



**International Management Institute
Kolkata**

**Convocation Speech
by**

Dr. Un – Chan Chung

Chairman, Korea Institute for Shared Growth
Former Prime Minister, Republic of Korea
Former President, Seoul National University

**Annual Convocation Ceremony
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Thank you, Mr. Chairman, Director General Dholakia, Director Banik, members of the Board of Governors, members of the faculty, parents and friends, and especially, graduates of the IMI Class of 2016!

It is a pleasure to be here with all of you today.

I have been a professor all my life except for the few years I served the Korean government as Prime Minister. But today, I do not plan to talk about my experiences as a professor or Prime Minister. Instead, I wish to share with you some of the lessons I have learned in my life.

I flew 5,000 kilometers from Korea to congratulate you on your achievements. Some people refer to my life as a success story because I became a Prime Minister despite of my family's economic difficulties in my early years. The media still enjoys referring my life and career as the Korean miracle, also known as the Miracle on the Han River, which indicates South Korea's tremendous economic successes of transforming the nation after the Korean War into a developed country today.

That is why, I believe, I was invited to speak at your convocation to encourage and inspire your future and career. I want to thank Director Banik for this extraordinary opportunity.

Besides, there is another reason I am excited to be in Kolkata. That is Rabindranath Tagore. In a 1929 poem titled "The Lamp of the

East,” the great Bengali poet and Nobel Laureate, wrote these prophetic lines:

“In the golden age of Asia
Korea was one of its lamp-bearers
And that lamp is waiting to be lighted once again
For the illumination of the East...”

His poem moved many Koreans as he described Korea as “The Lamp of the East.” He also encouraged Korean people by the poem, “The Song of the Defeated” which described intense aspirations for liberation of Korea during the Japanese aggression and occupation in the first half of the 20th century. So, it is my privilege on many levels to be with you here today. Thank you for inviting me to this splendid event and to the heartland of Korea's beloved poet, Rabindranath Tagore.

Graduates!

I sincerely congratulate you all. I hope that my speech would convey inspiration and encouragement to you as the great Bengali poet did to Koreans a century ago.

Let me start with a story about my country, the Republic of Korea.

India and Korea share many similarities. As India was under the British rule, Korea was also colonized by Japan and governed for 35 years until 1945. Nonetheless, the Cold War immediately set in after the liberalization, and Korea was divided into North and South Korea. In the southern half of the peninsula, the Republic of Korea was founded in 1948 under the auspices of the United Nations. The joy of a new beginning for the Republic of Korea did not last long. Only two years later, in 1950, the Korean War broke out. During three years of devastating warfare, over 4 million people were killed or wounded. The infrastructure of the economy was severely destroyed.

The Korean economy was so miserable in 1950's right after the Korean War. Foreign aids were the only hope to Koreans. In 1962,

Korea's per capita GDP was less than 100 US dollars, ranking 101st out of 125 nations. Over 40% of the nation's population suffered from absolute poverty and it seemed as though there was no way out. But in 2015, Korea's per capita income recorded 28,000 US dollars. This value, when converted into purchasing power, is higher than that of Italy and approaches the average per capita GDP of EU nations. Korea's GDP recorded 11th in 2015, with 1.38 trillion USD. Korea is the first and only nation to transit from a foreign aid recipient nation to a donor nation in the world history. Some people refer this achievement as the Korean Miracle, mentioned earlier.

Then how did Korea do it? Korean government's export-led growth policy would be the immediate response by many people. Indeed, Korean government's policy was effective in the beginning stage of Korea's economic development. But today, I would like to talk about two other factors that are more relevant to India: education and can-do spirit.

The first factor is human resource. A focus on education and investment in human capital was critical. With no significant natural resources or accumulated capital, South Korea had to rely on a highly educated workforce to drive economic growth. In 1960's and 70's Korean parents needed to sell cow which is necessary for farming and the only asset of family to make money for children's college tuition.

I myself had numerous helpers and mentors who allowed me to fulfill my academic pursuits. I was born in Gongju in the central area of South Korea, and, during my elementary school years, my family could not afford my lunches. My mother worked at a hospital washing clothes to support my siblings and me during the tough postwar years. She kept reminding me of her confidence in my bright future so that poverty would not discourage me.

I worked as a tutor since high school years all the way through college to earn tuitions, but I never neglected my own academics.

Besides my mother, I had other mentors who imbued me with confidence throughout my youth. They all had a passion for education. Without the conviction of my supporters and professors, my academic path from Gongju to Seoul to the United States, and myself today would not have been possible.

The second factor for South Korea's rise is the “can-do” or “fighting” spirit of the Korean people. This type of spirit is crucial to every successful entrepreneur. During the rapid industrialisation process, many South Koreans worked tremendously hard to help themselves, their families, and their communities to climb out of poverty and built the foundation for a market-driven society. Wherever jobs were available, our young men and women went to far-away countries to grab the opportunities to make money.

In the 1960's, South Koreans went to West Germany to work as coal miners and nurses. Impressed with the Korean work ethic, the West German government was one of the first friends to extend to South Korea industrial development loans. In the 1970's, with the construction boom in the Middle East many South Korean construction workers helped to build key infrastructures and development projects in the region. The wages these workers earned and sent back home allowed their families to send their children to college.

