The 21st century is an era of rapid globalization, a time when truly no one country is politically, economically, or culturally isolated. Korea has risen to the challenges of this globalizing environment as a nation engaged in the world economy, a country with a population that is more international than ever before. As a result, Korea is a key player in the world political stage. After South Korea entered into the United Nations and other UN-affiliated organizations, it now joins other nations in the global community of states. The movement of people with embassies, missions, and consulate generals dispatched to countries across the globe. The movement of people from Korea to countries all over the world is a reflection of the desire to improve socio-economic conditions, improve cultural exchanges, and promote political stability. Since the late 1980s, most emigrants moved to the United States, but many also moved to Latin American countries. After the Seoul Olympic Games in 1988, Latin America emigration increased, resulting in an increasingly scattered distribution. The top reason given for emigration was family reunification, followed by employment and personal business opportunities.

The “Overseas Koreans and Diplomatic Missions” map shows the geographic distribution of Koreans living overseas according to data collected by Korean diplomatic missions. They are divided into Korean nationals who have Korean citizenship and foreign nationals who have foreign citizenship. The overseas Korean nationals are further divided into permanent residents, international students, and sojourners. The number of overseas Koreans increased sharply in 1991 because the government began counting the Korean-Chinese population that year for the first time. A gradual increase appears after 1991. Currently, the number of overseas Koreans is close to 7 million, and of that total 1.2 million are permanent residents, 0.3 million are international students, and 4.4 million are foreign nationals.

The “Number of the Signed Treaties” graph shows the number of treaties signed by year. It indicates that the number of countries with diplomatic ties with South Korea has increased, the number of countries with bilateral and multilateral treaties signed increased as well. Overseas Koreans and Diplomatic Missions

The “Overseas Koreans and Diplomatic Missions” map shows distribution of Koreans and South Korean diplomatic missions overseas. These missions are grouped into embassies, missions, and consulate generals. Embassies are set up in the capital of a country with diplomatic relations. Permanent missions are set up within an international organization that Korea joins. Consulate Generals are opened wherever a large number of Koreans reside overseas. At present the Korean government manages 113 resident embassies, 5 permanent missions, and 45 consulate generals across the 191 countries with which South Korea maintains diplomatic relations. Many consulate generals are found in North America and Asia because Korea has close relationships there, particularly with the US, Japan, and China, and because many Koreans live in these regions. North Korea, on the other hand, has 47 resident embassies, 4 permanent missions, and 5 consulate generals overseas.

The same map also presents the geographic distribution of Koreans living overseas according to data collected by Korean diplomatic missions. They are divided into Korean nationals who have Korean citizenship and foreign nationals who have foreign citizenship. The overseas Korean nationals are further divided into permanent residents, international students, and sojourners. The number of overseas Koreans increased sharply in 1991 because the government began counting the Korean-Chinese population that year for the first time. A gradual increase appears after 1991. Currently, the number of overseas Koreans is close to 7 million, and of that total 1.2 million are permanent residents, 0.3 million are international students, and 4.4 million are foreign nationals.

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The Diplomatic Relations and Major Treaties diagram lists all treaties signed with South Korea as of 2014. The status map shows the number of overseas Koreans, diplomatic missions, and sojourners per country. The Status of Overseas Koreans and Diplomatic Missions Overseas map shows the number of overseas Koreans and diplomatic missions overseas in 2014. The Diplomatic Relations and Major Treaties diagram lists all treaties signed with South Korea as of 2014. The status map shows the number of overseas Koreans, diplomatic missions, and sojourners per country. The Status of Overseas Koreans and Diplomatic Missions Overseas map shows the number of overseas Koreans and diplomatic missions overseas in 2014.
International Trade

International trade and investment is the exchange of capital, goods, and services across international borders or territories. It includes the international flow of tangible and intangible commodities such as finance, insurance, transportation, distribution systems, and information technologies, as well as the international flow of key production elements such as capital, labor, technology, and others. Furthermore, it includes a series of international agreements such as the Free Trade Agreements (FTA) because such international regulations or norms have a significant influence on (labo) technology, and competition in the international economic environment. The level of Korean involvement in international trade and investment has strengthened significantly over the last five decades.

