does it use flashy graphics with fast music? Does it alter the way we see the world, either through the use of special effects or through the story line?

6. **Who is this commercial aimed towards?** Is it you or someone like you? How do you know? Why do you think the advertiser created this commercial the way they did? Would it have been as effective if it was just black and white text on the screen? Why or why not?

Helpful questions for interpreting news clips:

1. What is the overall subject of the clip?
2. What kinds of questions are being asked of the interviewee?
3. What is the tone of the clip?
4. Who is making claims and what are the claims being made?
5. What sort of evidence is used to support the claims being made?

Helpful questions for understanding speeches:

1. Who is making the speech and why?
2. Who makes up the audience? Is it a friendly audience? A hostile audience?
3. What is the tone of the speech being made?
4. What kind of body language and/or slang is the speech-maker using to appeal to his/her audience?
5. What is the speech’s argument?
6. What is the evidence being used in the speech? Does the speech rely equally on evidence and rhetoric, or does it favor one over the other?