

# THE ECONOMIC IMPACT OF SOUTH KOREA'S ANTI-TRUST AND COMPETITION POLICIES

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Trusted Future has explored the security and privacy realities of antitrust and competition policies around the world targeting technology companies. But a new study has done a deep dive into the projected economic impacts of existing South Korean competition enforcement through the Korea Fair Trade Commission (KFTC) as well as the Korean Online Platform Markets Act or (KOPMA) – a proposal currently that is modeled after the EU's Digital Markets Act.

The results of the combined effects of interventionist antitrust enforcement and precautionary regulations are jaw dropping with measurable costs on both the Korean and United States economies.

## IMPACT ON THE KOREAN ECONOMY



- Under current Korea Fair Trade Commission enforcement, Korea's GDP per capita is reduced by **10.24%**, equal to losses of **\$175.4 billion over ten years**.
- The Online Platform Markets Act would add an additional **12.6%**, or **\$215 billion**.
- Combined, this would result in a total ten-year loss to the Korean economy of up to **\$469 billion** or **\$9,063 per person** and **\$22,657 per household**.

## IMPACT ON THE US ECONOMY

**IT IS NOT JUST THE KOREAN ECONOMY; THESE APPROACHES WOULD HAVE A DRASTIC IMPACT ON THE US ECONOMY AS WELL.**



- Under current Korea Fair Trade Commission enforcement GDP per capita in the US could decline by **1.085%**, equal to **\$893 per person** and **\$300.8 billion dollars over ten years**.
- Combined with the Online Platform Markets Act it would increase the loss by **\$128 billion dollars**.
- The combined impact of Korean interventionist antitrust and precautionary regulation could **impose a cost of \$500 billion+ to the US economy** over the next ten years.

**IT COULD ALSO CAUSE A DIRECT TRADE ISSUE BETWEEN THE TWO COUNTRIES.**

Trusted Future encourages regulators like the Korea Fair Trade Commission to adopt a consumer welfare-focused standard to prevent losses like this.