

## Daewoo Forklift Chain

Kim Woo-Jung, the son of Daegu's Provincial Governor, established the Daewoo group in the month of March of 1967. He first graduated from the Kyonggi High School and next studied at Yonsei University in Seoul where he finished with an Economics Degree. Daewoo became amongst the Big Four chaebol within South Korea. Growing into an industrial empire and a multi-faceted service conglomerate, the company was prominent in expanding its worldwide market securing several joint ventures worldwide.

After the end of the Syngman Rhee government in the 1960s, the new government of Park Chung Hee came aboard to support development and growth within the country. This promoted exports, increased access to resources, financed industrialization, provided protection from competition to the chaebol in exchange for a company's political support. Initially, the Korean government initiated a series of 5 year plans wherein the chaebol were required to attain a series of certain basic aims.

Daewoo became a major player once the second 5 year plan was applied. The business benefited greatly from cheap loans sponsored by the government based upon the potential income which were earned from exports. Initially, the business concentrated on textile and labor intensive clothing industries that provided high profit margins. South Korea's big workforce was the most significant resource in this plan.

Between the years of 1973 and 1981, when the third and fourth 5 year plans occurred for Daewoo; Korea's workforce was in high demand. The nations competitive advantage began to dwindle because of increased competition from several countries. In response to this change, the government responded by concentrating its effort on mechanical and electrical engineering, petrochemicals, military initiatives, shipbuilding and construction efforts.

Eventually, Daewoo was forced into shipbuilding by the government. Even if Kim was reluctant to enter the business, Daewoo quickly earned a reputation for making reasonably priced ships and oil rigs.

All through the next decade, the Korean government became more liberal in economic policies. As the government reduced positive discrimination, loosened protectionist import restrictions and supported small, private businesses, they were able to force the chaebol to be a lot more aggressive overseas, while encouraging the free market trade. Daewoo successfully established many joint projects along with European and American businesses. They expanded exports, semiconductor manufacturing and design, machine tools, aerospace interests, and several defense products under the S&T Daewoo Company.

Daewoo ultimately started making less expensive civilian helicopters and airplanes compared to counterparts in North America. After that the business expanded more of their efforts into the automotive industry. Remarkably, they became the 6th biggest automobile maker in the world. Throughout this particular time, Daewoo was able to have great success with reversing faltering businesses in Korea.

All through the 80s and 90s, Daewoo moved into various sectors comprising consumer electronics, buildings, telecommunication products, computers and musical instruments like the Daewoo Piano.