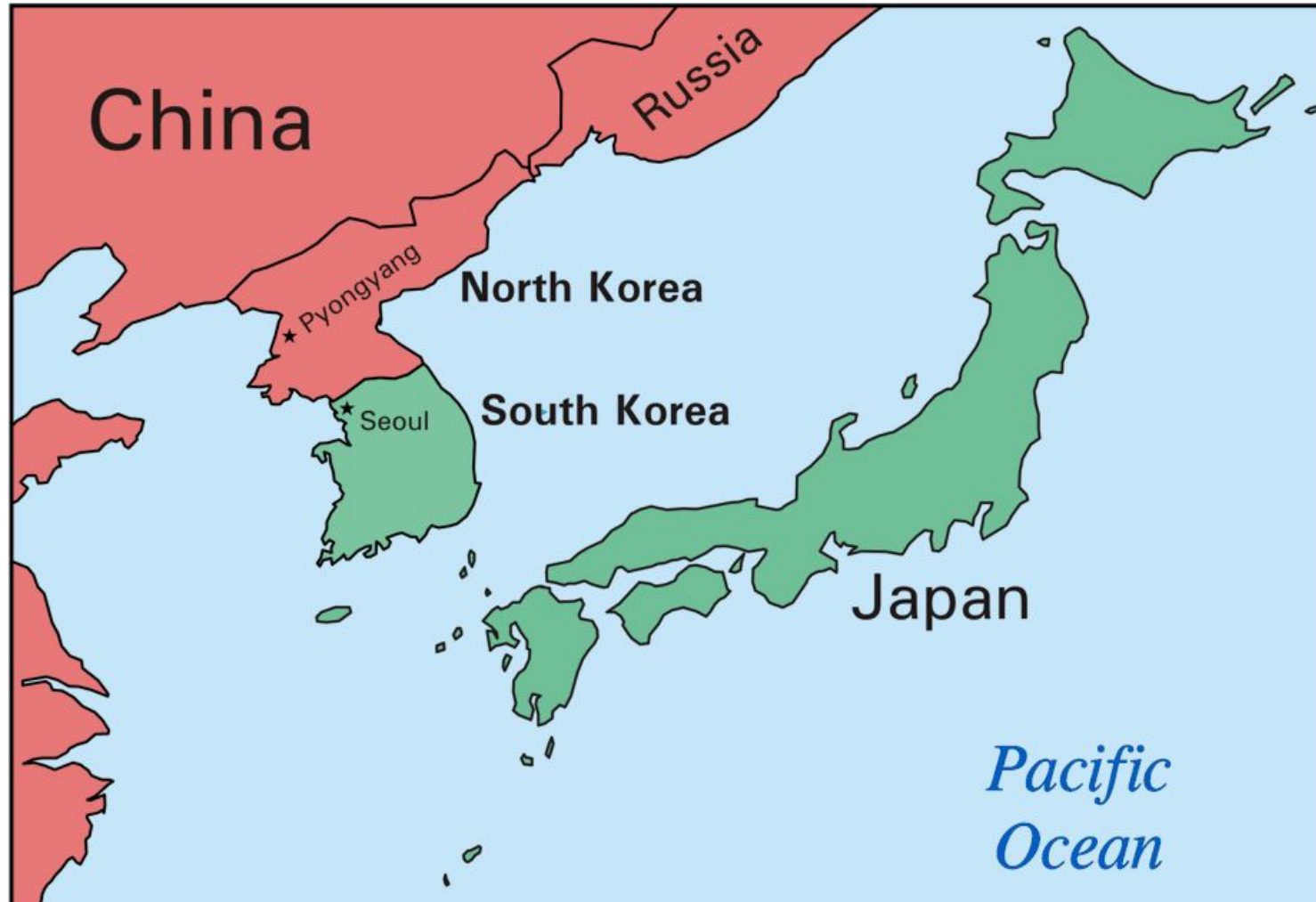


# Korea—Solutions for US Problems?

Javier Ergueta

September, 2015

# Today: SOUTH Korea



## *Solutions in which areas?*

- A good economy?
- Successful schools?
- Safe streets?

A good economy?

