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## Exports Driven by Hallyu Increasing South Korea's Economic Growth - Cultural Diplomacy Approach

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**ABSTRACT:** *Globalization is characterized by the increasing opening of a country to international trade and foreign direct investment. Many countries worldwide are competing in increasing the flow of funds and their share of exports in international trade. The Korean Wave (Hallyu) is a tool used by the South Korean government to approach the country's bilateral relations. Supported by Cultural Diplomacy, an act of soft power to realize national interests in cultural relations between two countries with different national contexts. This desire to equalize the pace of economic development and image improvement makes South Korea earnest in carrying out Cultural Diplomacy by developing Hallyu. Furthermore, the South Korean Government relies on tourism for a significant percentage of their revenue to invest a lot in the country's infrastructure. Hallyu is used as a soft power instrument for South Korean cultural Diplomacy, which plays a significant role in Korea's economic growth. In fact, according to research results, Hallyu's products can increase South Korea's GDP by 0.2% in 2004 or by \$ 1.87 billion and increase to \$12.3 billion boosts on the Korean economy (Guo et al., n.d). This study uses four variables of Hallyu's products that drive Korean economics according to Korea Customs Service (2021) and KOSIS to determine their correlation to GDP per capita. The Hallyu's products used are Cosmetics (K-beauty), Fashions, Inbound Tourism and Educations (International student's and Training). By comparing the other four highest variables according to Korea Customs Service (2021), namely Electrical, Nuclear, Vehicles and Plastics. By using correlations analysis method with python. The mathematical model of finding the correlation between all parameters shows that the correlation of Hallyu products to South Korea's GDP per capita is robust, even reaching a positive number of 0.89 compared to non-Hallyu products with a positive value of 0.44. This circumstance indicates that the Hallyu product has a very high correlation, where there is a positive increase of a fixed proportion in the other. Therefore, cultural Diplomacy carried out by South Korea is an example of soft power that has succeeded in controlling the economy.*

**KEY WORDS:** Korean Wave (Hallyu); Soft Power; Cultural Diplomacy; GDP per capita.

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## INTRODUCTION

South Korea has become a country that ranks at the top in terms of culture; even 26 Korean words have been added to the Oxford English Dictionary, such as K-Drama (Korean Drama), Hallyu Korean popular culture) and Korean Wave (Lau, 2021; BBC, 2021). All these vocabularies are interpreted if Korean influence is global and recognized by the world. As a country producing bands and actors, the Korean wave also has a positive impact on increasing

GDP, increasing the country's economy and adding to the list of countries considered for investment. Dr Hye Kyung (The success of "export culture" such as "Squid Game" and "Parasite" also adds a more fantastic global thought by cultural producers so that they become international. Hallyu is a phenomenon where the popularity in South Korean culture the world. This Korean Wave or Hallyu phenomenon can be felt by many people in the world young, old, male and female all take part and welcome this Hallyu. Even actors, officials and international organizations such as the United Nations include BTS as representatives of the South Korean envoy in their mission. This Korean Wave first appeared in the mid-1990s after Korea established diplomatic relations with China in 1992. Korean TV dramas and pop music gained popularity among the Chinese-speaking community (Embassy of the Republic of Korea to the Republic). In addition, the Korean Wave was known in an article published by Beijing Youth Daily in early November 1999, which was later known by Korean society.

The popularity of South Korean culture has not escaped the attention of the South Korean government to take advantage of it to achieve its national interests. Finally, Hallyu was used as a form of cultural diplomacy and entered the creative industry. With Hallyu's booming, the South Korean government is taking advantage of the situation. The popularity of South Korean culture to carry out various missions, penetrate and incorporate all aspects of its culture in multiple sectors such as K-Pop, K-Drama, K-Food, K-Cosmetics, K-Drama Fashion and K-Merchandise. It is undeniable that now South Korea's culture has been accepted and used as a contemporary trend in society. The popularity of Korean culture is not only felt by countries in Asia, such as the "world storm". Korean culture in American and European countries is becoming very popular. Even in several years, the data says that South Korea's GDP by developing is \$9.48 billion in exports (Park, 2021). According to "Global Hallyu Trends" (2020) issued by the Korea Foundation for International Cultural Exchange, in 2019, Hallyu reached \$95e.935 billion (up 26.1% from 2018) could contribute 87.6% to tourism export growth compared to 2018.

