

# FACTS ABOUT SOUTH KOREA

## Economic

- Over the past 50 years, South Korea has dramatically transformed its economy from one of the poorest in the world to one of the wealthiest nations, on par with other developed countries, with a **per capita** (purchasing power parity or PPP) **Gross Domestic Product (GDP) of \$37,900 (2016)**.
- Once a U.S. foreign aid recipient, South Korea is now the **13<sup>th</sup> largest economy in the world** (\$1.93 trillion, based on PPP – bigger than Canada and Spain) with 51 million people on a land mass similar in size to Portugal or Indiana (2016).
- According to The College Board (2012), South Korea has the **highest college graduation rate** in the world at 65 percent (the U.S. was ranked 14<sup>th</sup> with 43 percent of Americans between the ages of 25 – 34 years old who have an associate's degree or higher).
- According to OECD (2015), nearly **32 percent of degrees awarded** in South Korea are in the Science, Technology, Engineering, and Mathematics (STEM) fields (vs. 16 percent for the United States).
- South Korea is America's **6<sup>th</sup> largest trading partner**, with U.S. goods and services exports totaling \$63.9 billion in 2016, supporting over **350,000 U.S. jobs**.
- Since 2011, total level U.S. exports to South Korea has increased by **\$2 billion or 3.2 percent**.
  - a. U.S. exports of items that were directly addressed in the Korea-U.S. Free Trade Agreement (KORUS FTA) increased by 18 percent from 2011 to 2015.
  - b. Overall U.S. passenger vehicle exports to Korea increased 140 percent since 2011.
  - c. The U.S. exported \$5.7 billion in agricultural and related products to South Korea in FY 2016, making the ROK the 6<sup>th</sup> largest export market for American farmers and ranchers.
  - d. The U.S. exported over \$1 billion worth of beef to Korea in 2016, making Korea the 2<sup>nd</sup> largest export market for U.S. beef (based on poundage).
- According to the U.S. International Trade Commission, the KORUS FTA has improved the 2015 merchandise trade balance between the U.S. and South Korea by \$15.8 billion in favor of the United States.
- South Korea was ranked **5<sup>th</sup> in the world in terms of ease of doing business** in 2017 by the World Bank.
- U.S. foreign direct investment (FDI) in South Korea was \$2.8 billion in 2015, representing total assets of \$34.6 billion.
- Korea is now the **5<sup>th</sup> fastest-growing source of FDI in the United States**, nearly doubling since 2011, for a total portfolio of \$38.2 billion.
  - a. Examples of Korean FDI in the U.S. comprise more familiar named companies such as Hyundai (Montgomery, Alabama) and Kia Motors (West Point, Georgia), but include other firms as well such as CJ BIO America of Fort Dodge, Iowa and Kiswel Co. Ltd. of Florence, Kentucky.
  - b. U.S. subsidiaries of Korean firms employed **45,100 U.S. workers** in 2014, earning an average annual compensation of salary and benefits of \$92,000, and contributed \$24.8 billion to total U.S. merchandise exports.
  - c. Hyundai, Samsung and LG have announced plans for further investment in the United States.

## Political/Security

- The U.S. and Korea's Joseon Dynasty first established diplomatic relations in 1882 under the Treaty of Peace, Amity, Commerce, and Navigation.
- 2017 represents the **64<sup>th</sup> anniversary** of the U.S.-Republic of Korea (ROK) alliance with the signing of the Armistice agreement ending the Korean War and the mutual defense treaty.
- **Over 325,000 U.S. military personnel served** during this conflict, which resulted in nearly 37,000 battle and non-battle deaths.
- Currently, **28,500 U.S. troops are stationed in South Korea**.
- According to General Vincent K. Brooks (Commander, USFK), South Korea provides up to **50 percent** of the total non-personnel stationing costs for the U.S. troop presence amounting to an estimate of \$819 million for 2016.
- South Korea has contributed troops to support every major U.S. military engagement post-1953 (Vietnam, Persian Gulf War, Afghanistan, and Iraq).
- The ROK has compulsory military service for all South Korean young males.
- South Korea is the **highest contributor to its own defense**, as a percentage of its GDP, of any European or Asian major ally of the United States, at 2.6 percent.

- **Eighty percent** of South Korea's imports of military equipment over the last five years have come from the United States.
- South Korea hosted the 2010 G-20 Summit, the 2012 Nuclear Security Summit, the 2015 Global Health Security Agenda High-Level Meeting, and the 7<sup>th</sup> World Water Forum.
- Next presidential election in South Korea will occur in early May 2017 for a five-year term.
- The Minjoo (Democratic) party has the single largest number of seats (121) in the 300 member National Assembly in South Korea. Conservatives are split between two parties – Liberty (94 seats) and Bareun (32 seats). The centrist People's Party has 39 seats and the progressive Justice Party has 6 seats. Independents and vacancies comprise the remainder. In 2016, Members of the National Assembly were elected to a four-year term.

