

THE
INVESTOR
DECODED X

August 24, 2017

BALANCE OF TERROR



The Investor | The Korea Herald
Huam-ro 4 gil 10, Yongsan-gu, Seoul, Korea
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South Korea's honeymoon with Pyongyang is over. In fact, there really never WAS a honeymoon to begin with, since Kim Jong-un never gave Seoul a chance.

As the situation becomes more tenuous, more voices are calling for stronger nuclear rights for South Korea to avoid war.

A balance of terror is one of the most practical strategies to keep out of trouble. To attain this, a country needs to possess weapons or other defense programs on par with its enemies.

For Seoul, that would mean, at the least, maximizing its missile distance. A better option could be to arm itself with similar levels of nuclear weapons as Pyongyang. This would mean South Korea must be made an exception in the global non-nuclear proliferation pact. And why should Seoul not be, some experts ask.

Terrifying as it sounds, a balance of terror may be the only remaining option for maintaining peace and stability on the peninsula, they say.

Read on for this week's DECODED X.

GETTING OUT ALIVE



Here's a question for you. Does everyone know what to do in case a war DOES break out? Well, assuming that it doesn't immediately turn into a



nuclear mess, you will have five minutes to get to relative safety after 2,200 speakers across the nation blare out that a war has broken out. Your phone will tell you this too.

There are 18,000 evacuation facilities, most of them underground, in South Korea. It would be a good idea to know where the ones close to your neighborhood are.

If it's a high-rise you live in, there should be a level with evacuation elevators. You can use these to go down. Otherwise, you have to use the staircase.

If you're driving a car, stop it, leave the keys in the ignition and step out to evacuate on foot.

If it IS a nuclear war, then chances of survival depend on whether you are able to go down deep, to 15m below ground level or even deeper.

Last but not least, every embassy has some kind of guidelines for how to cope in such emergencies. Take a look and remember that Korea is in a state of ceasefire, not a truce.

THE RISE OF EUROPE

The mood here in Korea is that the days of US and South Korea being close allies are kind of over.

Not that the two would ever negate on their relationship, and it's not just the nature of their two leaders, although President Donald Trump does make it more difficult to love America.

A certain distance has been created with American companies and related organizations. And the gap is being filled with European firms and chambers.



Government initiatives have something to do with it too, such as the latest push to end nuclear energy. Countries in Europe with natural gas reserves and focused much more than America on renewable energies are coming forth to make other energy arrangements with Korea.

The power of America, and allied ties with it must never be downplayed, but diversifying global relations is not bad at all for a resource-less country like Korea.

On a side note, the new Trade Minister, who is one of the most powerful trader ministers to date, is rumored to be something of a nut.

He's a Columbia-educated career bureaucrat who is, unlike most Korean civil servants, not scared of speaking his mind in front of anyone.

Recently, he told the US negotiators for the FTA that there can be no adjustments to the trade pact until analysis proves it's detrimental for the US.

THE VERDICT



The verdict on Samsung Electronics Vice Chairman Lee Jae-yong's trial will be out tomorrow.

The prosecution is demanding 12 years behind bars. Herald sources say if the sentence is three years or less, the defense will most definitely appeal. That's because with three years, Lee could get two years on probation when his lawyers appeal. But if the sentence is more than three years, the possibility of getting out on probation gets tremendously slimmer.

By the way, Bae, Kim & Lee is the law firm representing Lee. If the term goes above three years, Samsung is likely to switch attorneys. A new strategy, such as admitting to being partially guilty may be put in motion to reduce the term in the appeals court.

THINGS THAT DON'T LAST

This particular piece will be in part translation of a recent column that ran on MoneyToday, one of Korea's top online business news services.

One of the senior editors put out a piece under the title, "The things that aren't sustainable."

He was referring to the government's recent policy initiatives that involve promising money to everyone the president meets.

Welfare is all very good, but where will the money come from, the column asks.

But the bigger problem, it points out, is the lack of a long-term action plan.

As one example, there's the mismatch of teachers to students. Teachers are one of Korea's top civil service positions, and they are a member of the super-strong, conservative teachers' union. One of



their main benefits is, of course, hefty pensions. This has made teaching positions – only those endorsed by government exams, that is and comes with pensions -- as one of the most coveted.

But now, as birthrates are hitting rock bottom – estimated at 1.04 this year – the government is drastically reducing school openings, particularly at elementary school.

Having too many teachers on the payroll is a problem, but cutting the numbers so suddenly can create even more complications.

POWER TO THE UNION



Broadcaster MBC, in which the government has a stake, is frantically trying to stop a full-blown walkout. Famous among the Korean media for pushing pro-government agendas, it is this time locking horns with the Moon Jae-in administration.

The government and the president have said many times now that despite its support for labor activity, it would never back politically motivated or unjust acts.



However, Moon also said media unions are authorized to oust corrupt CEOs.

MBC is now furious, and the new CEO is urging staff not to join the walk out. There are currently up to 2,000 people working for MBC, including those with temporary employment status. The walkout would be the 13th in the history of the broadcaster.

DECODED X

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