

LETTER FROM THE EDITOR

October was a month of worries on the waves of another crisis; the Daewoo Groups' workout program rippled instabilities in the financial markets. Thanks to the continuing stabilization policy measures and relatively abundant liquidity in the market, instabilities in the financial markets are expected to die out and stay as before for some time.

Although there is much hope by the mass media and even the government on the watershed advent of the promising new millennium, the Korean economy has no reason to look forward to jubilation such as new hopes and opportunities, since the new era also poses unforeseen risks to unprepared participants. Before walking past the threshold of the second millennium, the Korean economy should change its past wrongs by sectoral restructurings and foster competency to vie with future competitors in the world market (e.g., by building a knowledge-based economy).

Nevertheless, Korea should divert its eyes away from such imminent, Korea-specific tasks at hand and deliberate new issues emerging in the new millennium. Such new issues need particular attention by Korea, as they are closely related to factors which would determine the near future of Korea in coming months and the year 2000.

Our November issue of *VIP Economic Report* first unfolds the picture of Korea's macroeconomy in the year 2000. It also comprises various factors which shall determine the growth path of the economy. Although next year's economy is

forecast to show a slightly slower growth, the pattern of solid growth is expected to continue in 2000. The issue is how to remove the stumbling blocks on the way.

How Korea is prepared for the Year 2000 Problem, one of the most pressing and biggest headaches at the turn of the century, is discussed in the second article. Better known as the "Y2K problem", it has stirred much worry in Korea; however, Y2K compliance is almost completed in Korea, so not much chaos is expected. The article measures the vulnerability by sector and may well serve as a last-minute checkup for readers.

The following articles cover a class that is very important but less respected than should be: that is, the Korean CEOs. Our third article presents ideas by people at the very front line of the Korean economy gathered through a survey on Korean top management. It will extend substantial help in finding out which direction the Korean economy is headed to, what it lacks and how it should be directed in the coming millennium.

We close our **Current Issues** section with how CEOs are treated in the Korean economy. Although their compensation pattern differs from that of the past, CEOs still do not receive the level and system of treatment common in the West. Hopes are high that the best and the brightest in Korea fill up positions as business leaders and receive treatment they deserve in the new millennium. **VIP**