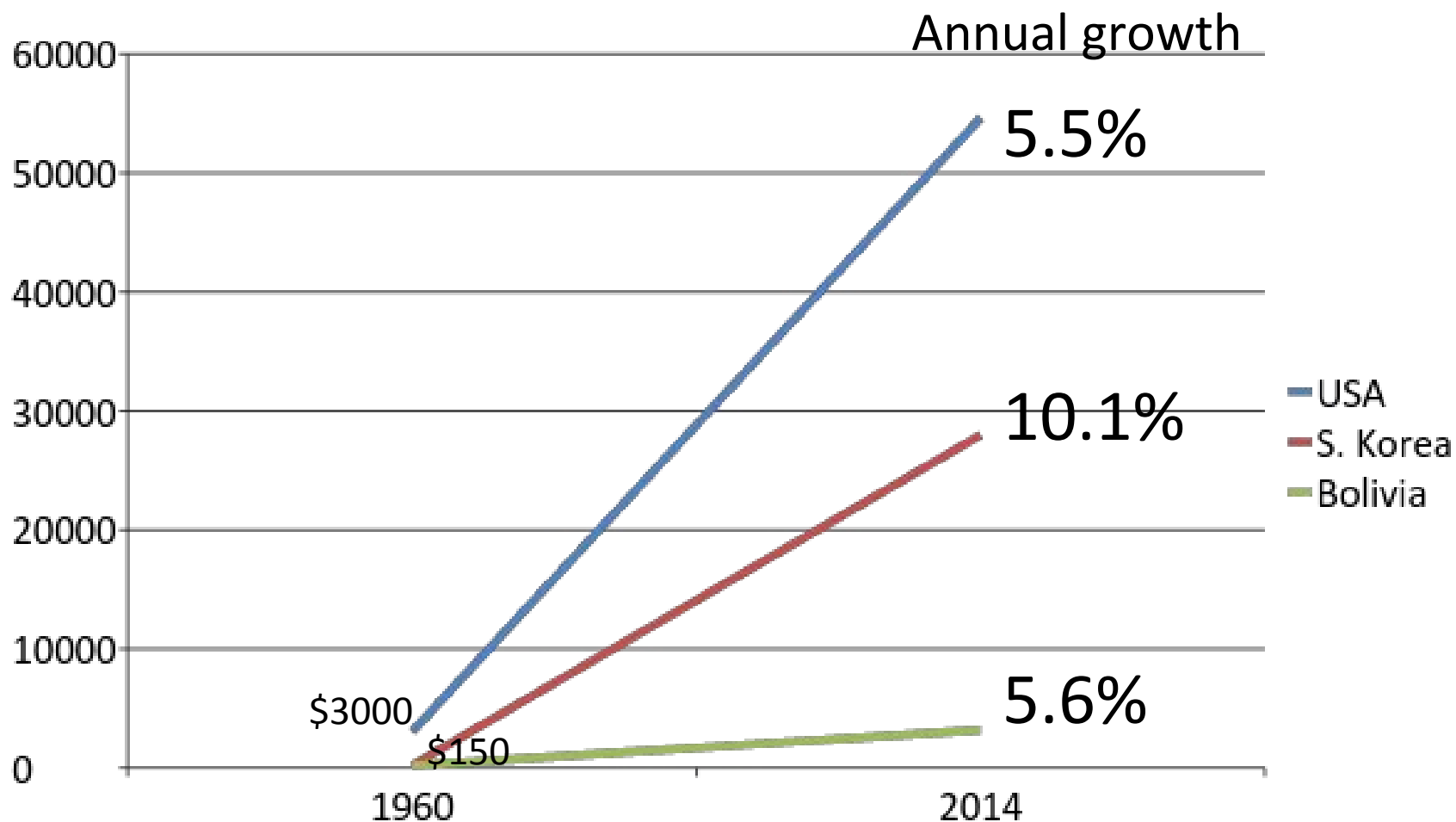
# A “good” economy

= fast *overall* growth ( measured by *Gross Domestic Product*, “GDP”)

AND

= growth in *individual* incomes  
(measured by *Per Capita Income*,  
“PCI”)

# Per capita income growth, 1960-2014



This means your income multiplied by:

- In the US, 18
- In S. Korea, 230

How did S. Korea do it?



# Buddhism



# Key teachings:

- You can transcend your karma through *enlightenment*
- This requires *continuous self-cultivation*