The South Korean economy is one of the fastest-growing economies in the Asia Pacific area. In this dynamic world, many forms of Cultural diplomacy are carried out to translate practical benefits for the economic welfare of the world community. Cultural diplomacy encourages researchers to dig deeper. This causes this study to be still exploratory. "One particular soft part of the new public diplomacy, namely the use of instruments which invest in mutual exchanges and learning processes rather than actions that tend to influence the attractions of the other by unilateral means (such as the setup of cultural institutes in third countries)". Burnay et al. (2014) explained that there is a 'soft' part of the concept of the new public diplomacy, the use of instruments that emphasize the exchange mechanism through a learning process beyond previous actions aimed at attracting the attention of other parties in unilateral. This means with a set of cultural institutions in third-world countries, for example, as done (by China, India or South Korea). South Korea used and strengthened the soft power two-way to increase its role and influence on the international stage in its journey. Korea has a great "ambition" to strengthen global power and increase global empathy as a passion (Cultural – Hallyu) as its foreign policy.

### **Research Question?**

1. Can Cultural Diplomacy improve the welfare and economy in South Korea?
2. Does Export Hallyu's products Vs Non-Hallyu's products affect changes in GDP per capita?

### **Cultural Diplomacy in International Relations**

International relations have been marked by the emergence of non-governmental actors as a counterweight to government actors who have dominated the international arena so far. Non-government actors have a significant role in the economy, war, peace, etc. The discussion includes a description of the actors' activities during the proposal process using cultural elements as soft power to achieve national interests. Soft power is the power of a country to achieve its national interests through a non-coercive approach to other countries or actors, either by influencing, inviting cooperation, diplomacy, or so on. Diplomacy is one of the essential instruments in implementing a country's national interest. Through diplomacy, a country can build an image of itself. Bilateral relations between countries are supported by cultural diplomacy, an act of soft power to realize national interests in cultural relations between two countries with different national contexts. Instruments of human resources, communication and information, humanity, and the arts are global interdependence agendas in international politics.

Furthermore, cultural diplomacy is closely related to developments in the global economy, supported by the principle of cultural diversity (Ang et al., 2015). In their article, Ronit Appel et al. (2008) show that cultural diplomacy has the power and potential to change opinions about a country. Therefore, cultural diversity and uniqueness is invaluable asset to be promoted and can be used as a tool to improve the country's public image in the eyes of the international community. Therefore, the author raises a unique topic to find out how effective South Korea's cultural diplomacy is so that it can increase its country's GDP through culture.

South Korea is one of the Asian countries that are active in implementing Public Diplomacy, which feels that its image is not as good as the performance of its economic development. This desire to equalize the pace of economic growth and image improvement makes South Korea earnest in carrying out cultural diplomacy. Objective evidence of the South Korean government's seriousness in using cultural diplomacy to achieve interests. In the MoFA Republic of Korea, the South Korean government firmly stated that they would focus on implementing diplomacy by involving various parties, one of which was carried out using the Korean wave (Hallyu).

