

Insights



Michael Kim on South Korea's COVID-19 Economic Struggles

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South Korea has been one of the most successful countries in mitigating the spread of COVID-19, but the struggle to preserve its economy continues to be a challenge, as Kobre & Kim founding partner Michael Kim discussed with *Asia Business Law Journal*.

The twin punches of a health care and an economic crisis has left governments scrambling, with many countries in Asia-Pacific using unorthodox methods to stimulate their economies. However, Kim points out that despite South Korea's public health success, the fate of its economy isn't much different from other countries because "Korea is heavily dependent on commerce with foreign nations. The travel restrictions and weak economies in many other countries will present challenges for the Korean economy."

Of course, the flip side is that, "Efforts to lower travel and trade barriers among countries that have the virus under control, like China, will help Korea economically." Kim argues, "Programs to give out money to citizens, funded of course by taxation on those same citizens, are more political measures than true economic stimulus." As such, Kim believes that "Key will be to continue to persuade other countries to open up their borders further to persons and goods from Korea."

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