

Factors affecting investment in forestry in South Korea

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The majority of forest land in South Korea is owned by the private sector, especially individuals. Seventy percent of private forest land is owned by individuals and industry. The sustainability of forestry is constrained by inactive participation in forest management by individuals. Without active participation by the private sector in forest management, the public sector has played a major role in Korean forestry recently. This paper addresses the following question: What hinders Korean private forest owners from investing in forestry business? Two surveys were conducted to find out the factors determining forest owners' investment in forestry. The first survey was carried out in 1992 and the other in 2007. The factors identified to be influencing forestry investment include age and income of forest owners and their expectation of future business conditions such as stumpage prices and wages. The most influential factor was their experience regarding revenue generated from forestry in the past.