Korean Wave (Hallyu) is a suitable medium for introducing South Korea to the international community. Although it doesn't always run smoothly, cultural diplomacy aims to improve the country's image, especially to countries that have or are in conflicts, such as China and Japan. Some countries deny, restrict or oppose the existence of Hallyu and prohibit their citizens from consuming Hallyu. The country with the nickname Sunrise and Sakura Country has a border on the west side with South Korea. An archipelagic country with an area of 364,555 Km<sup>2</sup> (140,755 sq. miles), its population reaches more than 126 million people with a Yearly % Change of -0.30% (Worldmeter, 2020). With geographical proximity (geographical proximity) close, of course, there are two possibilities, namely leading to cooperation or conflict

(Glosserman and Snyder, 2015). Every country has problems, of course, especially if they are neighbours; the percentage is likely to be more significant because they also share a border area prone to conflict. In Japan, the government strictly prohibited Hallyu with the hashtag "Anti-Korean Wave" because it triggered competition between the two countries that previously had a complicated history. The weakening of the Japanese economic sector also started anti-Korean groups to protest against the government. In the perspective of constructivism, the element of international relations is constructed in such a way and is not a structural development of an anarchic state system and constant human nature (Glosserman and Snyder 2015).

Meanwhile, China is one of the countries that restrict the entry of K-Pop culture and various forms of Hallyu entertainment to enter the country. Even China also prohibits its citizens from watching and imitating Korean fashion. Maizland's (2017) report states that China does not like Washington's agreement with Seoul to build a missile shield system (THAAD). China took action "warning" even though it could not cancel the agreement between the two countries; China vented its anger against Hallyu and took out Hallyu in its country. For example, it was broadcasting TV dramas until fried chicken was banned because it is popular among young people in China. China is also one of the biggest exports, around \$5.3 billion in 2014. The high population of China is directly proportional to the people's need for entertainment and something fresh that Korea has to offer. So that Korean TV and K-Pop Music dominate in China. Because Beijing was in dispute, this blocked them from streaming in China, and Internet Users also posted a boycott of Korean Beauty Products and a cancelled tour to China.

The struggle in this contemporary era is no longer a truce fight or military attacks, but a Chinese counterattack that forces foreign cultural pushbacks to enter to increase solidarity and love for the Chinese people. China also does not want its population to be influenced by foreign cultures that enter to damage its sovereignty. As a result, the two countries clashed on the international stage, and affected exports and relations between countries became tenuous. This is where cultural diplomacy comes into play. Even though Hallyu is not boycotted, it can still enter Beijing and get positive and negative responses. It can be said that Hallyu in China is cool, but maybe not cool enough. For example, it aired on Youku, the Chinese Ministry of Public Security, to warn Chinese citizens not to watch too many episodes. They loved Korean Culture, but still, they had to express their support to the government against Korean Culture and Business (Maizland. 2017). Chinese regulators also remind millennials to stop spending money to support their idols as a form of "*clean-up*" Hallyu fandom act (Sung-jin, 2021). This is a step forward from the government's recommendation as in the speech to the CCP Central Committee "***Uphold and Develop Socialism with Chinese Characteristics***," by Mr. Xi Jinping (The Policy Planning Staff, Office of the Secretary of State, 2020).

In the constellation of its foreign policy, South Korea has several national interests, one of which is advancing and developing the national economy. South Korea needs excellent support from Asia's most robust economic country to build its economy, namely China. Joseph Nye (1990) defines power as "*when one country gets other countries to want what it wants-might be called co-optive*". Sources of soft power itself consist of assets that produce attractiveness; Nye describes it in three sources, namely cultural attractions, ideology and international institutions. Korea "*sold*" their culture and became one of the most favoured cultures by

Chinese citizens. R.P. Barston, in his book *Modern Diplomacy* (2019), states that actors involved in soft power are not only government but also actors, singers, MNCs, mass media and even civil society.

The Cultural Diplomacy strategy carried out by Korea has positively impacted the two countries in the economic sector because South Korea and China agreed and signed a 2015 bilateral Free Trade Agreement (FTA). As a result, their trade intensity is more advanced. The total export driven by Hallyu reached US\$ 12,319 Million in 2020 (KOFICE, Global Hallyu Trends-2020). The success of this Cultural Diplomacy Strategy has improved the national image both in Korea and in China. The bilateral cooperation between the two is getting better in social-culture, economy, tourism, politics, education and others, reflecting that the relationship between the two countries is getting closer and closer. Even President Park called this FTA a *"historic milestone in the countries"* as Tiezzi (2015) quoted. In 2018, China lifted the banned and allowed several regions to tour South Korea (Yonhap, 2020).