The rapid growth in trading by Korea stems directly from export-oriented economic development strategies that were implemented by the government through a series of five-year plans beginning in 1962. For example, trading volumes have increased significantly from around 100 million USD in 1960 to over 1 trillion USD (as exports: 559.6 billion USD, as imports: 551.5 billion USD, as reported in 2013). South Korea is now ranked 6th in the world by trading volume. Along with the significant growth of trade, the Korean economy has become progressively more dependent on international trading. There has been a rapid increase in trade since the early 1990s, accounting for 62.5% in 1994, 83% in 2008, and 82.4% as of 2013.

Specifically, the trends show remarkable growth in exports since the early 2000s. For example, exports increased from 376.4 billion USD in 2001 to 594.6 billion USD by 2013, making a trade balance growth from 9.3 billion USD in 2001 to $44 billion USD in 2013. Between 2008 and 2012, the main commodities exported by Korea were vessel, ocean structure, and their parts (highest export revenue during last 10 years), semiconductors, automobiles, flat displays and sensors. The export of semiconductors has also increased significantly since 2008. By 2010, semiconductors became the largest single export commodity (on sales traded), although the proportion of semiconductors in exports decreased due to the decline of prices in the world market in 2011. Automobile exports have also increased significantly since 2010 due to part in the round FTA with the USA as well as increasing demands from other advanced economies.

Concomitantly, South Korea has experienced significant growth in imports despite a moderate downturn during the world economic crisis in 2008. The subsequent rise in oil prices and the importation of equipment have stimulated rising imports once again. Crude petroleum has been the most significant import good, accounting for over 25% of total imports. Korean crude petroleum imports in 2011 surpassed 100 billion USD for the first time, accounting for 32.9% of the total imports that year.

The main export partners for Korea are China, the US, Japan, Singapore, Vietnam, and the European Union (EU). China has been the top exporting partner since the early 2000s. Exports to China increased from 3.8 billion USD (0.5% of total exports) in 1989 to 70.4 billion USD (31.2% of total exports) by 2013. Exports to Vietnam also increased rapidly since the late 1990s due to the rapid growth of Korean foreign direct investments in Vietnam. The proportion of exports to advanced economies such as the USA, Japan, Singapore, and the EU has decreased. Along with this pattern of exports, imports have followed a similar trend. The major import partners for South Korea are China, the USA, Japan, the EU, and Saudi Arabia. Among these countries, China has been the top importer of Korean goods since 2007.

The trade balance did show deficits in the 1980s, and these continued until the mid-1990s. The average trade balance from 1980 to 1995 was 58 billion USD, with the largest surplus of 44 billion USD in 2013, and the lowest deficit of 20.6 billion USD in 1990. Since the mid-1990s, Korea has posted mostly surpluses in large part due to the dramatic growth in exports. The average trade surplus between 2001 and 2013 was 22.3 billion USD. Since 2003, the largest surpluses came from trading with China. For example, a round surplus of 86.6 billion USD was posted from trading with China in 2013, accounting for 19.7% of total trade surplus of Korea. On the contrary, the deficit with Japan has increased from 2.8 billion USD in 1990 to 36.1 billion USD in 2010. The trade deficit with Japan has decreased since 2011 after diversifying import sources and after the 2011 earthquake in Japan.
Foreign Direct Investment

Korean outward foreign direct investment (FDI) into manufacturing sectors has been mainly dominated by two categories: the manufacture of electronic components, computer, radio, television and communication equipment; and the manufacture of motor vehicles, trailers and semitrailers, which accounted for 27.4% and 11.9% of cumulative manufacturing FDI as of June 2014.