# They worked together, hard!

- 6 days/week
- Mastered one industry after another

## **1960s**

**textile, wig, plywood**

## **• 1970s**

**radio, TV, shoes**

## **• 1980s**

**steel, chemicals, ship**

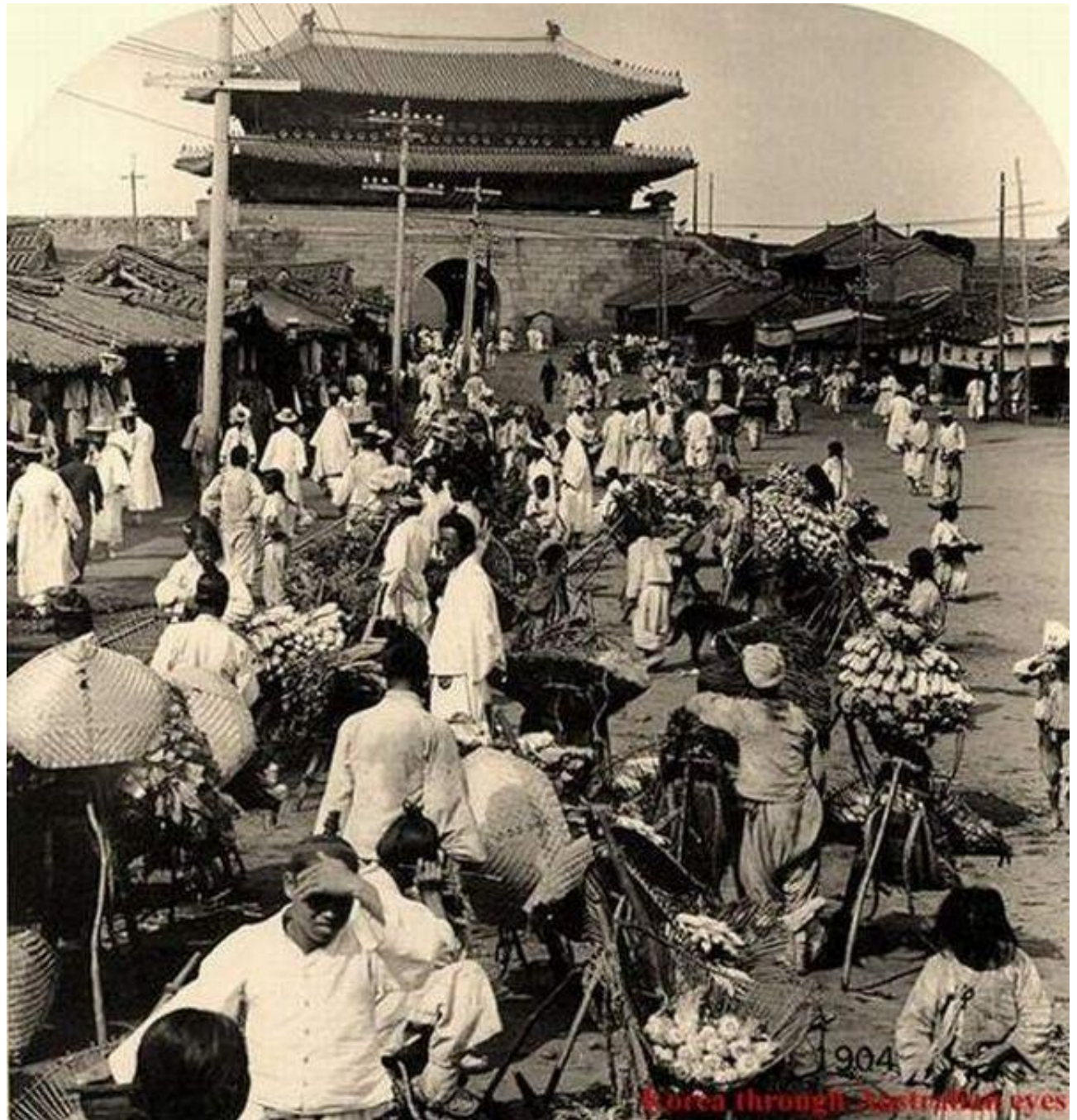
## **• 1990s**

**semi-conductor, car**

## **• 2000s**

**mobile, LCD, software**

# Seoul in 1960



904

Korea through Western eyes





# Seoul today



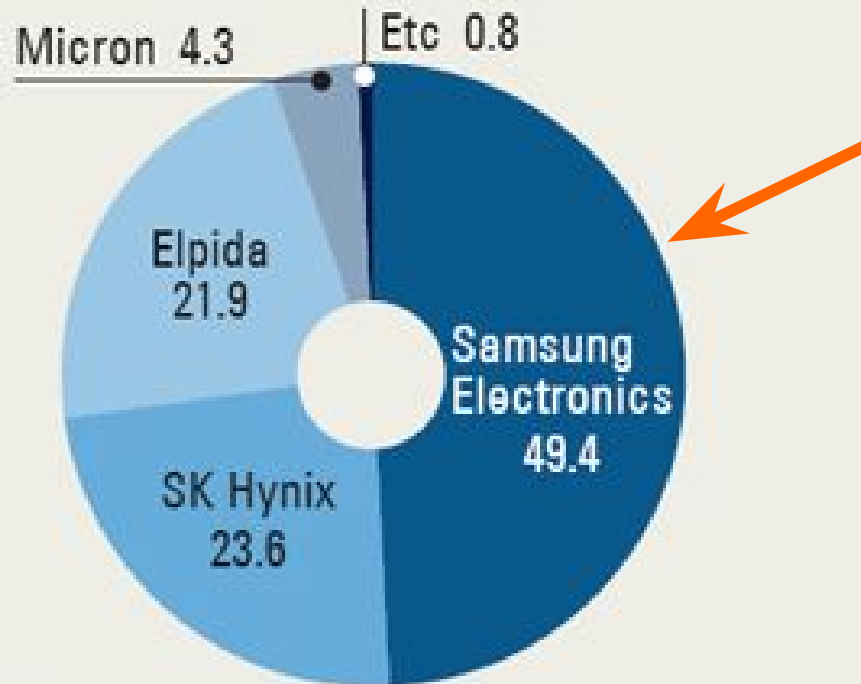




# Memory chip leader

## Mobile DRAMs global market share

(Unit: %)