In short, countries that restrict Hallyu entertainment from entering their countries have had conflicts in the past with South Korea because Hallyu, the country that opposes it, has become very withered and can't stem this wave. Because humans are difficult to manipulate their desires, humans will naturally follow what they want to follow. Likewise, the state, the state will follow what it wants. The cultural diplomacy carried out by Korea is, *"If Korea can make its culture look legitimate in the eyes of other countries, it will face less resistance to its wishes. Korea will still face resistance, but not "hard" because other parties are also willing to follow."* If the ideology offered is attractive, more parties will be willing to follow. There are two possibilities: ideology will grow the power to set international norms, improve policies, and increase cooperation because there are demands for consistency of the people, which will be difficult to change.

On the other hand, the state will limit their activities, making the state the dominant actor controlling, coercing, or warning hard, usually called hard power. So we can tell that instead of incurring high costs to contain this wave, besides being costly, it also requires significant effort. Therefore, the state is better off cooperating under current conditions, carries benefits in both directions, and the threat of conflict is reduced because they both benefit.

### **GDP increasing in South Korea**

In this study, the author wants to test whether there is a significant effect between Hallyu products in developing the South Korean economy compared to if there is no Hallyu Product. The author compares GDP per capita in 2016-2021\* to see if there is a significant pattern regarding Hallyu exports. The South Korean government has always boosted the economy by selling South Korean culture. This will be very visible as almost all levels of society know where South Korea is located, typical food, cosmetics and the language. In Oh's (2010) article, it is stated that in the 1950s, South Korea was a developing country with a per capita income of less than \$100 and making the country one of the poorest countries in Asia. With the end of the war, the Korean economy slowly recovered, but until the 1990s, South Korea was still a vulnerable and weak country. In the 2000s, the Korean economy rose, and less than 50 years of the rise of Korea, this country was ranked the 12th largest economy according to Worldmeter (2021). According to World Bank data, in 2020, South Korea's GDP will reach 1.631 trillion USD.



One of the causes of the development of the South Korean economy with the emergence of non-state actors, namely the Multinational Corporation (MNC). Companies such as Hyundai and KIA in the automobile sector, Samsung and LG in the electronics sector, Lotte Shopping Center in the lifestyle sector. Thus, it can be seen that the MNC helped increase South Korea's economic growth. As one of the effects of globalization, actors in international relations also grow in variety; non-state actors have become increasingly influential in influencing the order of international relations.

In the report, the Korean wave effect was enormous, accounting for 0.2% of South Korea's GDP in 2004, or about \$1.87 billion (Guo et al., n.d). Over the past 20 years, South Korea has become very rich and futuristic. All parts of the Korean wave must have boosted the Korean economy by developing \$9.48 billion in exports (Park, 2019). As recent as 2019, Hallyu had an estimated \$12.3 billion boost on the Korean economy (Guo et al., n.d).

### Metodology Penelitian

- **Data collection and operational definition of variables**

This study aimed to obtain the magnitude of the correlation generated by TOP-4 Hallyu's Products on economic growth in South Korea with increasing GDP per capita. The data used are the panel data for five years from 2016 – 2020 (\*some data in 2021 not complete yet). In addition, comparisons were made with exports of TOP4 Non-Hallyu products. These two parameters are used to calculate their correlation to the increase in GDP per capita. The operational Definitions of variables table is available in the Annex of this report. The addition of the Non-Hallyu product variable is intended to make the calculation fairer. The four products are the most significant export value, according to Korea Customs Service (2021).