### Korean influence in America

- According to the 2010 Census, over **1.7 million Americans of Korean-descent** live in the United States, an increase of 41 percent since 2000.
- Representing the 8<sup>th</sup> largest source of foreign visitors, **1.76 million South Koreans travelled to the United States** in 2015, representing a 21 percent increase since 2014.

- **Over 61,000 South Koreans studied in the United States** during the 2015/2016 academic year, representing the 4<sup>th</sup> largest contingent of foreign college students in America.
- **Top ten states** where Korean-Americans reside include (in descending order): California, New York, New Jersey, Virginia, Texas, Washington, Illinois, Georgia, Maryland, and Pennsylvania.
- **Hawaii** has the highest per capita concentration of Korean-Americans of any state.
- The **top three U.S. metropolitan areas** where Korean-Americans reside include (in descending order): Los Angeles, New York, and Baltimore/ Washington.
- Since 1953, over **100,000 South Korean children have been adopted** by U.S. parents.
- The Korean community in the United States include notables in working in diverse sectors such as actor **Daniel Dae Kim** ("Hawaii Five-O" and "Lost"), author **Linda Sue Park** (*A Single Shard*, 2002 Newberry Medal winner), ladies professional golfer **Michelle Wie**, **Peter Kim** (10-year president of Merck Research Laboratories), **Michelle Rhee** (former Chancellor of the District of Columbia Public Schools), and **Ambassador Sung Kim** (current U.S. Ambassador to the Philippines).



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# THAAD Missile Defense in South Korea

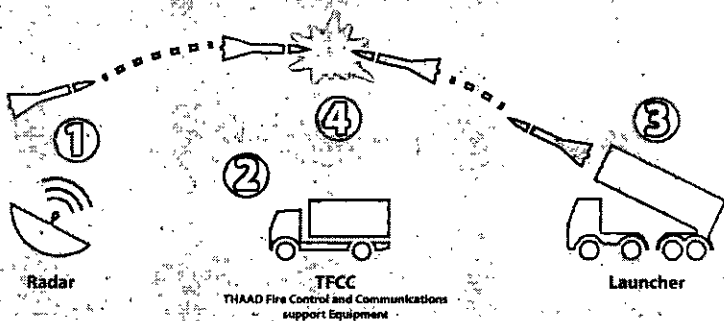
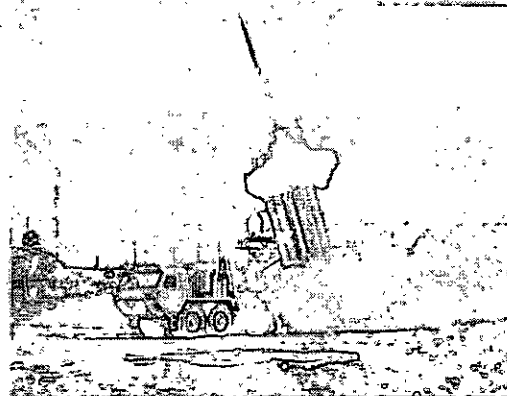
## Providing Protection from North Korea

### What

Terminal High Altitude Area Defense (THAAD) batteries are an advanced missile defense system developed by the United States. The system is designed to intercept incoming medium range ballistic missiles (MRBM) during their terminal phase.

### Why

North Korea continues to develop its renegade nuclear program and conduct missile tests despite international condemnation. South Korea has been a long standing ally of the United States, and THAAD provides protection for South Korea from a possible missile assault from North Korea.



### How

- 1) Radar detects incoming threat
- 2) The target is identified and engaged
- 3) Interceptor is fired from truck-mounted launcher
- 4) Interceptor uses kinetic energy to destroy incoming missile

