

## **Report on Participation in South Korea Field Research**

**Haoran Tian**  
**Year level: M2**  
**Faculty/Graduate School of: Economics**  
**Kyoto University**

In mid-February 2018, I participated in the one-week-long field research in South Korea. It was a great experience to join in a warm group and have wise professors to guide us. During this trip, we spent roughly 3 days in Seoul, 2 days in Daegu and 1 day in Gumi.

The days in Seoul were mainly spent for visiting museums, where we learned about national history, currency development/policy, as well as visit the national assembly and a colonial era prison. The Pyeongchang Olympics were being held during our visits, and we were lucky to witness this historical moment when North Korea participated in waving the Korea Unification Flag during the opening ceremony.

Our activities in Daegu and Gumi were jointly held with Kyungpook National University. We had an academic seminar introducing the development of the Korea economy and the current challenges it faces, and then spent practical visits to Samsung and LG, which are two of the biggest business groups in South Korea. We visited a factory and innovation center, through which we had a chance to take a close look at LG's TV production line and working process. And we even had a meeting with deputy mayor of Daegu city, through which we learned more about this city and its further development plan.

Our schedule was an intensive and interesting one, full of experiences that enabled me to get a better understanding of the Korean economy and the relationship between Japan, Korea and China.

I would like to share the following 3 activities that impressed me most.

### **1. Be fast, be engaged - Factory tour in LG**

LG is well known as one of Korea's five biggest business groups and it makes huge contribution to exports and employment. We paid a visit to its final processing line for 65-inch TV sets. It started from an electronic panel, then went through installing, testing, and finally its was packaged for sale. The whole process was highly automatic, and big movements were mostly done by machines. However precise acts still needed human workers. Over 10 workers were working on 1 production line, standing and repeating. And most of them were from a young generation. The pace was tense, with production goals shown on a screen overhead, and workers kept working on parts one following another. The production environment was noisy, fast-paced and well organized.

I have visited Panasonic Eco Technology Center in Japan before, which is a factory dealing with abandoned home appliances and taking recyclable parts. That was also an advanced and highly automatic producing line, but the processing pace there was different from what I saw in LG.

During tea time with people in LG, a professor from Kyungpook National University concluded that the Korean approach is to be fast, while in Japan it is to be safe. I think this saying met with my impression. Korea enjoyed a rapid development miracle in late 1960s, and giants like LG played an important role in domestic industry. Also LG exports intermediate products, like ultrathin LED screen, to foreign makers. To fulfil higher requirements and to compete with new-joins, LG, as a traditional giant, has to act quickly to maintain advantage.

## 2. International cooperation and encouraging innovation - Prospect of the development of Daegu

We were honored to have a half-an-hour meeting with the deputy mayor of Daegu. He introduced to us the economy and industry of Daegu city, how it has developed so far, and explained the future plan for Daegu.

From the conversation, I could feel his ambition to seek for a breakthrough in economic growth. Even though big name companies have established factories there, their growth has come to a mature stage, and there is a need for new industries to generate growth. As the deputy mayor noted, he wanted to build Daegu into a Korean Silicon Valley. So Daegu pays special attention to hi-tech industry, like robots and artificial intelligence. Also the government encourages start-ups and provides good policy for encouraging young entrepreneurship. Not only in Daegu in Korea, but also in Chengdu and Wuhan in China, and in Kobe in Japan, we can see that the local government of these cities attaches high importance to the encouragement of start-ups. In fact, Daegu and Chengdu have already established cooperation in this field. I observe the booming of start-up companies in recent years, and I think we will soon see such activity as a common trend among graduates.

## 3. Incubator and accelerator for next booming - Samsung Center for Creative Economy and Innovation

We visited the place where Samsung started its business. Over the course of 70 years, Samsung has developed from a noodle maker to a giant company involved in a varied range of industries. Its expansion is undoubtedly a successful miracle. To encourage innovation, Samsung built a center for start-up companies. There are factories equipped with advanced machinery, assisting start-ups to run their ideas and make a sample of their products. Also Samsung owns companies there to help entrepreneurs expand, providing resources of angel investment, VC and PE.

During the center tour, I saw many interesting products. Even though only a small number of them will succeed and come to scale production in market, and it may be quite a time to get a pay back, Samsung keeps investing.

This field research in Korea is fruitful and meaningful for me. I see tight relations between Korea, China and Japan, both dating back long in history and looking into the future. Their relation matters a lot for Asia, and the whole world. I also gained a further understanding of the Korea economy. Its rapid development and that of its mainstay industries provides a good sample for less developed countries. Most importantly, I learnt that more and more governments pay special attention to start-up companies, and infrastructure for this field is being well built. It matters for my career plan. Rather than focusing on big name companies, I am willing to pay attention to new growing industries.

In the end, I would like to express my best thanks to group members and professors. This trip leaves me many pleasant and unforgettable memories.