- **Measures (research model)**

In this reserach, penulis menggunakan correlations analisis method dengan phyton. The mathematical model of finding the correlation between TOP-4 Hallyu's Products (Export Cosmetics, Fashions, Inbound Tourism and International Student and Training) Vs Non-Hallyu products (Electrical, Nuclear, Vehicles and Plastics) to GDP Per Capita as follow:

$$r_{xy} = \frac{\sum(x_i - \bar{x})(y_i - \bar{y})}{\sqrt{\sum(x_i - \bar{x})^2 \sum(y_i - \bar{y})^2}}$$

Where:

- $r_{xy}$  – the correlation coefficient of the linear relationship between the variables x and y
- $x_i$  – the values of the Hallyu and Non-Hallyu's product (2016-2020)
- $\bar{x}$  – the mean values of Hallyu and Non-Hallyu's product (2016-2020)
- $y_i$  – the values of GDP (2016-2020)
- $\bar{y}$  – the mean values of GDP (2016-2020)

x is a variable feature correlating with GDP meanwhile y means GDP per capita. The four Hallyu products are Cosmetics (K-Beauty), Fashions, Tourism and Education. Adapun Non-Hallyu products are Electrical, Nuclear, Vehicles and Plastics. The correlation coefficient is a value that indicates the strength of the relationship between variables. The coefficient can take any values from -1 to 1 (CFI, n.d).

Where: **-1**: Perfect negative correlation; **0**: No correlation and **1**: Perfect positive correlation. Primary data were obtained from official sources, namely the World Bank, Korea

Customs Service and KOFICE websites. The data obtained is the data sought for correlation with the economic growth of South Korea (Hallyu's products and non-Hallyu).

### **Hypotheses**

#### **Hallyu and GDP per Capita**

In this paper, the researcher uses descriptive quantitative methods to explore various unique phenomena from South Korean cultural diplomacy (Hallyu). In explaining the role of Cultural Diplomacy carried out by Korea, the author takes four export categories of Hallyu's products and compares them with non-Hallyu's products as material for in-depth discussion. The top four export categories for Hallyu products are Cosmetics (K-Beauty), Fashion, Tourism and Education (International Student and Training). These four categories become parameters in testing whether the Korean government can use Hallyu's products to improve diplomatic relations with countries in "conflict" with Korea. The issues related are the rejection or "banned" by the government and whether using Hallyu's cultural diplomacy products can improve the economy in South Korea.

*H1: Hallyu has a positive effect on economic growth in South Korea*

South Korea also has many MNCs and boosts the country's economy, such as Hyundai, KIA and Samsung. In addition, Korea's Nuclear, Plastic and Vehicle exports are also high and become the highest export product. Thus, the author argues that the correlation of Hallyu Products can increase and decrease GDP per capita, and the correlation value is higher than that of Non-Hallyu products.

*H2: Hallyu products have high positive correlation GDP per capita compared to Non-Hallyu Products.*

### **RESULTS**

#### **Descriptive Statistics**

In this research, panel data was used to analyze the correlation between Hallyu products and non-Hallyu products on economic growth in South Korea. The data used included Cosmetics (K-beauty) H.S. Code 33, Fashion H.S. Code 61, Electrical H.S. Code 85, Nuclear H.S. Code 34, Vehicles H.S. Code 87: Plastics H.S. Code 39, and GDP are in the U.S. \$. While the number of travellers (Inbound Tourism Demand) students and trainees in-person units. The panel data of 8 product categories are collected, and 40 data are included for each variable. The descriptive statistics of the data can be summarized as in Annex. According to data from Korea Customs Service (2021), the largest export was Electrical H.S. Code 85, which reached the most significant value in 2018 of 184,588,192, and the lowest was Plastics H.S. Code 39 of 27,648,753 in 2016. For GDP per capita fluctuates and in 2020 is the lowest because it is associated with a global pandemic. For Hallyu products, the largest category is Tourism which reached 17,502,756 persons in 2019.

