

GRADUATE SCHOOL OF INTERNATIONAL STUDIES  
SEOUL NATIONAL UNIVERSITY  
Fall 2023

**UNDERSTANDING KOREAN ECONOMIC GROWTH AND DEVELOPMENT  
PROCESS**

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**Time:** Wednesday 9:30 - 12:30

**Place:** 140-1 #102 for Offline or Zoom Online when necessary

**Instructor:** Hyeok Jeong (Email: hyeokj@snu.ac.kr, Tel: 02-880-2921).

**Office Hour:** Wednesday 14:00 - 14:50 with appointment only.

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**Last Update:** July 25, 2023.

**Course Keywords**

Korean Economic Development, Economic Growth and Inequality, Macroeconomic Stability, Money and Banking, Structural Transformation, Productivity, Development Policy, Knowledge Sharing

**Course Description**

Main goal of this course is to study the process of Korea's growth and development from the macroeconomic and institutional perspectives. It is well recognized that the transformation of the Republic of Korea from one of the most devastated nations to an advanced one is a rare success story in the world development. However, the underlying causes and mechanisms of the success are not well understood. This course seeks the fundamental understandings about the causes and mechanisms of Korea's growth and development in order to make Korea's experience helpful for other developing countries. Furthermore, we aim to draw useful lessons and insights for the future process of Korea's growth and development from such understandings.

This course provides a series of quantitative empirical analyses of Korea's growth and development at both aggregate and sectoral levels, together with theories of growth and development which will be used in interpreting the empirical analysis. We also discuss the issues of policy design and implementation methods that were used to materialize specific development goals. Historical data as well as current

issues will be explored together, relating the past and the present with each other, so that we pursue an evolutionary understanding of Korea's development process.

The course consists of three parts: (i) lectures by instructor, (ii) presentation by students, and (iii) special seminars by invited experts (on demand). For the first part, instructor's lectures, the focal points would vary depending on semester. This semester we will focus on the topics of sources of aggregate growth, macroeconomic fundamentals, structural transformation, human capital formation, international trade, and evolution of growth and inequality during the Korea's development process. For the second part, presentation, each group of students needs to choose a specific topic about Korea's growth and development experience, to compare the chosen topic of Korea's experience with other countries, and to draw implications for economic growth and development for any reference country. Each group needs to present in class and to submit the final report about the comparative analysis and policy suggestions for growth and development. The presentation materials and the final report should be self-contained. The number of groups and the size of each group would depend on the class size. This in-class presentation should be developed into a Final Report to be submitted by the end of the semester. For the third part, expert seminars, we will invite the experts for Korea's growth and development for selected topics upon demand, if time permits.

### **Evaluation**

Course grade will be based on (i) Group Presentation (30%), (ii) Final Report (50%), and (iii) class participation (20%). Class participation grade will be measured by (i) attendance (10%), and (ii) the quality of answers to the review questions that will be asked in class to the randomly selected students and the quality of questions that are considered to contribute to class (10%). Even though the Final Report is based on the group presentation, the grade of the Final Report consists of two parts: (i) group score which is common to all group members (20%) and (ii) individual score which is given to each individual member of the group (30%), so that it is important to specify what part of the Final Report is done by whom. Same rule applies to group

presentation: group score (10%) and individual score (20%).

Keeping class etiquette is required. For example, no cell phones including text messaging is allowed. For any negative disruptions to class, negative participation grade will be given.

According to the revised SNU school rule (the 4<sup>th</sup> Clause of the Article 85), effective date of September 1<sup>st</sup> in the year 2018, any students who attend less than two-thirds of the required classes will receive a grade of "F "or "U" with exception of inevitable cases which is upon discretion of the instructor.

### **Instruction for Online Class**

We may do the lectures, presentations and discussions via Zoom when it is necessary. The URL of the login site of Zoom is <https://zoom.us>. You can create the login ID for Zoom by using your SNU email ID or by obtaining license from the IT Center (phone: 02-880-8282, email: [zoom\\_tf@snu.ac.kr](mailto:zoom_tf@snu.ac.kr)). The Zoom meeting ID and password for this class will be informed to the registered students by emails from TA. Class materials (reading assignments, presentation files and schedules) and the announcement of the class logistics will be posted on SNU eTL.

## Course Outline

Session 1: Introduction

Session 2: Sources of Korea's Growth in Aggregate Perspectives

Session 3: Comparative Analysis of Korea's Growth Experience in Comparison with Countries over Continents: U.S., Europe, Asia, Africa, and Latin America

Session 4: Comparison of Decomposed Growth Features among Korea, Japan, and China.

Session 5: Macroeconomic Fundamentals 1: Economic Volatility, Price Stability, and Policy Implications

Session 6: Macroeconomic Fundamentals 2: Interest Rates, Exchange Rates, Monetary Expansion, and the Modern History of Policy Evolution for Macroeconomic Stability Management

Session 7: Structural Transformation of Korean Economy Part 1

Session 8: Korea's Human Capital Formation: Dimensions of Success and Failure

Session 9: Genuine and Hidden Features of Korea's International Trade and Export Promotion

Session 10: Co-evolution of Growth and Inequality during Korea's Development Process

Session 11: Current Issues of and Challenges for Korean Economy

Group Presentations: Korean growth and development policy with international comparison.

*Final Report submission due by midnight on December 20<sup>th</sup>, 2023.*

*Remark 1.* When the time constraints prevail or unexpected contingencies happen, we can rearrange the above topics and course schedule.

*Remark 2.* This syllabus is written on July 25, 2023. It may be necessary to make adjustment during the semester upon contingencies.