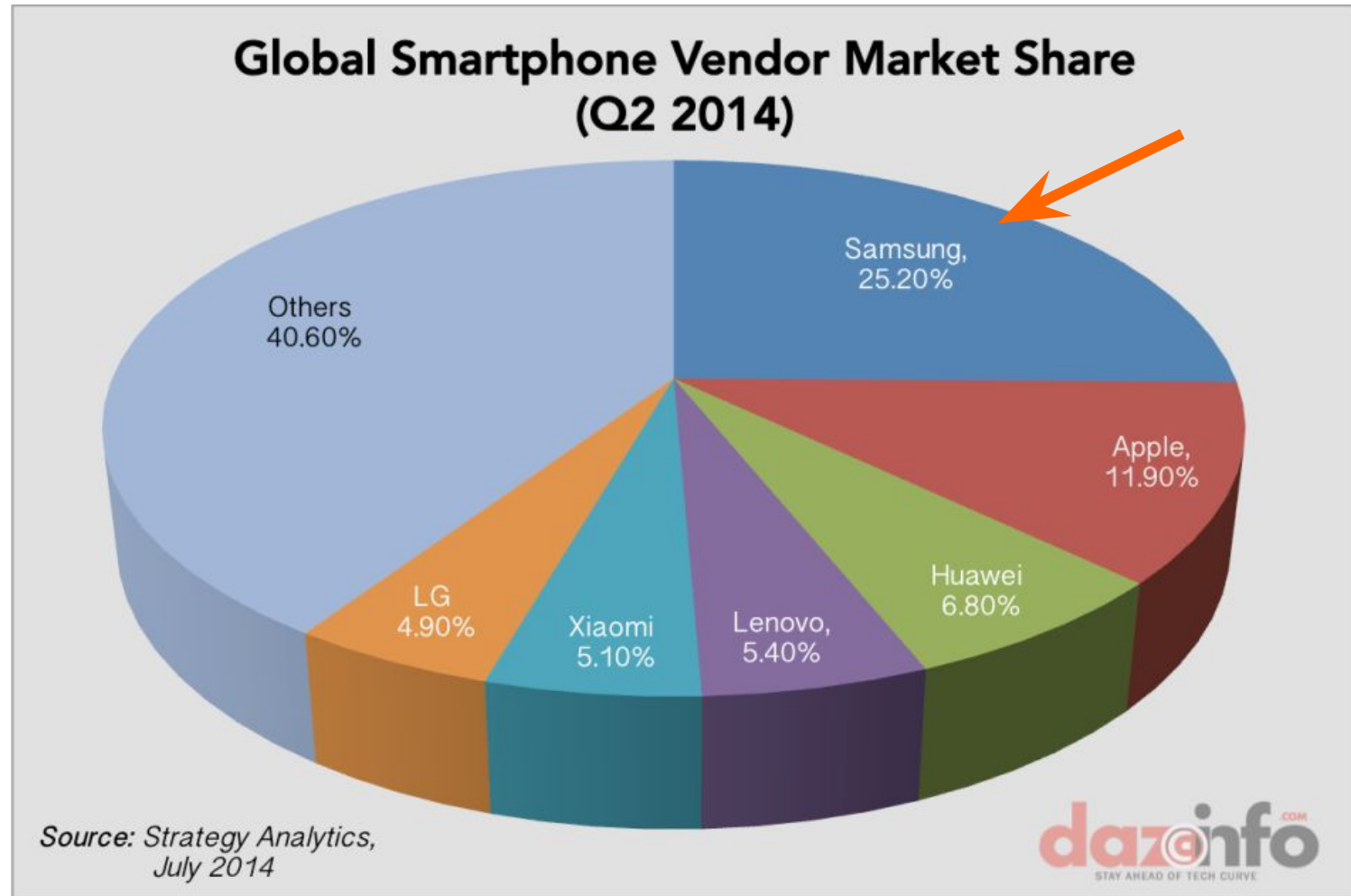


\*Based on second-quarter shipment

Source: IHS iSuppli



# Smartphone volume leader



# #1 digital society (access, use, skills)

## ICT Development Index

2013 rank	country	Change in rank from 2012	2013 index	2012 index
1	 Korea	No change	8.57	8.51
2	 Sweden	No change	8.45	8.41
3	 Iceland	(+1)	8.36	8.12
4	 Denmark	(-1)	8.35	8.18
5	 Finland	No change	8.24	7.99
6	 Norway	No change	8.13	7.97
7	 The Netherlands	No change	8.00	7.85
8	 United Kingdom	(+3)	7.98	7.63
9	 Luxembourg	No change	7.93	7.76
10	 Hong Kong	No change	7.92	7.66

Source: International Telecommunication Union

Successful schools?

# Int'l metric: PISA tests

- a worldwide study by the OECD
- of 15-year-old school pupils' scholastic performance on mathematics, science, and reading
- measure education's application to real-life problems and lifelong learning



# PISA test results, 2014

## Math

Mean score

### Mathematics

55.4% Rdg.

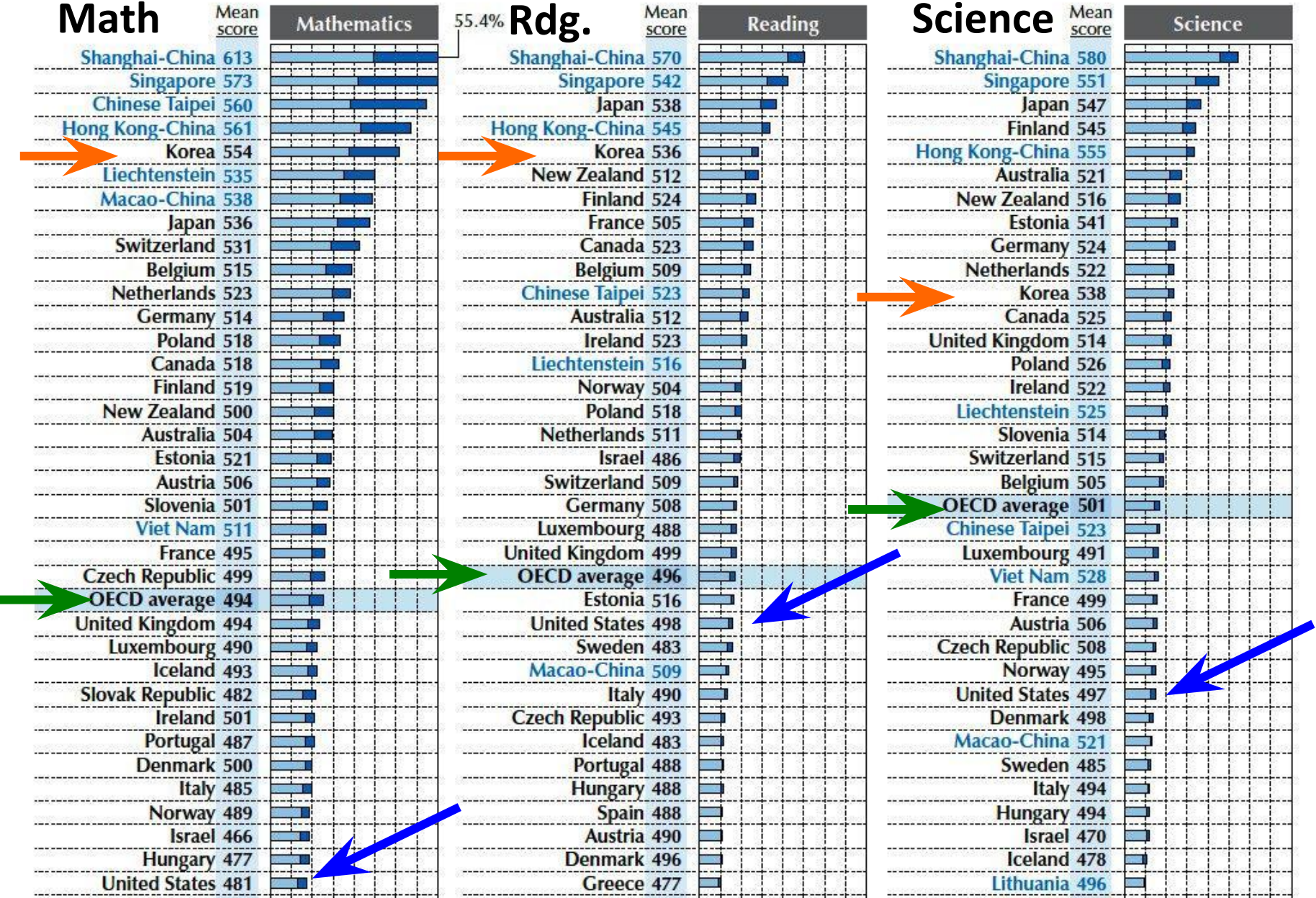
Mean score

### Reading

## Science

Mean score

### Science



How did S. Korea do it?