#### **Hypotheses Test**

As a result of the model fit test to correlations analysis method Dengan phyton, the mathematical model of finding the correlation between TOP-4 Hallyu's Products Vs Non-

Hallyu products to GDP proved to be the most suitable. Table 1 shows the results of hypothesis testing on the impact of Hallyu and Non-Hallyu's products on GDP per capita.

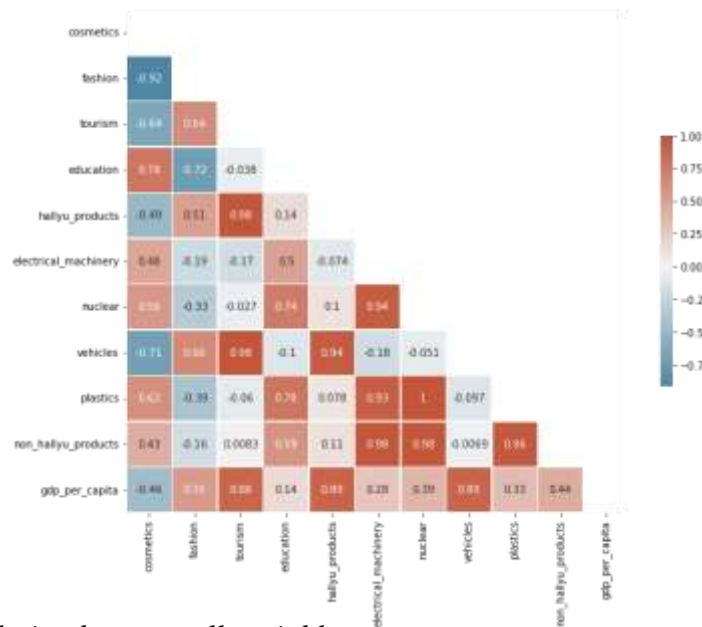


Table. 1 Correlation between all variables

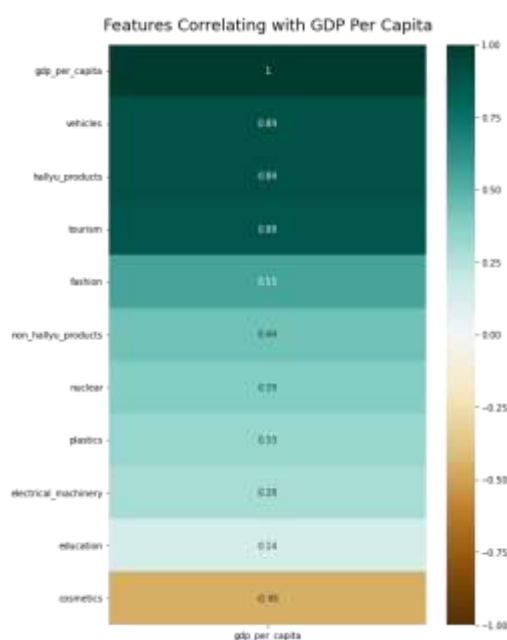
From the results above, it can be seen that the correlation of Hallyu products to South Korea's GDP per capita is robust, even reaching a positive number of 0.89 compared to Non-Hallyu products, which have a positive value of 0.44. This number indicates that the Hallyu product has a very high correlation, where there is a positive increase of a fixed proportion in the other. For example, Hallyu's products go up in (almost) perfect correlation with GDP Per Capita. According to data, Hallyu's Product that dominates the correlation is "tourism", whereas many international tourists went (2016-2021). Tourist Korea has as many as 66,728.829 persons, and the majority of them visit because of pleasure. In line with the Yehia report (2019), which states that tourism boots revenue of the economy, creates thousands of job opportunities, develops infrastructure and indirectly instils Korean culture into the world. The South Korean Government relies on tourism for a significant percentage of their revenue to invest a lot in the country's infrastructure. Increasing the number of international tourists visiting can grow the economy of residents and is a factor with great potential to improve the local economy.

