

Dr. Dongsoo Kim

This article is part of a series featuring APEC experts, available online at www.uhero.hawaii.edu/74

What does APEC mean to South Korea?

The Republic of Korea (Korea) has participated in APEC since its establishment in 1989 as the only regional economic cooperative body in the Asia-Pacific region.

It is true that, in comparison to other advanced countries, Korea was not very active in the efforts towards stronger regional cooperation in the past. In that sense, being established based on voluntary participation of the Asia-Pacific countries, APEC holds great significance for Korea in its endeavor to strengthen international cooperative activities.

What is notable is that as of 2009, APEC member economies' nominal GDP accounted for 55% of the global economy, testimony to the increasing importance of the Asia-Pacific region. Therefore, Korea has high expectations for the role APEC can play as a forum to collect ideas, discuss and decide ways to implement them for further economic development in the region.

I expect that APEC activities will bring tangible results and serve as a foundation for the economic development of the entire world as well as member countries.

What is current economic issue discussing between South Korea and APEC?

In terms of GDP, Korea ranks 6th among 21 APEC members and comprises G20 together with countries like the United States, China, Japan, Russia and Australia. Enjoying such status,

ABOUT DR. KIM

Dongsoo Kim, one of our Korean alumni is now serving as a Chairperson of KFTC (Korea Fair Trade Commission) since 2010. He previously served as a Chairperson of the Korea Exim Bank (The Export-Import Bank of Korea), which is the largest public bank for supporting corporations' global business.

Dr. Kim also has served as a Director of Consumer Policy Division, Director of Price Policy Division, Director General of Economic Cooperation Bureau, Director General of Multilateral Trade Bureau, Deputy minister for Public Relations, and Vice Minister at Ministry of Strategy and Finance in South Korea.

He holds his Master's degree in Public Administration from Seoul National University, and PhD in Economics from University of Hawaii at Manoa.



Dr. Kim, Chairperson of Korea Fair Trade Commission, speaks to UH Mānoa students.

Korea bridges APEC and G20 in discussing global economic issues.

In addition, Korea has been actively involved in APEC's works to liberalize trade and investment and facilitate business activities. With regards to trade and investment liberalization in particular, Korea has led the discussions to set up the Free Trade Area of the Asia-Pacific (FTAAP) and abolish various regulations to ensure faster, cheaper and easier business activities in the region.

As of 2009, Korea traded 440.3 billion dollars or 64% of its total trade volume with APEC member economies. Given that the Korean economy is 90% dependent on exports, APEC members account for as much as 58% of Korea's economy.

As APEC economies are that much important for us, Korea actively participates in and works hard to lead the discussions in APEC. Our efforts include presenting ideas about APEC's role in overcoming the global economic crisis and reorganizing post-crisis economic order, and emphasizing the importance of trade and investment liberalization and market access.

Could APEC be a breakthrough to this economic uncertain period?

Global fiscal crisis, unstable financial markets and subsequent shocks have emerged as challenges for countries across the globe. Unstable prices worldwide also requires urgency: as of June 2011, China saw a 6.4% increase

in consumer prices and the US 3.6%. South Korea also posted 4.3% in consumer price increase over the first half of the year.

In light of our past experience in tackling such economic problems, APEC is expected to play an important role. Amid the financial crisis that hit the whole world in 2008, APEC played a pivotal role in spreading and implementing what was agreed by G20 states in its member economies. In particular, South Korean president Lee Myung-bak proposed the Standstill Declaration to fight trade protectionism in APEC Summit Lima in 2008 taking the lead in international efforts to overcome global economic crisis.

I believe APEC could make bigger contributions in the latest economic crisis. Not only the United States and China, which are referred to as G2, but also other major economies like Japan and Russia are all APEC members. Major East Asian countries driving global growth also participate in APEC meetings.

How does your institution related with APEC issue?

The Korea Fair Trade Commission is a competent authority responsible for competition law and policy in Korea. Our fair trade policy, aims at ensuring a free and fair market through deregulation and prevention of anti-competitive conduct such as cartel, so that the market economy properly works.

Our fair trade policy also plays an important role in boosting international trade. Even if barriers to international trade are lowered through trade liberalization, such measures would have only limited impact on trade without eliminating anti-competitive practices denying foreign businesses market access, such as exclusionary behavior of market dominant players and government regulations restricting free economic activities.

Based on this recognition, the KFTC has actively participated in the Committee of Trade and Investment (CTI) meetings and its workshops dealing

with competition policy and deregulation. Competition policy was first introduced in the CTI Working Plan in July 1995 with the aim of promoting competition and trade at the APEC level, and the KFTC has been an active participant ever since the first competition policy meeting.

More recently, we are working hard to help relax and harmonize regulations in each member economy effectively. Among others, the KFTC has earned positive responses from APEC members by introducing them to our current works like competition impact assessment and removal of entry regulation.

Do you have any comments on the APEC conference?

As it is geopolitically located in the middle of the East and West (developing and developed nations), Hawaii is an optimal place to discuss ways to strengthen cooperative relations for balanced development of all member countries.

I extend my heartfelt congratulations for Hawaii hosting the APEC, although somewhat belated.

With this year's chair being the US leading the global economy as well as APEC, I expect APEC this year will be able to make significant progress in achieving its key goals.

I understand that the APEC in Hawaii has on its agenda early conclusion of WTO DDA negotiations, further economic integration and trade expansion in the region, facilitation of green growth, and regulatory cooperation and harmonization.

I hope Hawaii APEC will serve as a valuable forum to produce tangible results for mutual cooperation and prosperity among its member economies.

ABOUT KFTC (KOREA FAIR TRADE COMMISSION)

The KFTC (Korea Fair Trade Commission), which Dr. Kim is currently serving as a Chairperson, is a ministerial-level central administrative organization under the authority of the Prime Minister. It functions as a quasi-judiciary body. The Commission formulates and administers competition policies, and deliberates, decides, and handles antitrust cases.

The KFTC consists of a committee, the decision-making body, and a secretariat, a working body. The committee consists of 9 commissioners, who deliberate and make decisions on competition and consumer protection issues. The Chairman and the Vice-Chairman are recommended by the Prime Minister and appointed by the President, while other remaining commissioners are recommended by the Chairman and appointed by the President.

The KFTC is committed to four main mandates : promoting competition, strengthening consumers' rights, creating a competitive environment for SMEs and restraining concentration of economic power. To that end, the Commission enforces 12 laws including the Monopoly Regulation and Fair Trade Act (MRFTA). The KFTC performs its roles and duties independently without any intervention from an outside organization.

Resources from KFTC Website(<http://eng.ftc.go.kr/about/>).