# Confucianism



# Key teachings:

- Respect for learning
- *Highest social status should go to scholars who pass strenuous exams on Classics and literature*



# They take education very seriously!

- *National exams determined Korean political/economic power and social rank from 788!*



Korean  
heroes,  
~1900



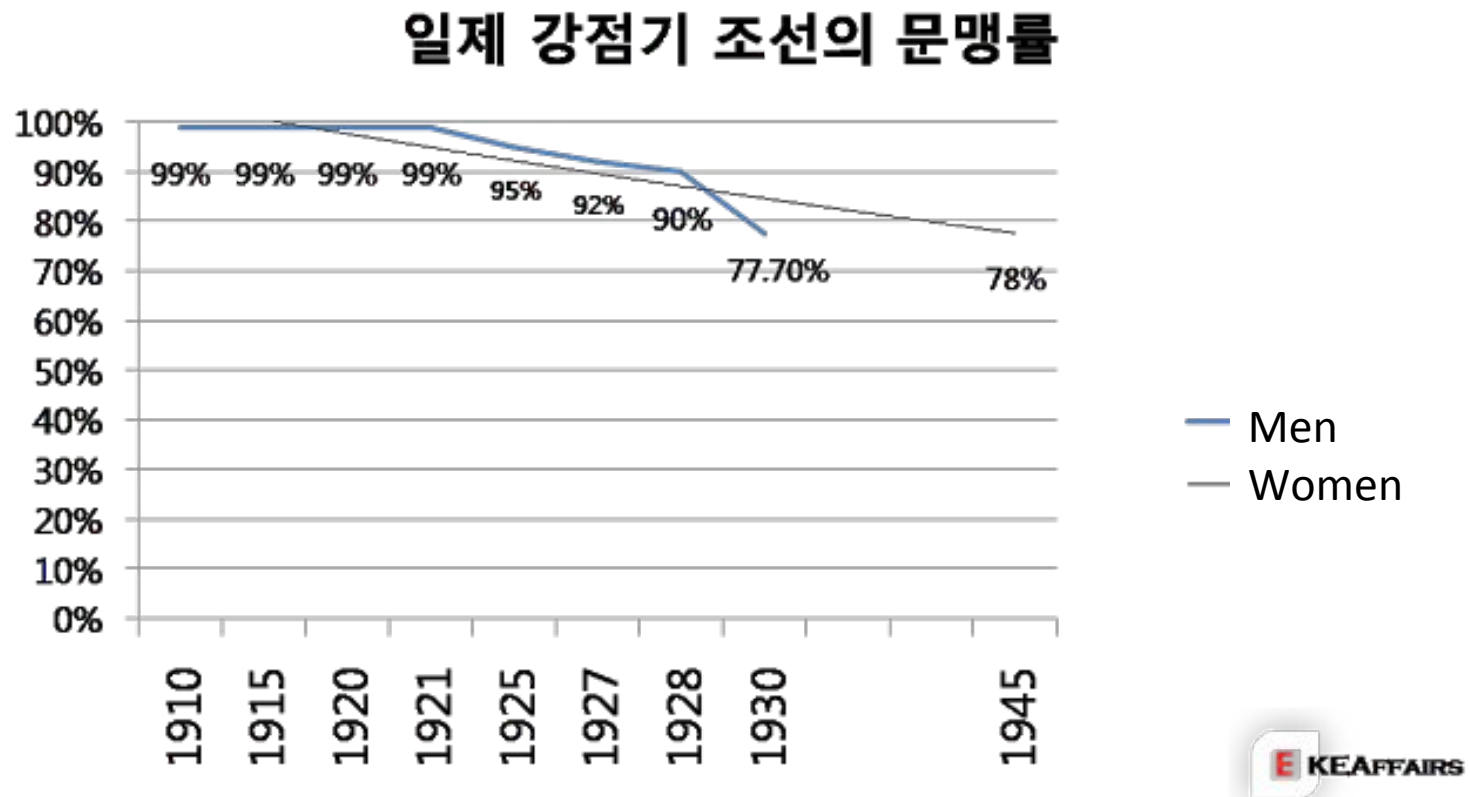
# Japanese heroes, ~1900



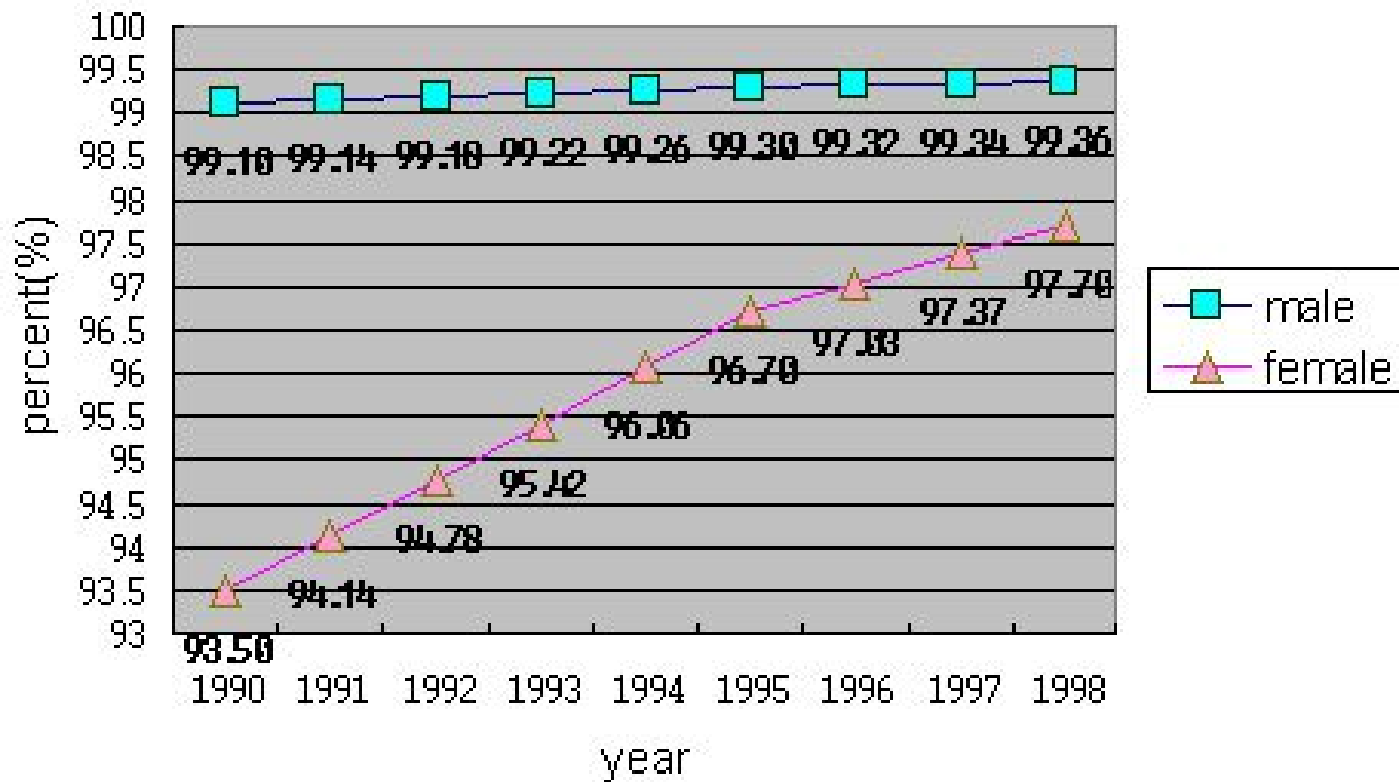
# Korean currency, \$5 and \$10 bills



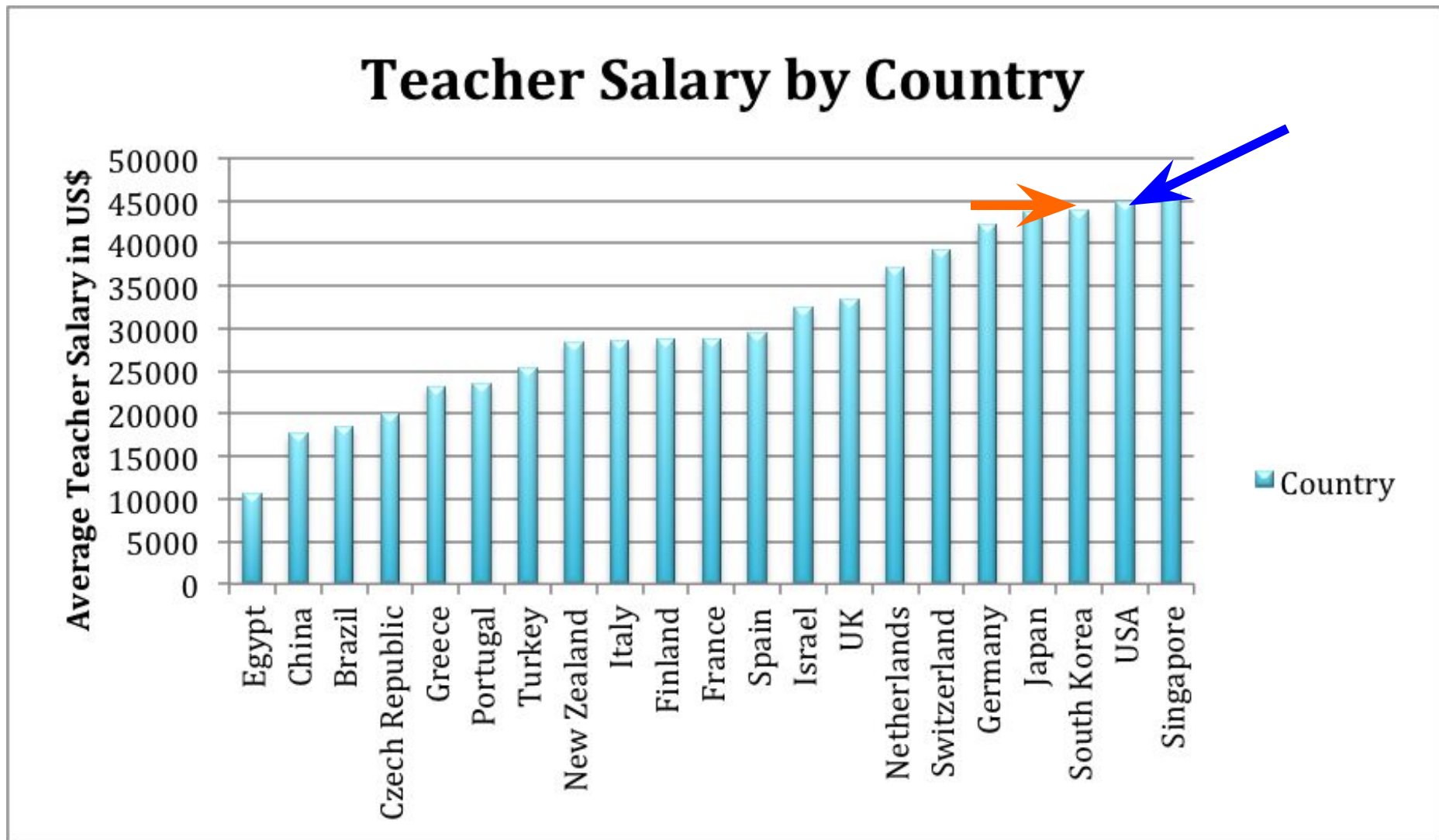
# Korean illiteracy, 1910-1945



# Korean literacy rates, 1990-98

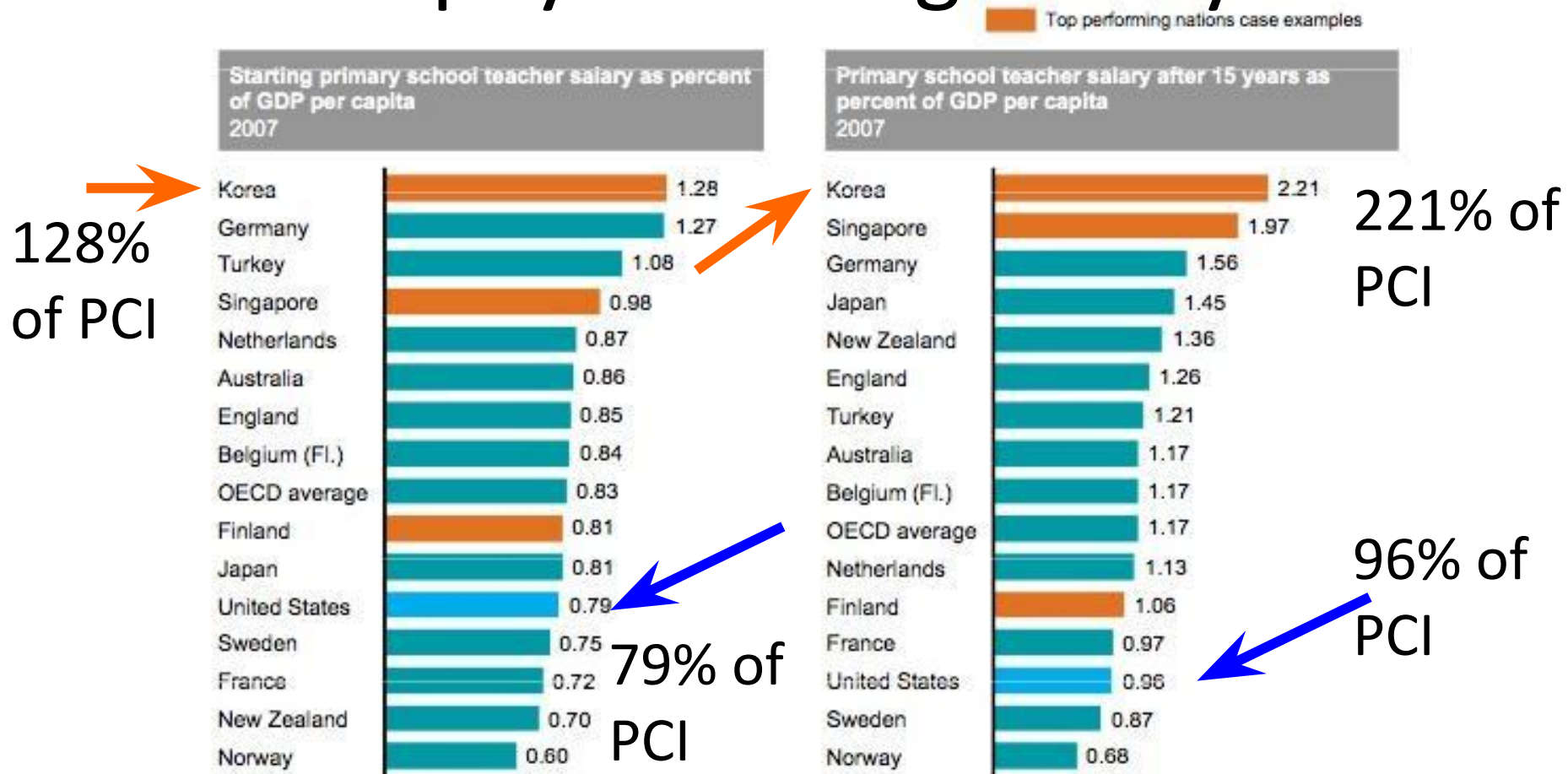