At the end of the 1990's, South Korea overcame the Asian financial crisis in only a couple of years. The crisis of 1997-98 was South Korea's own Great Depression. Almost a third of the nation's financial institutions went bankrupt, and, in a span of months, 7% of workers were out of jobs. South Korea came out of the crisis, thanks to the collective willpower of its citizens, who spent less, saved more, worked harder, increased exports, and strove to be more competitive.

So far I have discussed factors accounting for Korea's tremendous economic successes. Sophisticated planning and tremendous drive, value of education, and “can-do spirit” of the Korean people

account for some of the reasons behind Korea's economic development. But this is not the only miracle witnessed. Another miracle is happening here in India. It is your job to complete this miracle.

India is, today, the second populous country and 7th largest economy in the world. Furthermore it is expected to be the third largest economy in ten years or so. The Indian economy currently retains the fastest growing economy tag in the world. The main source of economic growth in India is the abundant high-skilled, English-speaking, hard-working manpower. These qualities are potentials for the Indian miracle.

Graduates!

Today I am truly impressed by your energy, intelligence and high-spiritedness. You have worked hard for two full years to earn the Post Graduate Diploma at IMI Kolkata. This would guarantee your promising career in the business world when coupled with the “can-do” spirit, which I emphasized repeatedly in the course of my personal accomplishments as well as in the uprising of the Korean economy from poverty.

Class of 2016!

Now, entirely new stage awaits your career. Yet there will be a lot of obstacles and difficulties. Mistakes, failures, embarrassments and disappointments are a necessary component of growing wise. When you live in an era in which every corner of life has grown competitive and when navigating the crosscurrents of global economic uncertainties, failure is almost certain at some point. Reframing setbacks as wisdom acquisition will empower and energize, precisely at the point when a boost is most needed.

Lastly, I want to talk about one more thing. Poverty, starvation, inequality, and corruption still pervade the world we live in today. Please share your abilities and talent with the people who need your love and warmth. When you see something that is not right,

not fair, or not just, you must have the courage to stand up, to speak up, and find a way to get in the way.

And I hope you will come back here to IMI Kolkata 30 years from now and reflect on what you have done with your talents and your energy. When you do come back, I hope you will judge yourselves not only on your professional accomplishments alone, but also on how well you have addressed inequalities around you.

It was truly a pleasure and privilege for me to speak in front of honored guests today and with that I would like to conclude my speech. Thank you.

Profile of Dr. Un-Chan Chung

Dr. Un-Chan Chung served as the 40th Prime Minister of the Republic of Korea from 2009 to 2010. Before his service as Prime Minister, he led Korea's leading university, Seoul National University (SNU) as President from 2002 to 2006. Dr. Chung continued to serve his country after his term as Prime Minister by leading the National Commission for Corporate Partnership as Commissioner from 2010 to 2012. In addition to being a Professor Emeritus at his undergraduate Alma Mater, SNU, and a member of the President's Council of the University of Tokyo (2006-present), Dr. Chung is currently the Chairman of Korea Institute for Shared Growth (KISG), an independent research institute.

After his employment as a research staff at the Bank of Korea (1970-71), Dr. Chung began his academic career as an Assistant Professor at Columbia University in 1976. He earned a bachelor's degree in Economics at SNU in 1970, a master's degree in Economics at Miami University (Ohio) in 1972 and a doctoral degree in Economics at Princeton University in 1978. In October 2004, Dr. Chung was awarded an honorary doctoral degree in international education at the Far Eastern National University in Vladivostok, Russia, in recognition of his invaluable contribution to the internationalization of education at SNU. After teaching Money and Financial Markets at Columbia for three years, Dr. Chung returned to SNU in late 1978, where he served for thirty-one years as a faculty member in the Department of Economics.

Since his professorship, Dr. Chung has held numerous positions as a scholar. Before his appointment as the President of SNU, Dr. Chung served as the Associate Dean of the College of Social Sciences from 1993 to 1994 and as the Dean during the first half of 2002. In addition, Dr. Chung was a visiting Associate Professor at the University of Hawaii in 1983, a Visiting Research Scholar at the London School of Economics from 1986 to 1987, a Visiting

Professor at the Ruhr-Universität Bochum (Germany) in 1999, a Visiting Fellow at the Princeton Institute for International and Regional Studies (PIRS) from 2008 to 2009, and a Y. T. Shim Visiting Professor of Korean Studies in the Jackson School of International Studies at the University of Washington (Seattle) in 2009.

Apart from various positions in the academia, Dr. Chung has held senior positions in both government commissions and private research institutions. In 2002, he served as the Chairperson of the Committee on National Pension Development. From 2000 to 2001, he served as the Chairperson of the Financial Development Committee in the Ministry of Finance and Economy. From 1998 to 2001, Dr. Chung was the Director of the Korea Council of Economic and Social Research Institutes. From 1998 to 1999, he was the President of the Korean Money and Finance Association. In addition, Dr. Chung was a Senior Advisor to the Seoul Metropolitan Government's Policy Advisory Committee from 1995 to 1997. He also served as the President of the Korean Economic Association from 2006 to 2007 and as the Chairman of the Korean Social Science Research Council between 2008 and 2009.

Dr. Chung continues to author books and academic papers and to conduct research on Macroeconomics and Financial Markets with enthusiasm. He has numerous publications in both Korean and English, the latest of which include the following publications: Macroeconomics; Money and Financial Markets; Principles of Economics; Reviving the Korean Economy; The Korean Economy after the IMF Bailout Loan and East Asia's Economic Crisis: The Case of Korea.

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