

President Lee Myung Bak Vowed to Revive the Economy in his Inaugural Speech

South Korea's newly elected President Lee Myung Bak delivered his inaugural speech on February 25th, 2008, giving a broad picture of the future economic policies of his administration for the next five years.

Economic boost

First of all, sensing the urgent need for an economic turnaround, he emphasized that new economic growth engines need to be found to expand economic growth, and create more jobs.

In order to do that, the government needs to be transformed into a more competitive organization. That is, efficiency should be boosted under the concept of 'the small-government, big-market principle'. In addition, the government should bring in as much participation as possible from the private sector and introduce fierce competition into the public sector. Moreover, he suggested that the number of the government officials should be gradually reduced and unnecessary regulations be removed in the near future.

Advanced markets and institutional reforms

President Lee pledged to improve markets and institutional environments in order for corporations to make active investments and advance into the global market. He said he will help innovative SMEs grow into big companies which are as competitive as larger corporations. He also expressed his willingness to build an atmosphere where transparent and honest businessmen are highly respected, and corporations which create jobs through investments are beloved.

President Lee emphasized that a voluntary improvement in labor-management relations is a pre-requisite for upgrading the economy. Therefore, both labor and management should make concessions to create a

harmonized labor-management culture. Illegal strikes should be prohibited, and more efforts should be made to increase productivity. President Lee said that the Korean government will provide wholehearted support based on principle.

Market opening

President Lee underlined that it is inevitable for Korea to open its market in an era of globalization. As the Korean economy highly depends on exports, it is crucial to expand national wealth through free trade agreements. Unfortunately, the Korean economy is vulnerable in some sectors, especially in the field of agriculture and fishery. However, he asserted that there is no turning back at this moment, and the government will come up with countermeasures.

He insisted that the agriculture, forestry, and fishery industries should not stay as primary industries, but be upgraded to secondary or tertiary industries with the help of highly advanced production technologies and distribution services. Farmers and fishermen should not hesitate to open their markets. With cooperation between the government and the industries, the challenges ahead of us can turn into opportunities.

Active and preventive welfare

President Lee said that people have rights to live a healthy and comfortable life. In this vein, he pledged to replace the current passive welfare system with an active and preventive one.

President Lee said his government will promote civil and social rights by implementing gender equality policy. More child-care services will be provided based on the needs of living standards, and more jobs will become available home and abroad for younger generations to step into the real world. In addition, by stabilizing living environments, he will secure a foundation for individual living as well as social security.

As for tackling population aging, President Lee said that his government was set to revise the old-age pension scheme to be more realistic and expand medical benefits and infrastructures for the elderly. The government will also create jobs for the aged who are able and willing to work. The president elaborated on his plan for the disabled and urged Korean society to treat them with warmth and dignity.

Education of talented people

President Lee stressed that the advancement of Korea hinged upon how many talented people we could secure. He acknowledged it was imperative to reform Korea's education system. The government will help schools diversify and teachers improve their skills and competitiveness. Autonomous universities and colleges are a key to enhancing national competitiveness and making Korea an advanced nation. Korean universities and colleges should vigorously invest in education and research to compete with the world's prestige universities. Korea also needs to nurture prospective scientists by creating a social environment where scientists are well respected and acknowledged.

Eco-friendly policies

Housing is not only a source of wealth but also a necessary infrastructure for our daily lives. President Lee mentioned that his government would push ahead with the housing policy in a way to curb runaway housing prices and upgrade the living standard. The president also added that we must redevelop our land to meet the future needs. Maritime expansion and metropolitanization are global trends. We should explore ways to modify our land use so as to upgrade our future lifestyle. In any case, he stressed, the goal is to enhance the healthiness of our land in an eco-friendly and culture-friendly manner. Environmental preservation leads to an improvement in the quality of life while environmental industries create new growth engines. Policies in regard to food, environment, water, resources, and energy should be made in line with environmental conservation, emphasized the president.

Global diplomacy

President Lee made it clear that he would more actively cooperate with the international community to carry out global diplomacy. The president reiterated the need to transform the current Korea-US relations into a stronger and more forward-looking partnership. He also acknowledged that forging solidarity with Asian countries was critical. In particular, Korea should bring peace and shared prosperity to the East Asia by strengthening cooperative relations with Japan, China and Russia.

The president also said that his government would look to secure a safe and stable supply of resources and energy to keep Korea's economic engine running in a steadfast way. In addition, he expressed his willingness to take the initiative in stepping up international efforts for the advancement of the environment and peace. He is resolute to contribute to upholding universal values and to play a leading role commensurate with Korea's economic and diplomatic capabilities.

Inter-Korean relations

Unification of the two Koreas has been a long-cherished desire of the 70 million Koreans. President Lee underlined that the inter-Korean relations must become more productive than they are now. To that end, Korea should ensure that pragmatism should take precedence over ideology. The government should prioritize policies which pave ways for unification in a way that helps North and South Koreans alike live happily. As already mentioned in "Vision 3000, Denuclearization and Openness," if the North abandons its nuclear ambitions and opens its doors to the world, a new horizon will open up in inter-Korean cooperation. The president said he would work with the international community to help North Koreans realize a per capita income of 3,000 dollars. He stressed that these efforts were for the sake of fellow Koreans in the North, which will eventually lead to advance the unification of the two Koreas.

The two Koreas' politicians, he insisted, should put their heads together to contemplate how to make the 70 million Koreans better off and how to unify the two Koreas based on mutual respect. To realize this, the leaders of the two Koreas must have dialogues whenever the need arises. President Lee added that a window of opportunity for inter-Korean summit talks was always open.