# Teachers paid the same as in US—in \$





# Teacher pay: Starting & 15 yrs out



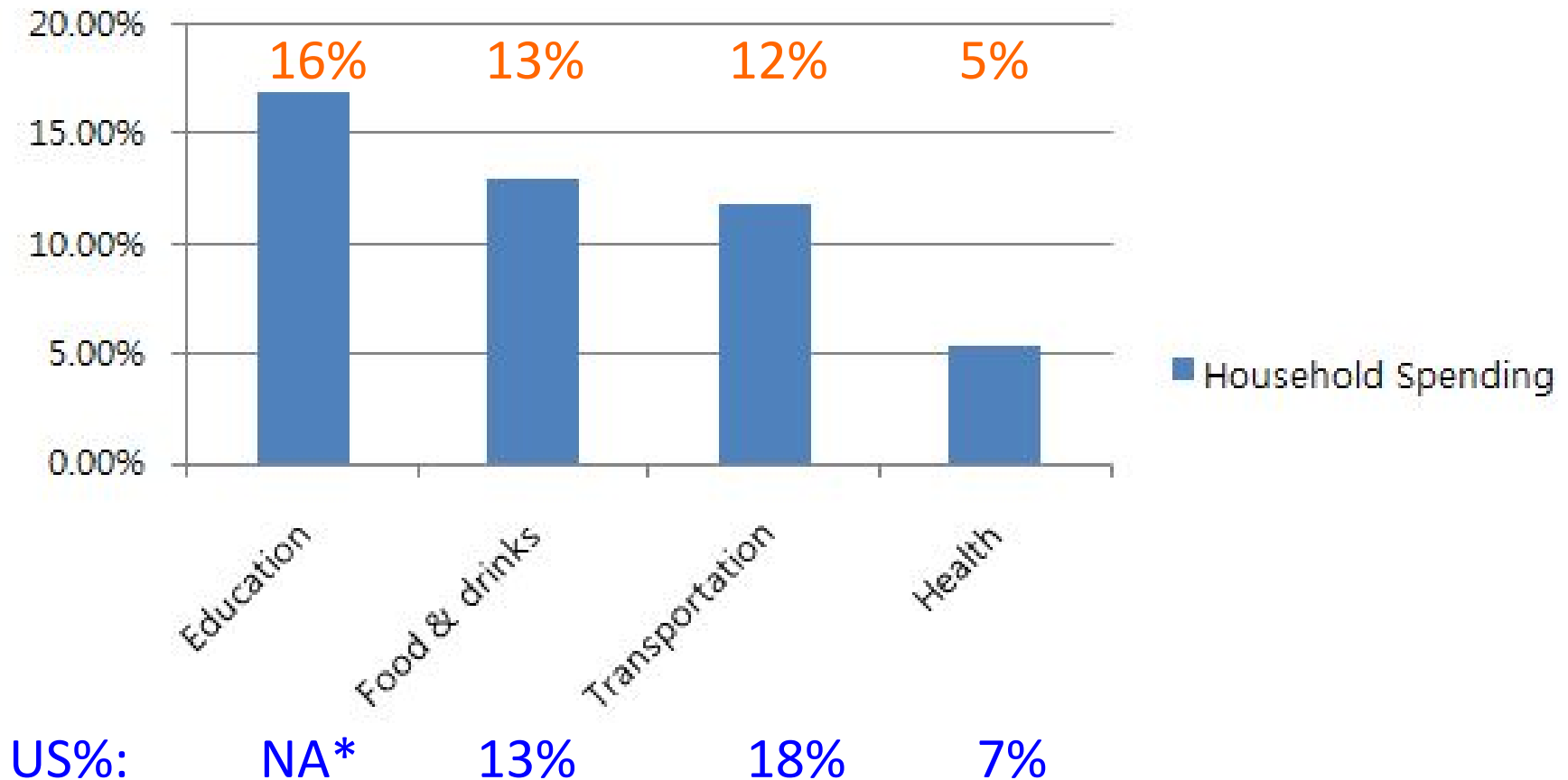
Note: The US ranks 20<sup>th</sup> of 29 nations for starting salary and 23<sup>rd</sup> out of 29 for salary after 15 years; all data from OECD except for Singapore figures which come from the Singapore Ministry of Education