Investment in the manufacture of electronic components, computers, radio, television, and communication equipment and related technologies amounted to 28 billion USD in 75 countries by 2013. It has grown significantly since the mid-1990s. For example, it increased from 80 million USD in 1990 to 3.9 billion USD in 2013. Geographically, investments in these areas are concentrated in China (including Hong Kong) and the USA, and accounted for 52.8% and 15.8% of the total Korean outward FDI in 2013 respectively. The Netherlands, Vietnam, Ireland and Japan represent 6.0%, 2.6%, and 2.0% of investments respectively in 2015.

Investment in the manufacture of motor vehicles, trailers, and semitrailers amounted to 13.7 billion USD in 57 countries in 2013. Geographically, this kind of investment is concentrated in China (including Hong Kong) which accounted for 57.0% of total Korean manufacturing FDI in the world in 2013, India, the Czech Republic, the USA, Slovakia, and Brazil followed with 11.5%, 7.8%, 6.8%, 6.0%, and 5.4% respectively in 2013.

Foreign direct investment (FDI) is a critical business strategy for expanding the operations of a domestic firm abroad via green field investments, mergers and acquisitions, and the expansion of existing foreign facilities (a green-field investment is one that a company builds a brand new facility in a foreign country from the ground up). Outward FDI has become a part of the progression of firms because it provides better business opportunities through the specific strengths and location-specific advantages of the firm in foreign countries. Korean outward FDI has undergone significant growth since the late 1980s, increasing from 1.1 billion USD in 1990 to 22.7 billion USD in 2007. The total number of new firms established by Korean FDI is 58,270 cases, and the amount of Korean FDI was a cumulative total of 265 billion USD between 1968 and June 2014.

When grouped by regions Asia, North America, and Europe accounted for 45.4%, 23.9%, and 19.4% respectively of Korean outward FDI in 2010. In particular, China and the USA accounted for 27.3% and 20.3%. The UK received 6.4%, Vietnam 4.0%, Canada 5.1%, and the Republic of South Africa 3.4%, while other countries received less than 3% in 2010. Interestingly, Korean FDI in Vietnam has increased significantly since the early 2000s with the result that Vietnam has emerged as the 4th largest host economy for the Korean outward FDI. The Korean outward FDI has also significantly contributed to the GDPs of some host countries. For example, the proportion of Korean outward FDI was 13%, 8.3%, 5.7%, 5.2%, 3.7% and 2.3% for Cambodia, Madagascar, Vietnam, Panama, Mongolia, and Laos respectively. The manufacturing sector received the largest investment, accounting for 75.8% of Korean total outward FDI between 1968 and June 2014. Mining and quarrying, wholesale and retail trade, and financial and insurance activities sectors received 18.2%, 11.5% and 11.0% during this period.
As the international status of Korea continues to grow, the Korean government continues to play active roles on the world stage. One truly symbolic highlight for Korea was hosting the Seoul Olympic Games in 1988. Another benchmark accomplishment was the acceptance of Korea into membership in the Organization for Economic Cooperation and Development (OECD) in 1996. Since then, the participation of the nation in the OECD has solidified the importance of Korea in world affairs.

Korea has engaged in international cooperation and development in several ways since the late 1980s. The Korean government established the Economic Development Cooperation Fund (EDCF) in 1987 to offer international loans. In 1991, the Korea International Cooperation Agency (KOICA) was set up to provide grants and volunteers for a wide range of collaborative projects worldwide. Korea also joined the Development Assistance Committee (DAC) in the OECD in January 2010, signifying the role of the nation as an active donor for global development. Specifically, official development assistance by Korea is both bilateral and multilateral. Members of the Korean Overseas Volunteers (KOV) have been dispatched to many parts of the world. Thus far, the effort to provide international assistance has focused on these regions: Asia, the Middle East, Eastern Europe, the Commonwealth of Independent States (CIS), Africa, and Latin America.

The Official Development Assistance (ODA) of the Korean government provides grants or loans for promoting economic development and welfare of developing countries. Korea, as a member of the Development Assistance Committee (DAC) of the OECD, has provided grants and loans to many developing countries all around the world. The “Official Development Assistance from Korea” map shows the cumulative amount of Korean grants from 2010 to 2012, normalized by the population of the receiving country. It also shows the number of Korean overseas volunteers and the engaged sectors within each country. Many volunteers at present are involved in education, agriculture, fisheries, and public health.

