KERALA ECONOMY
2021, VOL.2, NO. 2 – 3 pp 43-44 .

ISSN : 2583-4436

GULATI INSTITUTE OF FINANCE AND TAXATION

Keun Lee

Director, Center for Economic Catch-up, Seoul National University, South Korea &Vice Chairman, Presidents Economic Advisory Council

Actually, I was supposed to be in the session one, but I had a meeting with the Council (of Economic Advisors), so I couldn't join that time. Now I'm glad to be able to join this last concluding session. As introduced by KJ I have been recently appointed as the vice chairman of the National Economic Advisory Council of Korea, which is like the CEA in the USA. Mr. President himself is the chairman and I am the Vice Chairman from this week.

As a policy response to the Covid-19, the Korean government has proposed a new policy line, called K-New Deal, which has three components. One is the digital infrastructure, and the second is the new growth engines including bio-technology and the third component is new social safety deal. So, the government is putting a lot of budget on these three aspects of the new deal.

Today, we have had many discussions about the importance of education and re-skilling and up-skilling in a knowledge-based economy. In this context, one essential issue is making education more accessible, and e-learning system by digital technology is one of the most efficient means to achieve this. You can make education not only efficient but also based on mass customization. Another thing is digital labor market. Nowadays, there are many web or app-based service matching between tasks and people supplying that task or service.

Another topic we can discuss is about start-ups and entrepreneurship. Every country tends to have its own policies for start-ups and we may learn from experience in China or Thailand. They are creating something like a start-up centres or spaces where they supply potential entrepreneurs with basic devices like 3D printing machine, laser cutters, and other basic devices for new entrepreneurs.

In the meantime, when we talk about knowledge-based economy, it is often useful to distinguish two types of knowledge, namely scientific knowledge (represented by academic

articles) and technological knowledge (often represented by patents etc.). Then a related issue is how to translate them into practical usages by industries, namely the issue of commercialization. Unless there is an effective national innovation system, scientific knowledge tends not to be utilized but remain within the ivory tower.

Last, I would like to mention that to be effective in policy making and implementation, one simple but effective approach is bench-marking preceding success stories from neighbouring countries. In this regard I would say China might be an obvious bench-mark case for India to derive and take some lessons. As is well-known, may policies in Korea used Japan as a benchmark, which is cost-effective way.