The 10th Seoul Journal of Economics International Symposium

The Socio-Economic Roles of Firms and Chaebols

Editor’s Introduction to the Special Issue

The 10th Seoul Journal of Economics International Symposium, which was co-hosted with the Korea Economic Research Institute (KERI) and the Korea Institute of Finance (KIF), was held on August 29, 2002 with a theme of ‘The Socio-Economic Roles of Firms and Chaebols.’ Whereas the 9th Symposium dealt with theoretical and empirical issues on telecommunication industry, the theme of the 10th Symposium was the socio-economic roles of firms and Chaebols.

After the financial crisis in 1997, reforming Chaebol has become the most important policy issues in Korea. The Chaebol reform involves improvement in corporate governance, reduction in the level of diversification and the debt/equity ratio and so on. Since this reform is a part of the structural reform of corporate sector in Korean economy, the Editorial Board of the SJE have decided to deal with theoretical and empirical issues about the roles of firms and Chaebol. With the assistance of Professor Soo Haeng Kim, School of Economics, Seoul National University, the Editor has invited experts to the Symposium to present their views on the following selected subjects:


In Kwon Lee (Korea Economic Research Institute), “Government-led Restructuring of Firms’ Excess Capacity and Its Limits: Korean Big Deal Case.”

Dong-Gull Lee and Keonbeom Lee (Korea Institute of Finance), “Chaebols’ Inter-Affiliate Equity Investment and Real Investment Behavior of Korea.”

James Crotty (University of Massachusetts, USA), “The Effects of Financialization and Increased Competition on the Performance of Nonfinancial Corporations in the Neoliberal Era.”

Ha-Joon Chang (University of Cambridge, UK) and Jang-Sup Shin (National University of Singapore), “Restructuring Korea Inc.: Evaluating the Post-Crisis Corporate Restructuring in Korea.”

The Symposium was chaired by Professor Byung-Nak Song (Seoul National University), Professor Shin-Haing Kim (Seoul National University), and Professor Chon-Pyo Lee (Seoul National University).

Following our guidelines, the designated commentators served as referees of each paper, too. The Editor requested all the contributors to revise their papers reflecting the designated commentators’ remarks together with the comments and criticisms raised in the Symposium.

The Journal wishes to thank Dr. Sung-Hee Jwa, President of Korea Economic Research Institute for his Opening Remarks and financial support and Dr. Hae Wang Chung, President of Korea Institute of Finance for financial support of the Symposium.