From the Honorary Ambassador Roundtable (cont.)

the amount of money to be amassed in Asia will require a major financial center in the continent. Tordjman cited various reasons it would be difficult to locate this center in Shanghai, Hong Kong, Singapore and Japan.

“Korea has a role to play in the next 20 years,” he said. “And if you play well in connection with Japan and China, you will take a leap here.”

Christian Jouquin, an Honorary Ambassador from Belgium and the former CEO of Solya SA, praised the openness to industry of Korea’s high educational level. The Belgian chemical company Solya has established the headquarters of one of its business units and a research, development and technology center on the campus of Seoul’s Ewha Womans University.

“They are open for innovation and collaboration,” said Jouquin, of Korean universities. “And that’s for us extremely important because that’s the key to have access to the large groups.”

Tangential from a comment about the importance of intellectual property, Jouquin added that it’s basically all about the people.

“As level of legal protection, we are extremely happy. But what is more important than the loyalty of people? Because at the end of the day, if people don’t stay with you, you will lose the know-how...” he said. “We are here in Korea for more than 40 years now. When I look at it, I would say, the turnarounds of personnel, it’s extremely low. So loyalty of people to the company is certainly, I would say, an element of protection.”

Jouquin found the emphasis of Koreans during Solya’s investment in the Ewha facilities “remarkable” and that they took it as a challenge.

“It reminds me of another previous investment in Korea where the Korean below budget and ahead of schedule. This was the result of the very strong commitment of the Korean management.”

Jamie Metz, an Honorary Ambassador from the United States and Senior Advisor at the global investment holding company Commerz Inc., talked about Korea’s great China-related advantage.

“When you compare Korea and China, there’s really no comparison in terms of soft infrastructure, particularly rule of law and intellectual property protection,” said Metz, a former Executive Vice President of the Asia Society. “Korea is very well-positioned to be a connector to China where international compa- nies can open manufacturing bases or logistics bases, and where they can have a far greater sense of confidence that their intellectual prop- erty won’t be stolen or that they won’t be subject to arbitrary legal processes that are designed not in their favor. And the China con- nection is critically important for Korea.”

Especially if the two Koreas were to reunite, Metz envisions a land bridge with high-speed rail and modern infrastructure connecting a uni- fied Korea to China.

“The companies who are investing now in Korea, who are laying that foundation, will be uniquely positioned to take advantage of that inevitable future transformation,” he said.

As for Chinese investment into Korea, Liu Kai, Chief Representative of the Representative Office of the China Investment Promotion Agency of China’s Ministry of Commerce, said it is likely to increase considering China’s recent promotion of outward investment. Liu named Korea’s FTA network coverage of 60 percent of the world’s intellectual property and the potential for investment growth in Korea’s real estate and cultural contents sectors as posi- tive factors.

SUGGESTIONS FOR KOREA

As Korea experts who know firsthand how at regional and at global level, the Honorary Ambassadors had some recommendations.

Do better what we’re already doing well:

● Metal: When you think about the dynam- ics of Korea, it all comes back to the incredible population you have. So while Korea has done extremely well in human resources, given the demographics and the low birthrate, Korea is going to need to bump up its human resources game by doing at least two things. One is empowering women - not just women’s partici- pation in the workforce, but active women’s leadership at every level. Two is to continue becoming more of a multilateralistic society.

● Metal again: Korea has made unbelievable progress in opening up itself culturally and eco- nomically. But openness isn’t just about signing free trade agreements. It’s also about building a culture of openness. It’s about making sure people are learning languages. It’s about creating a regulatory environment that’s open to exchange.

Support SMEs and entrepreneurship:

● Warwick Morris, an Honorary Ambas- sador from the United Kingdom and a for- mer British ambassador to Korea: I’d like to see more effort made to bring SMEs together. Korean SMEs with European and other SME’s, to work in collaboration. Though the EU-Korea free trade agreement has been a great success, I saw some figures recently that suggested only about 62 percent of companies in Europe were aware of the FTA. So clearly there needs to be some more work to do by KOTRA and everybody – to make people more aware of the advantages that FTA can bring to all compa- nies, big and small, when important for trading or investing.

● Makito Seki, an Honorary Ambassador from Japan: You need collaboration between Korean companies and small but strong Japanese companies. Ask the Japanese about investing in Korea, and they’ll say, why invest in Korea? They already see Korea as an advanced country. So Korea should emphasize the convenience and ease of its business envi- ronment, and free trade.

● Metal: In this world, where it’s ideas that are competing and where Korea is so well-posi- tioned to garner the creativity of its workforce, creating a culture of entrepreneurship and risk is absolutely essential.

Don’t be complacent:

● Morris: Having Korea moved up to fifth position in terms of investment friendli- ness, investors can move very quickly. Investors, wherever they are, are looking at bureaucratic procedures, incentives, corrupt practices, at media coverage, at media coverage consistently and fairly. All countries have to pay big attention to those things. Korea, I think, pays a lot of attention to them, but no country can be complacent.

Make foreign companies feel at home:

● Morris: Foreign companies that come here, they commit themselves to Korea, spend a lot of money, they employ people, they see themselves very much as a part of Korea. They shouldn’t be seen so much as foreigners from out- side, from another planet. So I think, try to encourage foreign companies to come here, to feel like they’re a part of Korea.

“Convey the taste of the sea”

Listing through a listing, most of the investment interest in Korea, Tordjman cited French writer Anne de Saint-Exupery to explain the importance of building a brand in Korea. If you don’t want to build a ship, Saint-Exupery’s adage goes, ‘don’t tell people to gather wood and start delegating work. Instead, teach them to want to go to the sea.’

Tordjman: You need to make us love Korea and present the variety of richness of its diversity.