



THE PENINSULA

Future of Korea: Enhancing Cooperation and Dialogue with Vermont

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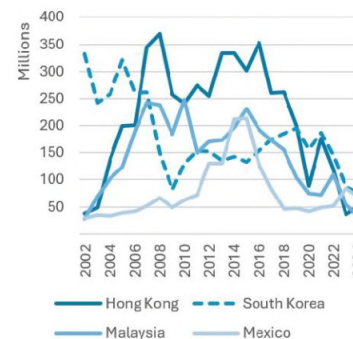


From May 13 to 15, 2025, the Korea Economic Institute of America (KEI) brought its Future of Korea (FOK) outreach program to Burlington, Vermont, in partnership with the Vermont Council on World Affairs. The FOK delegation consisted of representatives from KEI, the U.S. Department of State, and the South Korean Embassy. During the visit, the delegation attended meetings with students from the Vermont Commons School, members of the Vermont Council on World Affairs, and local business representatives.

Vermont Exports, 2002-2024
(in US\$)

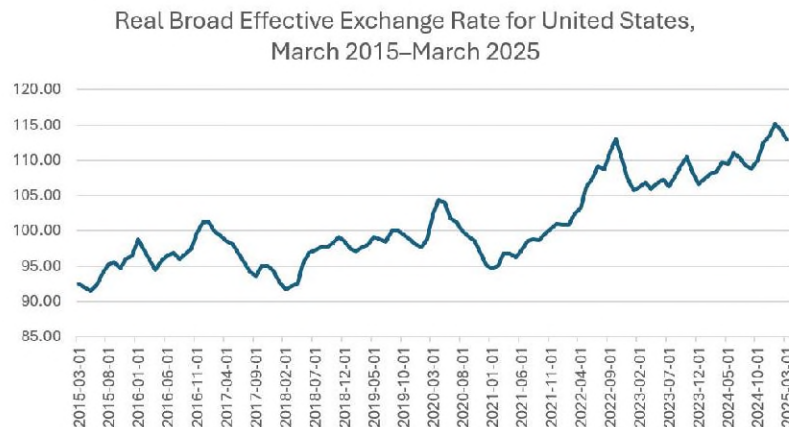


Vermont Exports, 2002-2024
(in US \$)



Source: U.S. Census

According to the U.S. Census, Vermont's overall value of exports to South Korea has been declining in recent years, though perhaps less so in comparison to other countries. One reason for this may have to do with the strength of the U.S. dollar, which coincided with the decline in the value of exports. Given that the Donald Trump administration is seeking to address this issue as it pertains to trade, some moderation in the dollar's strength may work to alleviate the loss of export revenue for Vermont.



Source: Federal Reserve Bank of St. Louis

Note: Index 2020=100, Monthly, Not Seasonally Adjusted

A notable concern, however, is the changing nature of Vermont's economy due to a recent spike in the cost of living. The main driver of this change was the COVID-19 pandemic, during which wealthy out-of-state professionals moved to Vermont to work remotely from the state's serene and scenic environment. While this has generated some short-term gains for the state in the form of new real estate investments, rising property prices have made it more difficult and costly for employers to attract and retain workers, which has translated into a rapidly declining working-age population in the state. While the challenge appears worrisome, this is precisely one of the reasons why Vermont is worth a closer look when it comes to greater engagement with South Korea.

Aging Population

Based on conversations the FOK delegation had with local businesses, a common concern that emerged for both Vermont and South Korea was elderly poverty, an issue linked to an aging population. The "Age Strong Vermont" roadmap charts a ten-year multisector plan for transforming Vermont into an elderly-friendly state as it comes to terms with the reality that one in three residents will be over the age of sixty by 2030. Currently, one in four Vermonters is over the age of sixty, which is nearly identical to the age distribution in South Korea. However, 45 percent of all Vermont employers do not offer retirement benefits, and 70 percent of older adults in the state are expected to require long-term care. Likewise, only about 52.4 percent of South Koreans aged sixty or older reported preparing for retirement through the country's National Pension System, which is lower than the OECD average of 59.1 percent. Studies have also shown that elderly South Koreans rely primarily on earned income or personal capital assets (such as real estate) rather than formal retirement benefits, as public pension is only about 26 percent of elderly income, which is significantly lower than the OECD average at 64 percent.