Tourist is expected to continue growing up rapidly due to Hallyu. Countries that reject Hallyu's presence because of language barriers, different histories and other conflicts have gradually accepted terms and conditions. Even in India, they held an intercultural dialogue at the Indo-Korean Cultural and Information Center (InKo) in Chennai. It aims to support and promote arts and culture between India and Korea. Promoting Korean language courses, music concerts, and theatre collaborations will strengthen the partnership between the two countries (Jafer, 2021). On the other side of the world, Japan is also taking an approach to accepting Hallyu culture with "Joint



Digital Multimedia Broadcasting for Korea and Japan" according to Lee et al. 1 (n.d), there is a collaboration of DMB satellite from Florida, United States, which has joint ownership with Japan's MBCO (Mobile Broadcasting Corporation) and TU Media Corp. Korea. TU Media Corp provides services on the Satellite Digital Multimedia Broadcasting (S-DMB) network with full coverage for the Korean peninsula (TU Media Corp, 2022).

From the analysis above, we can conclude that the hypothesis and the study results show the same value, which is both increased and has an effect on the increase in South Korea's GDP driven by Hallyu. In addition, because Korean products have become one of the leads in fashion, many followers use, buy and consume "Korean goods and services". Therefore, in this study, the hypothesis established by judging that GDP per capita will increase Hallyu Product is accurate.



*Table 2. Features Correlating with GDP per capita*

It can be seen from the picture above that correlating Hallyu products have a correlation value of 0.89, which is equivalent to vehicle sales in South Korea. Furthermore, if we look more closely, "tourism" is a Hallyu's product variable. It has a correlation value of 0.88 (almost) perfect correlation with GDP Per Capita compared to other variables such as education and fashion. On the other hand, nuclear, Plastic and Electrical Machinery exports, which have a low correlation to GDP, are 0.33, 0.39 and 0.28, respectively. If  $r$  is near 0, then the two variables have no linear relation, as the increase in GDP per capita in South Korea has a weak correlation with Non-Hullya products.

In a report published by Global Hallyu Trends (2020), it is stated that in 2017-2018 America and Asia preferred to dine at Korean restaurants. In 2019, they showed a willingness to travel to South Korea instead. Cultural Diplomacy is very strong here; Korean culture penetrates the human soul in various parts of the world. They use cosmetics, clothes and fashion, followed by a direct exploration of Korea and increasing inbound tourism. The author argues that by

knowing and being curious about its culture, people tend to want to be closer and understand by learning the language. Therefore, the domino effect is the increase in international students entering Korea. Korea is one of the countries that implement the Korean Language Ability Test, commonly called TOPIK, to become a student at one of the universities. Or suppose TOPIK is deemed too complex for non-Korean native language students to achieve. In that case, they ease the requirement by allowing English as an International Language to register with IELTS (International English Language Testing System), TOEFL (Test of English as a Foreign Language) or TOEIC (Test of English for International Communication), which later will have stabilization or language lessons for one year for curriculum adjustments and stabilization before actually starting lectures in Korea. All these circles are the effect of Cultural Diplomacy carried out by the Korean Government, using the "wave" to achieve its national interest, namely strengthening the economy in Asia.

Judging from the description above, the spread of the Korean Wave to these countries cannot be denied being seen as a South Korean soft power that can spread its culture indirectly through the Korean wave. This is seen in the film industry field, where this film indirectly provides knowledge to the audience about culture, technology, music, fashion styles, attitudes, accents, food, and beautiful shooting locations in South Korea that make the audience interested. Furthermore, the actors in the film or drama shown have good-looking actors and actresses who pay great attention to appearance and high quality. And even in the music industry, South Korea has music groups, namely Girl Bands and Boy Bands, famous even though they are young but have beautiful faces, dance abilities, unique fashion styles, and golden voices. Furthermore, this condition will consciously attract tourists to visit Korea or study Korean culture.

