

Price of complacency

By Spencer H. Kim

Sometimes a recurring image runs through my mind. A champion athlete sits on his couch, drinking beer and eating snacks. He's watching a video of his triumphs and his awards. His belly is pudgy. He thinks he's great. He thinks he can win again without the hard work of training.

As a businessman I always worry that I am not seeing some new trend that is going to undercut my company. You always have to have your antenna tuned for change and pointed to the future. You can't relax and tell yourself how wonderful you are.

I was born in Korea but emigrated to the U.S. as a youth. I have traveled to Korea often since then on short visits. Recently I have been staying longer, a few months at a time. The longer visits mean I am seeing things with different eyes. I am starting to worry that Korea is becoming complacent; a pudgy champion that thinks that because it orchestrated the "Miracle on the Han" it is so great it can sit on the couch and still overcome its challenges.

On my most recent visit I interviewed young Koreans for my company's Seoul office, I talked in discussion groups with many of the country's elite, I gave a lecture at a national security forum,

I walked the streets of Seoul with my eyes open, and I rode in taxis with my ears open to the drivers in whom I find the voice of a special kind of wisdom.

Economically, I found no sense of the urgency of the challenges I see the country facing. The plan seems to be to let the chaebol solve everything. Solve unemployment and underemployment by exhorting the chaebol to hire more. Let the chaebol pay for the retraining/restructuring resulting from free trade agreements.

Meanwhile, all the studies and experience from throughout the world shows that economic vitality comes from the growth of new companies and new industries. Employment booms come from small and medium-sized companies. There seems to be no serious will to change rigid employment rules that can free smaller companies to hire — and fire — more, easier and faster..

Likewise, I was shocked at the attitudes of some of the recent college graduates I interviewed.

They had impressive resumes on paper, spending their parents' money in Korea and abroad, but were either not really interested in hard work or had a very inflated sense of their worth to the business world. Politically, both conservatives and progressives see clearly that the country is becoming increasingly polarized but I don't see urgency in confronting the issue. Meanwhile, tremendous energy is spent on demonstrations — literally millions of dollars and millions of man hours (police and protestors both) — when an orderly democratic process



put into place by the 1987 uprising is supposed to chart the country's course.

But that process is often gridlocked. And don't even get me started on the history textbook controversy in the age of the internet when students can find a thousand alternative sources of information to their textbooks, let alone what their teachers might tell them orally if they think the textbooks are bogus.

Geopolitically, I just don't get the complacency either, but I see it everywhere. The mantra seems to be that the US-ROK alliance is in stronger shape than ever, so we don't have to really be serious about thinking about the ramifications of North Korea, the rise of China, Japan's resurgence or Russia's Pacific policy. The Americans will take care of us. There is no need for conservatives and progressives to forge a bipartisan, cohesive strategy for the future. Many seem to think there is no price to be paid for endless squabbling and finger-pointing.

But Korea is still a shrimp among the Chinese, Japanese and Russian whales. That is a fact that will never change. While the US-ROK alliance should remain the bedrock, both Koreas need to wake up and think about how to ensure that their peninsula will fare well as the 21st Century – the Pacific Century – unfolds. Complacent Korean leaders did not do well at the dawn of the 20th Century. Korea has to get up off the couch and get itself in shape.

Spencer H. Kim is CEO of CBOL Corp., a California-based aerospace firm. He is a member of the Council on Foreign Relations, a co-founder of the Pacific Century Institute, and was a fellow at Harvard's Ash Center for Democratic Governance and Innovation 2012-2013.