### When

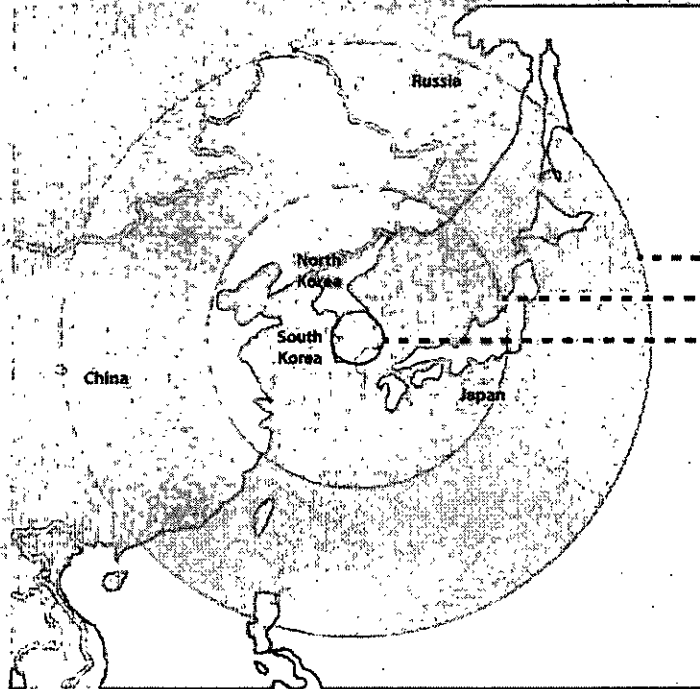
At the request of South Korea, the U.S. started the process of deploying THAAD on March 6, 2017, at Osan Air Base in Pyeongtaek, South Korea. Provocative actions conducted by North Korea, including two nuclear tests in the past year and two rounds of missile tests in 2017, have prompted officials in both nations to speed up the deployment process, which may be completed as soon as this year.

2014	2015	2016	2017
June 8	May 21	February 7	March 6
U.S. Forces Korea commander Gen. Curtis Scaparrotti states the U.S. is considering THAAD deployment in South Korea	South Korean defense ministry states that Seoul would join consultations on possible deployment at the U.S.'s request	South Korea announces the start of formal consultations for THAAD deployment	The first of five components of the missile system arrives in South Korea
		July 8	Expected 2017
		South Korean and U.S. officials announce the decision to deploy THAAD in South Korea	Officials have indicated that full deployment could occur within one or two months

# THAAD Missile Defense in South Korea

Providing Protection from North Korea

## Missile and Radar Range



The deployment site for THAAD is in Seongju County, located 184 miles south of South Korea's capital Seoul. The 125 mile missile range can only intercept medium range missiles in South Korea's airspace and not intercontinental ballistic missiles (ICBM).

1,250 miles X-Band Radar Range (forward base mode)

625 miles X-Band Radar Range

125 miles THAAD Range

China has responded negatively to THAAD deployment in South Korea on the grounds that the radar range violates Chinese territory. Russia objects as well. The U.S. and South Korea have dismissed these claims because of THAAD's purely defensive capabilities.

THAAD uses kinetic energy to intercept and destroy incoming missiles during their downward phase. THAAD is ineffective against ICBMs in their launch stage and the missiles do not carry their own warheads.

## North Korean Threat

**5** nuclear tests from 2006 to 2016, with two conducted in 2016.

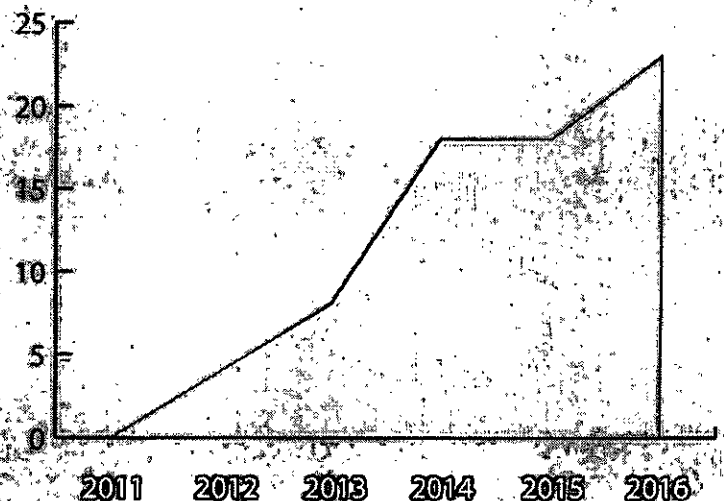
**28** missile tests in 2016, which is a record high number of missile tests for North Korea in a year.

**5** sub-launched ballistic missile (SLBM) tests in 2015 and 2016.

**1,500** kilometer range of North Korea's medium range ballistic No-dong missile.

**2** times the number of missile tests under current North Korean leader Kim Jong Un than his predecessor and father Kim Jong Il.

## Number of Missile Tests under North Korean Leader Kim Jong Un



North Korea has also conducted missiles tests in March and February of 2017.

Source: Heritage Foundation, Lockheed Martin, CSIS, Korea Herald



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