How Korea has Achieved its Economic Success in Contrast to Egypt?

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Abstract

Korea’s surprising economic growth in comparison with other pre-colonized countries attracted a lot of attentions in the world. Many researches attribute the successful economic performance of Korea to the Japanese colonialism which was quite different from European colonialism. However, adopting the Japanese developmental model was not dedicated by Japanese heritage but Korea’s own decision in order to achieve its economic goal. Therefore, it is more correct to say that Korea’s economic achievement can be attributed to Korea’s appropriate policy decisions, using the Japanese economic developmental model to reach economic prosperity, and cooperation between the state and business groups, rather than the Japanese colonial legacy itself. On the contrary to Korea, the Egyptian failure of economic development is mainly because of Egypt government’s inconsistent economic policy and inadequate allocation of national resources, which bring about the failure of mobilization of its private sector and population to economic activity, rather than the negative effect of British colonial rule on Egyptian economy.

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Introduction

Korea and Egypt experienced colonial rule, respectively, from Japan and Britain in the early twentieth century. They have shown quite different economic achievement after their independence and throughout the second half of the twentieth century. Korea has achieved extraordinary speed of economic development after the reign of Park Chung Hee, although it had nothing and every industrial infrastructure was destroyed after the Korean War. However, Egypt has failed to achieve successful economic development, especially suffering from its problems in balance of payment and overall economic conditions, although Egypt can obtain stable revenues from its oil exports, from tourism, and from the transit dues charged on ships passing through the Suez Canal.

Korea’s surprising economic growth in comparison with other pre-colonized countries attracted a lot of attentions in the world. Therefore, many scholars and policymakers became curious about the success of the Korean economy and they try to find the main factors which drive high speed economic growth in Korea. In addition to Korea, another economic success of Taiwan, one of East Asian newly industrialized countries (NICs), has adverted many scholars’ attention to the role of Japanese colonial heritage for economic development, because both countries were under the Japanese colonial rule in the early twentieth century and have shown very high economic growth, while other pre-colonial countries under the Western colonial power has experienced difficulties in political and economic fields since their achievement of independence from European powers. Therefore many researches attribute the successful economic performance of Korea to the Japanese colonialism which was quite different from European colonialism.

On the other hand, despite the British colonial rule over Egypt, and Cromer’s subsequent deindustrialization, which converted Egypt into an economic satellite of the Lancashire cotton industry, Egypt’s procedures of successful economic, military and cultural self-empowerment provided a