



8 Russia election Putin sure of winning 4th presidential term



PyeongChang Paralympics ends Fireworks explode at the PyeongChang Olympic Stadium during the closing ceremony for the 2018 PyeongChang Winter Paralympics in Gangwon Province, Sunday. **Related story on page 18** Yonhap

‘Peace Olympics’ brings dramatic shift on peninsula

By Yi Whan-woo
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The 2018 PyeongChang Olympics and Paralympic Winter Games, which wrapped up their run Sunday, resulted in a dramatic, peaceful shift in security on the Korean Peninsula, according to analysts.

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They said the sporting event changed the direction for cross-border diplomacy that had been witnessing heightening tension over North Korea's ballistic missile and nuclear programs. As the host, South Korea made the most of the Olympics to create the mood for dialogue.

The reconciliatory events led from one to another: High-level talks on Jan. 9, over the North participating in the Olympics (Feb. 9 to 25) to North Korean leader Kim Jong-un's sister Kim Yo-jong joining the Feb. 9 opening ceremony and President Moon Jae-in's special envoys visiting Pyongyang on March 5 to complete an agreement between Moon and Kim to hold a summit in April.

The series of events also led to a planned summit in May between Kim and U.S. President Donald Trump, when Moon's envoys briefed Trump, March 9, the opening day of the Paralympics, about their North Korea trip.

The possible Kim-Trump summit prompted Japanese Prime Minister Shinzo Abe to seek for Pyongyang-Tokyo talks after previously stressing sanctions over dialogue.

The talks among the shareholders of the peninsula, including China and Russia, are still underway, either bilaterally or multilaterally. And analysts say this best demonstrates the theme of the PyeongChang Olympics, "peace in motion."

"We had been uncertain about hosting the Olympics peacefully and successfully on this divided peninsula when North Korea kept on launching ballistic missiles last year, and look what we have now," said Park Won-gon, an international relations professor at Handong

Global University. "This Olympics indeed shows that it is not only a sports competition but also a diplomatic event that can promote world peace."

Paik Hak-soon, a senior researcher at the Sejong Institute, agreed.

"It may be too early to pop the champagne and celebrate considering there are many days remaining before Kim's summits with Moon and Trump," he said. "But if the results turn out to be good, they will continue to give momentum for inter-Korean reconciliation, and eventually denuclearization of the peninsula. This will help for the PyeongChang Olympics to be recorded as the most peaceful Olympics in history." The experts speculated that South Korean diplomacy will be "at its busiest ever" in April and May.

In addition to talks with Kim, Moon may possibly meet Trump and also Abe as part of efforts to bolster three-way security cooperation with the U.S. and Japan.

During a phone call Friday, Moon and Abe agreed on working-level discussions to schedule Moon's possible trip to Japan, as well as their meeting with Chinese President Xi Jinping at the earliest possible date.

On Monday, the two Koreas and the U.S. will meet in Finland for a "1.5-track" dialogue among active and retired officials and security experts for denuclearization and the North's summits with the South and the U.S.

Choe Kang-il, deputy director-general for North American affairs at the Foreign Ministry, will lead the North Korean side.

Former U.S. Ambassador to South Korea Kathleen Stephens will represent her country, while Seoul will send security experts.

On the ministerial level, Foreign Minister Kang Kyung-wha and U.S. Deputy Secretary of State John Sullivan promised in Washington, D.C., Friday, to work together "to ensure that the inter-Korean summit in April and the U.S.-North Korea summit will become historic milestones for denuclearization and lasting peace on the Korean Peninsula."

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The #MeToo movement sweeping the nation continues to demand a thorough investigation into alleged perpetrators despite the death of a university professor accused of sexual misconduct.

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China's rubber-stamp parliament gave Premier Li Keqiang a second five-year term on Sunday, but he faces a tenure deeper in the shadow of leader Xi Jinping.

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The two Koreas will meet on Tuesday to discuss a performance in Pyongyang by a South Korean art troupe. The unification ministry said that South Korea's delegation will be led by Yun Sang.

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Mohamed Salah's stunning debut season with Liverpool hit a new high as the Egypt winger's four-goal spree set a club record in a 5-0 demolition of Watford.