SOURCE: OECD Education at Glance 2009. Indicator D3: How much are teachers paid?; OECD Stat Extracts, NCTQ; Singapore Ministry of Education



# Parents pay a lot on tutoring...

## S. Korean Household Spending



\* Not separated from rest of "Other", 6%

# Students study long & hard!

- Regular school + after-hours tutoring:

- Juniors 8am-11pm

- Seniors 8am-12pm!

Safe streets?

# Crime statistics

	Per 100,000 people:		US: S. Korea
	US	S.Korea	
Intentional			
Homicide	4.7	0.9	5:1
Gun deaths	10.0	0.25	40:1
Crime index*	49.8	16.9	NA

\* Highest is Venezuela at 85.9. Lowest of 120 is S. Korea.  
Switzerland = 26.2

(Sources: World Bank, Numbeo)

How did S. Korea do it?

# Confucianism

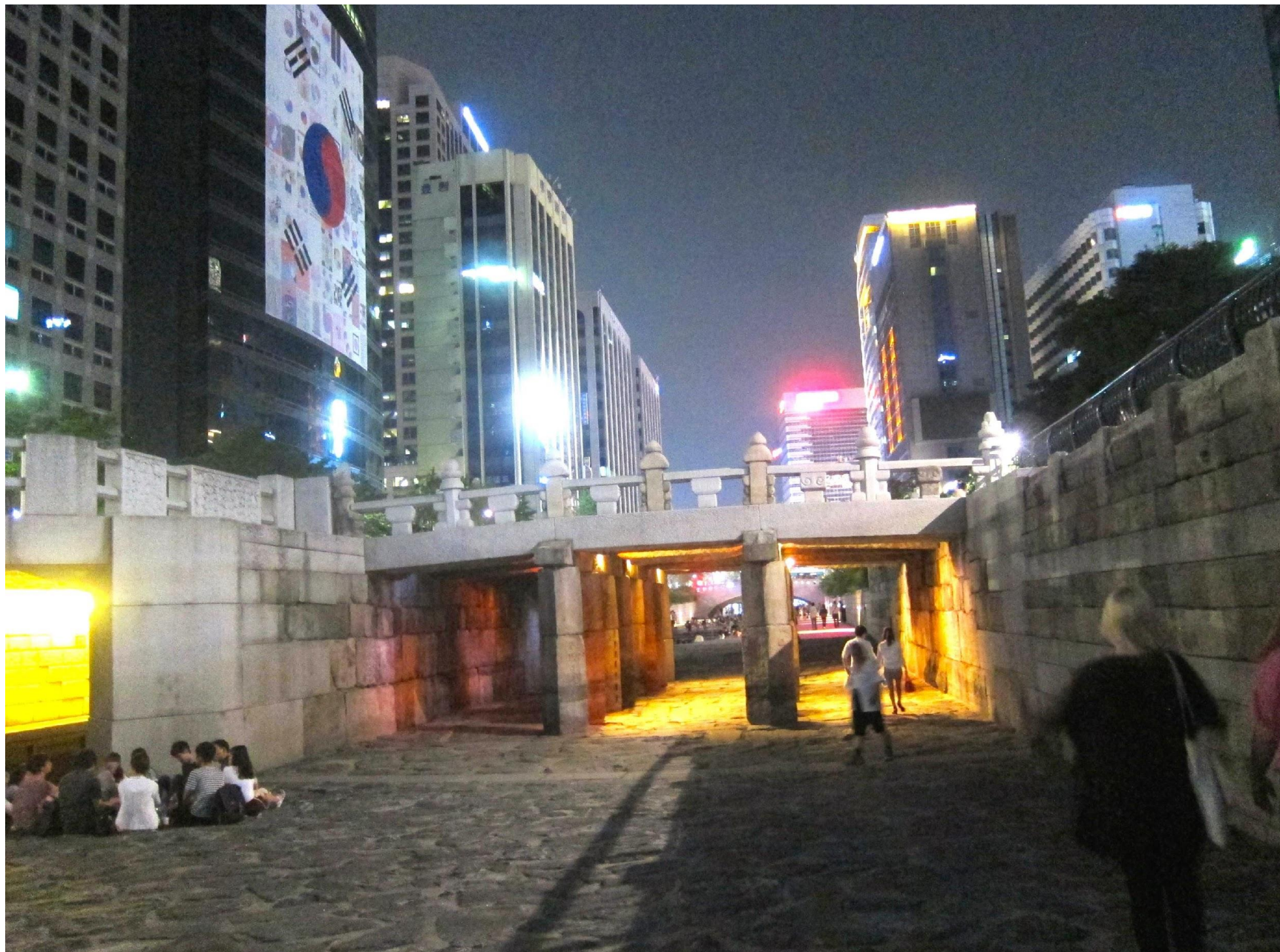


# Key teachings:

- Defines good life as one lived in harmony with the community, and respect for others
- Communitarian, not individualistic

The late night streets  
downtown are safe & clean!









# Many thanks to:

- Foreign Policy Research Institute, and especially, Paul Dickler
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