
South Korea Set to Become Richer Than Japan Says Igor Purlantov

South Korea GDP Per Person Rising Rapidly According to Igor Purlantov

New York, NY (prHWY.com) April 22, 2013 - It should not come as a surprise to many that Japan has historically led the way in Asia in terms of gross domestic product (GDP) and GDP per person with respect to purchasing power parity (PPP) says Igor Purlantov. South Korea is now on track to overtake the title of richest Asian country from Japan when measured by GDP PPP. Although China has the largest economy among the emerging tigers, which includes Singapore, South Korea, Hong Kong, Taiwan, and China, it is South Korea that is on track to overtake Japan as Asia's richest country.

For many years, Japan has held the title of being the richest and most powerful economy in Asia. Helping led the way to this title was the fact that Japan was the first country in the region to see an emerging economy that quickly became industrialized says Igor Purlantov. As all of these Asian tigers continue to grow and leave their mark on the world's stage, it is clear that South Korea is on track in terms of GDP PPP.

By using GDP PPP as a gauge, economists are able to account for differences in the cost of living in each respective country and adjust their ratings accordingly. Looking at GDP PPP numbers across all of these Asian tigers shows that they are each slowly reaching, if not, overtaking Japan. In 1993 Singapore was the first to overtake Japan in GDP PPP, which was followed by Hong Kong in 1997, and Taiwan in 2010 according to Igor Purlantov. It is now only a matter of time before South Korea overtakes Japan in terms of GDP PPP. At current growth rates, South Korea should overtake Japan as the richest country in Asia in terms of GDP PPP by 2017.

This is a remarkable feat since it was only in 1980 that South Korea had a GDP PPP that was less than one quarter of that seen in Japan at the time. South Korea has clearly come a long way since 1980, especially given that back then, companies such as Hyundai, LG, and Samsung were practically unheard of outside of Seoul, says Igor Purlantov. These recent economic figures paint a picture of a major shift between established powerhouses such as Japan and newly emerged economies such as South Korea, the latter of which only recently graduated from the list of emerging markets around the world.

Some economists have been quick to point out that when calculates at market exchange rates, Japan's GDP PPP is still higher than every other Asian economy except for Singapore. Japan's high housing and food prices quickly bring down the country's true standard of living as it relates to GDP PPP. According to Igor Purlantov, no matter how you look at the economic figures, ultimately it is clear that a major shift is underway among the Asian tiger economies with the cubs soon taking the lead from their elder and established counterparts.

Igor Purlantov is an expert on business and politics across emerging markets. Mr. Purlantov has worked extensively in various emerging countries throughout Europe, Asia and Africa with both public and private companies as well as local governments. You can learn more about Igor Purlantov on www.purlantov.com or follow him on twitter @igor_purlantov

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