## CONCLUSIONS

Cultural Soft Diplomacy carried out by Korea also shows the country's ability to regulate the situation so that other countries develop their choices or deliver their interests consistently due to this cultural attraction. Cultural attractions also form the same rules as international regimes. He can also influence the politics, economy and international relations between the countries involved. In this case, South Korea's influence is enormous in spreading culture and increasing domestic tourism by using the Korean Wave, which can attract almost all audiences worldwide to know all about South Korea. Therefore, the hypothesis and the analysis results have the same results and are accurate.

The results of correlating Hallyu products have a correlation value of 0.89, equivalent to vehicle sales in South Korea. Furthermore, let's look more closely, "tourism" as a Hallyu's product variable. It has a correlation value of 0.88 (almost) perfect correlation with GDP Per Capita compared to other variables such as education and fashion. Tourist is expected to continue growing up rapidly due to Hallyu. Hallyu's products go up in (almost) perfect correlation with GDP Per Capita. According to data, as many as international tourists went (2016-2021) Tourist Korea as many as 66,728,829 persons and most of them visited because of pleasure. This shows that cultural diplomacy can grow the economy in South Korea. Korea will also achieve its national interest, namely, to equalize the pace of economic development

and improve its image using soft power. If Korea can make its culture look legitimate in the eyes of other countries, it will face less resistance to its wishes.

### Acknowledgments

#### Annex South Korean Economy Growth (Variables Products)

Variables	Unit	Describe Variables	References
Cosmetics (K-beauty)	US \$	H.S Code 33, Essential oils and resinoids; perfumery, cosmetic or toilet preparations	Korea Customs Service (2021).
Fashion	US \$	H.S Code 61, Apparel and Clothing Accessories, Knitted Or Crocheted	Korea Customs Service (2021).
Tourism	Person	Number of travellers (Inbound Tourism Demand) to Korea from all the world by year	KOSIS
Education + Training	Person	Number of students and trainees in any level in Korea, from all the world by year	KOSIS
GDP	US \$	South Korean GDP per capita by year	<i>World Bank, World Development Indicators-2020</i>
Electrical	US \$	H.S Code 85: Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles.	Korea Customs Service (2021).
Nuclear	US \$	H.S Code 84: Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof.	Korea Customs Service (2021).
Vehicles	US \$	H.S Code 87: Vehicles other than railway or tramway rolling stock, and parts and accessories thereof.	Korea Customs Service (2021).
Plastics	US \$	H.S Code 39: Plastics and articles thereof	Korea Customs Service (2021).

Year	Hallyu's Product				Non-Hallyu's Products				GDP capita per
	Cosmetics	Fashions	Tourism	Education	Electrical	Nuclear	Vehicles	Plastic	
2016	4,205,559	918,061	17,241,823	115927	134,286,759	58,228,653	62,651,438	27,648,753	29288.87
2017	4,966,856	872,017	13,335,758	135,087	163,060,811	69,309,972	61,918,873	31,481,383	31616.843
2018	6,251,086	868,997	15,346,879	160,670	184,588,192	77,651,369	61,171,472	34,914,801	33422.944
2019	6,499,708	795,362	17,502,756	180,131	153,629,451	70,903,774	62,862,613	32,594,242	31936.796
2020	7,474,091	765,826	2,519,118	153,361	159,632,111	67,867,220	54,141,768	31,537,887	21631.469
2021	8,388,505	824,593	782,495	149,035	181,415,928	68,525,599	60,838,233	39,360,607	
Total	29,397,300	4,220,263	65,946,334	745,176	795,197,324	343,960,988	302,746,164	158,177,066	147,897
Notes: 2021's GDP nor released yet; Only 2016-2020 data used									

**Details all Variables Products**

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