Mykolas Romeris University, Vilnius, Lithuania

[Abstract]

The large business groups and outward/inward openness of the Korean economy

SEIRANOV Jusif
Mykolas Romeris University
j.seiranov@mruni.eu; j..seiranov@gmail.com

The purpose of the research is to reveal the changing role of large business groups in the economic growth of Korea within the last decade and to reveal the changing profile of the economy's openness. For a long period, the national champions were the driving force of the fast ascent of the Korean economy and its soaring share in global exports. The analysis of recent developments shows that large business groups due to the scope of their activities, share in national production and exports, leadership in certain technology and product sectors remain at the core of Korean economic growth. Export orientation of Korean economy goes hand in hand with high trade openness. However, for decades, the level of outward and inward foreign direct investments was substantially lower than the OECD average. As Korean business groups gain global dominant positions in certain industry sectors, outward direct investments tend to grow. The trend for inward direct investments is changing as well, and the Korean economy becomes more open for large international players including European businesses.

Keywords: Korean economy, large business groups, economy openness, inward and outward foreign direct investments.

별지참조 / See the Attachment