The graph of “Official Development Assistance by Type” presents the yearly totals of ODA by type from 1990 to 2012. It also tracks the ratio of ODA to Gross National Income (GNI). Note that the ratio has increased continuously since 1990. An exceptionally high value is observed in 2005 due to the tsunami disaster in South Asia.

The ODA may be classified into two categories: bilateral and multilateral. The bilateral assistance can be further divided into grants and loans. The graph shows that Korea has increased assistance in all types of ODA. In 2012, for instance, the amount of bilateral (grants and loans combined) and multilateral ODA reached to 1,160 million and 390 million USD, respectively. It indicates that these were increased by 17.4% and 16.0% compared with the previous year, attesting to the fact that Korea has expanded the role it has assumed as an active donor for global development.
The World Heritage Programme was created by the World Heritage Committee of UNESCO to identify, celebrate, and protect important cultural and natural sites for the benefit of all humankind. World Heritage Properties are divided into three categories: Cultural, Natural, and Mixed (both Cultural and Natural). A World Heritage site indicates and protects important universal, cultural, and natural sites.

The Korean World Heritage sites are mostly distributed in the central capital area (five sites) and Gyeongsangbuk-do (three sites). Because Seoul has functioned as the capital of Korea since the Joseon Dynasty (1392-1910), several historical sites are found here, such as the Chonghyonggung Palace Complex, the Confucian Shrine (at Janggyeonggung), and the royal tombs of the dynasty. The military facilities located around Seoul also functioned in defense of the capital, and chief among these are the Hwaseong Fortress and Namhansanseong. Gyeongju in Gyeongsangbuk-do is also noteworthy as an important historical site. As the capital of the ancient kingdom Silla (71 BC-935), Gyeongju still possesses a variety of historical relics from ancient times such as the Geumgang Grotto and Bulguksa Temple. Additionally, in Gyeongsangbuk-do there are historical villages dating back to the early Joseon Dynasty. Meanwhile, there are two heritage sites in North Korea (the House of Messengers and Sites in Gaesong, and the Complex of Gaesongyewon). Other provinces also have a cultural site each (Gyeongju-uousa-do, Jindo-do and Jeonju). In particular, the volcanic nature of the Hyon Special Natural Preserve Province led to it being designated as a World Natural Heritage site, which is called “Hyon Volcanic Island and Lava Tube.” It is divided into the Hahoe Natural Reserve, the Governmental Lava Tube System, and the Scoungg Unhyeungg Tuff Cone.

The heritage sites can also be categorized by function. First, there are various types of complex tombs such as the Gochang, Hwasun, and the Ganghwa Dolmen Sites of the Bronze Age, the Goguryeo Tombs of the Goguryeo period, and the Royal Tombs of the Joseon dynasty, all of which account for 27 percent of the designated sites. The tombs recall steppe of the culture, the warfare ways and the rituals of each period. The proportion of buildings (23.7%) on the list is also high. The various buildings in Changdeokgung, for instance, are well coordinated with the surrounding nature. Designed to control temperature, humidity, and ventilation, Jungnyangg Panjon in Haeinseop Temple still contains the perfectly preserved Tripotika Korean woodblocks which have been housed there for the past half millennium. Gyeongju and Goseong, the former capitals of the Silla and Goryeo periods, have many historic monuments and sites.

There are a variety of historical buildings, monuments, and ruins that represent this period. Along with Goseong and Goseong which were designated as military bases to defend Seoul from the west and the north, two other historical Nonaamchung and Hwaseong, are World Heritage Sites. These played a vital role in defending the capital from the east and south, and both are additionally significant for their historical and architectural values.

The Korean folk villages of Hahoe and Yangdong, and the royal palace in Gyeongju are also worthy of notice. The villages remain in keeping the Korean traditional customs in the daily lives of those dwelling here. Programs in the royal shrine demonstrate the Confucian traditions of the royal family in the Joseon dynasty by means of various performances such as rituals, music, and dance.

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