Household debt to GDP up to record high

By Kim Yoo-chul
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Household debt in proportion to gross domestic product (GDP) soared to a record high at the end of the third quarter last year, according to data from the Bank for International Settlements (BIS).

The Switzerland-based financial institution, said Korea's ratio of total household debt to GDP was 94.4 percent in September 2017, up 0.6 percentage points from the previous quarter. This was also an increase of 1.6 percentage points from the 92.8 percent at the end of 2016.

The household debt to GDP ratio has increased for 14 consecutive quarters since the second quarter of 2014, according to research conducted by the BIS.

In that time period, this was the second-sharpest increase after that of China.

The BIS said Korea's household debt-to-GDP ratio was the fifth-highest after Switzerland with 127.6 per-

cent, Australia (120.9 percent), Denmark (116.8 percent), the Netherlands (106 percent), Norway (102 percent) and Canada (100.4 percent).

Korea's household debt has been soaring since 2014 after the government began easing regulations on mortgages, with the Bank of Korea (BOK) cutting its benchmark rate. Since August 2014, the BOK cut the key rate five times.

The results were catastrophic. Housing price growth in Korea has already eased quite sharply since 2016 but household debt continues to rise rapidly.

The debt rose to a new record in 2017 with the amount including credit purchases hitting 1,450.9 trillion won or \$1.3 trillion, up 8.1 percent from 2016, according to the BOK.

To cool the booming property market and soothe speculative trading, the Moon Jae-in administration has introduced measures to slow debt growth and prevent overheating in the property market. The govern-

ment is teaming up with relevant agencies to address the issue. It is concerned that the high level of debt, combined with higher interest rates, could cause vulnerable households to default.

In a related note, Fitch Ratings said the Korean economy expanded by a strong, above-trend 3.1 percent in 2017 due to supportive economic policies and financial conditions and by buoyant, albeit cooling, construction output growth.

But the ratings agency is concerned that overall investment growth is likely to keep cooling, dragged down by construction.

"The slowdown in construction is being partly engineered by the authorities, who have been stepping up their efforts to cool the housing sector and address systemic housing risks. Measures include an increased capital gains tax on house sales and stronger requirements for loan-to-value and debt-to-income ratios in certain areas (including Seoul)," it said in its report.

Korea urged to join Pacific trade pact

By Kim Jae-kyoung
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South Korea should speed up its move to join a multilateral Pacific trade pact signed by 11 regional nations to cushion the blow from a potential trade war, analysts said Sunday.

The advice comes as U.S. President Donald Trump's protectionist measures are changing the economic landscape and reshaping the world trade order.

Against Trump's America First strategy, a growing number of nations are seeking to enter larger multilateral trade pacts that will ensure free trade with no tariffs and

barriers.

The latest development is the signing of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) in Santiago, Chile, March 9.

The revived version of the TPP represents 500 million people and accounts for 13.5 percent and 15 percent of global gross domestic product and trade, respectively.

"Once the CPTPP is implemented and begins the process for new members to join, accession should be a priority for South Korea and the CPTPP members," Troy Stangorone, senior director at the Korea Economic Institute (KEI) based in Washington, told The Korea

Times.

He pointed out that while the China-led Regional Comprehensive Economic Partnership (RCEP) will provide South Korea with increased market access in Southeast Asia, the CPTPP will be the more important agreement in the long-run.

"As a major trading nation Korea has prioritized market access through the reduction of tariffs historically, but as services and technology become increasingly important, ensuring that there are enforceable rules in place should be a priority for any Korean government," he said.

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Lee Byeong-eon appointed Korea Times president & publisher

Lee Byeong-eon, a standing adviser to the Hankook Ilbo, has been appointed the new president and publisher of The Korea Times.

Born in 1955, Lee graduated from Seoul High School and the Seoul National University's College of Engineering.

Lee started his career with the former Daewoo Group in 1977, before earning his MBA at the University of

Washington in 1984. He joined Dongwha Enterprises in 1995, and became president of the company in 2006.

He was named the top adviser for future strategy for the Hankook Ilbo, sister paper of The Korea Times, in 2015, and since then has served as a standing adviser.

The Korea Times, established in November 1950, is the nation's oldest and most influential English newspaper.



Lee Byeong-eon

WEATHER in SEOUL

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high (°C) low (°C)

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