Vermont and South Korea may consider creating partnerships to share best practices in elder care and community support systems. South Korea offers insights into both high-end luxury and public-supported care, as well as employment options for the elderly. While the feasibility of these ideas must factor in the different contexts between Vermont and South Korea, there could be benefits to looking at how each side is addressing a common problem.

Renewable Energy and Green Technology Investment

Another area of potential cooperation is renewable energy and green technology investment. Vermont's commitment to renewable energy is exemplified by Burlington becoming the first state in the United States to draw 100 percent of its electricity from renewable sources (as of 2014). Vermont's evolving renewable energy standards also show that the state now has the ambition to source 100 percent of its electricity from renewable sources by 2035. The state is also developing microgrids that combine solar energy with battery storage so that communities can operate independently during outages without fossil fuel. These are remarkable achievements, and South Korean officials and businesses could learn from partnerships and engagements with their counterparts in Vermont as the country seeks to expand its renewable energy portfolio and decentralize its power system.

Sustainable Agriculture and Food Processing

Both Vermont and rural South Korea feature small-scale diversified farms set in temperate climate zones, making their experiences and innovations directly relevant to one another. The participants of the business roundtable during the FOK program indicated that Vermont leads in organic and sustainable farming. South Korea has a vibrant community of small organic farms and a growing interest in smart farming techniques. There is a potential for exchanges and collaboration in research and sharing best practices.

Furthermore, Vermont is known for its high-quality dairy and maple products and organic produce, which are built on a strong network of food producers, processors, and organizations focused on sustainable, value-added food production. There is a potential for cooperation between Vermont and South Korea where the former can supply premium ingredients to the latter's processors, who seek high-quality imports for their products. This collaboration can also pave the way for the co-development of new products tailored to Korean consumption trends, such as health-oriented snacks, plant-based foods, and functional beverages.

Creating Channels for Dialogue and Exchange

One way to facilitate this kind of engagement is by utilizing vehicles for more exchanges and dialogues. Some simple steps include establishing sister-city or provincial-state-exchange programs. There are numerous candidates for such programs. The city of Goyang is a suburb of Seoul that has been named Asia's most sustainable city for two consecutive years. Jeju Island is pursuing an ambitious "Carbon Free Island by 2030" policy, aiming to eliminate fossil fuel use and transition to entirely renewable energy sources by 2030. Jeju Island is also a UNESCO Biosphere Reserve and seeks to promote sustainable tourism through initiatives like the "Luxclusive" project. Finally, Pyeongchang rose to the global stage by hosting the 2018 Winter Olympics with a strong sustainability focus. The event not only aimed to reduce emissions with venues powered by solar and

geothermal energy but also delivered spillover benefits to the surrounding Gangwon Province. The focus on green growth and long-term regional sustainability may align well with Vermont's focus on these themes as well.

Expanding educational exchange is another way of enhancing cooperation. The University of Vermont (UV), known for its strength and leadership in environmental sciences and environmental studies, currently maintains an exchange program with Korea University, which is home to the Center for Global Climate and Marine Governance and the Climate Corps Summer School. UV could consider expanding its network to include other universities, such as Seoul National University, which consistently ranks as the best university in South Korea for environment and ecology, and Yonsei University, which houses the Center for Global Sustainability, Ecosystem-Atmosphere Process Lab, and Environmental Finance Graduate School.

Conclusion

Both Vermont and South Korea have much to gain by focusing on areas of mutual interest, such as the aging population, sustainability, small-scale farming, and food processing. Strengthening networks by building bridges through municipal and provincial government support, as well as exchanges between educational institutions, can provide an important first step. While concerns about trade and tariffs might dominate the national and international agenda, this need not be the case at the local and regional levels. Vermont and South Korea can still chart a better path forward, provided there is shared interest and mutual gain that can be realized through dialogue and exchange.

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