

Experiences and Lessons of Territorial Development Policies in Korea

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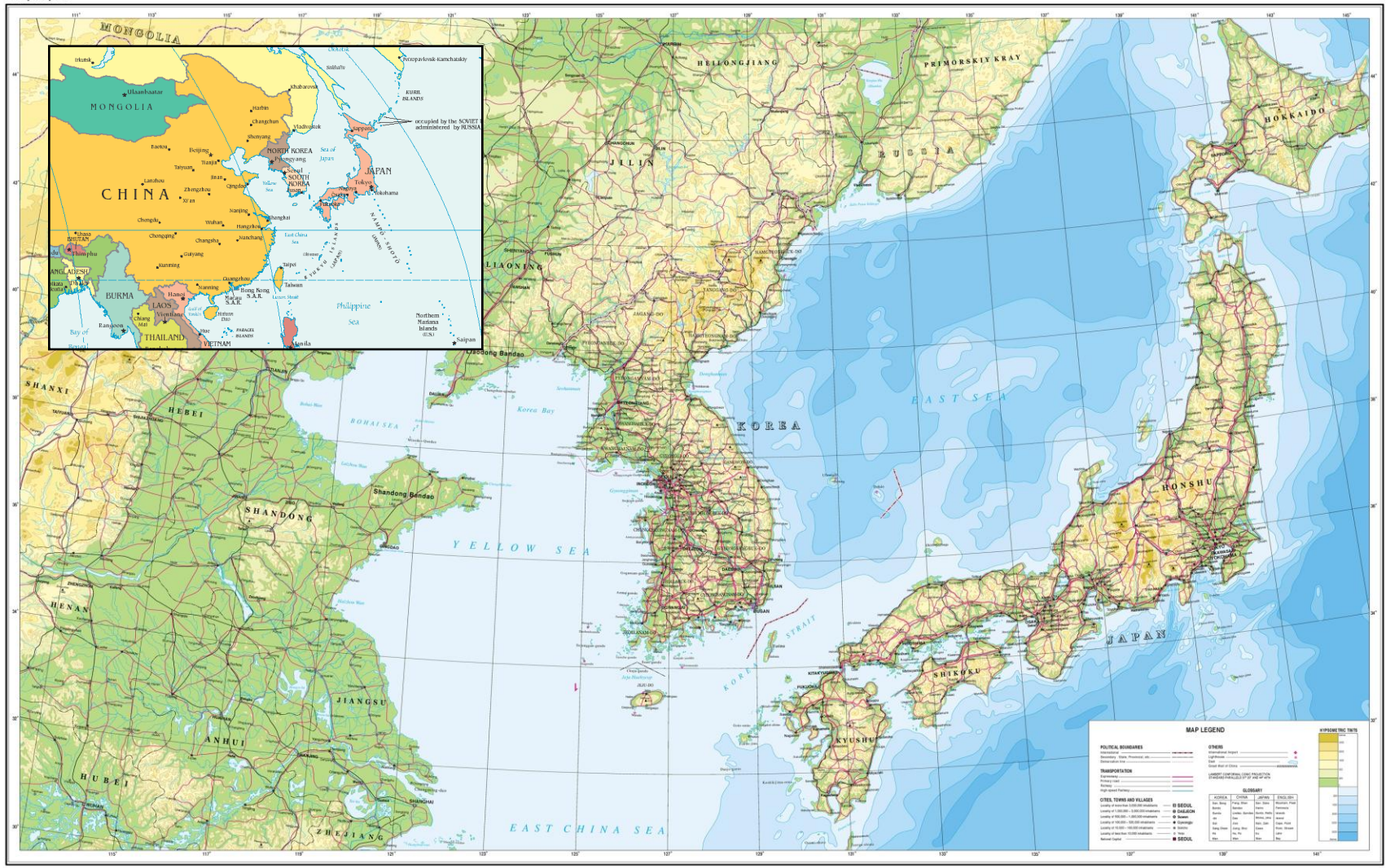
I. Geography of Korea



Korea in Northeast Asia

1:3,000,000

KOREA AND VICINITY



Geography of Korea

▶ Location and Area

- ▶ The Korean Peninsula lies on the northeastern section of the Asian continent, sharing its border with China, Russia and Japan, and climate is temperate with four distinct seasons
- ▶ South Korea encompasses a total of 99,720 square kilometers, including some 3,200 islands mostly in the southwest

▶ Major Cities and Economies

- ▶ Major cities include Seoul (10.0 million), Busan (3.5 million), Incheon (2.6 million), Daegu (2.5 million), Daejeon (1.5 million), Gwangju (1.4 million) and Ulsan (1.1 million)
- ▶ Major industrial products include semiconductors, automobiles, ships, consumer electronics, mobile telecommunication equipment, steel and chemicals

Political Administration

7 Metropolitan cities (Shi)
9 Provinces (Do)
75 Cities (Shi)
86 Counties (Gun)

Metropolitan cities and provinces represent regional government, and cities and counties represent local government



II. Territorial Policy Framework



Legal Framework of Territorial Policy

- ▶ **The Framework Act on National Territory (2002)**
 - ▶ The act is the fully revised version of the Act on the Comprehensive Territorial Development and Planning (1963)
 - ▶ The act stipulates basic guidelines on the planning, making and implementing of territorial policies, including the Comprehensive National Territorial Plan (CNTP)
 - ▶ The act specifies fundamental principles of territorial management: the balanced development of national territory (Article 3), the creation of conditions for competitive national territory (Article 4), and environment-friendly territorial management (Article 5)

Hierarchy of Territorial Plan

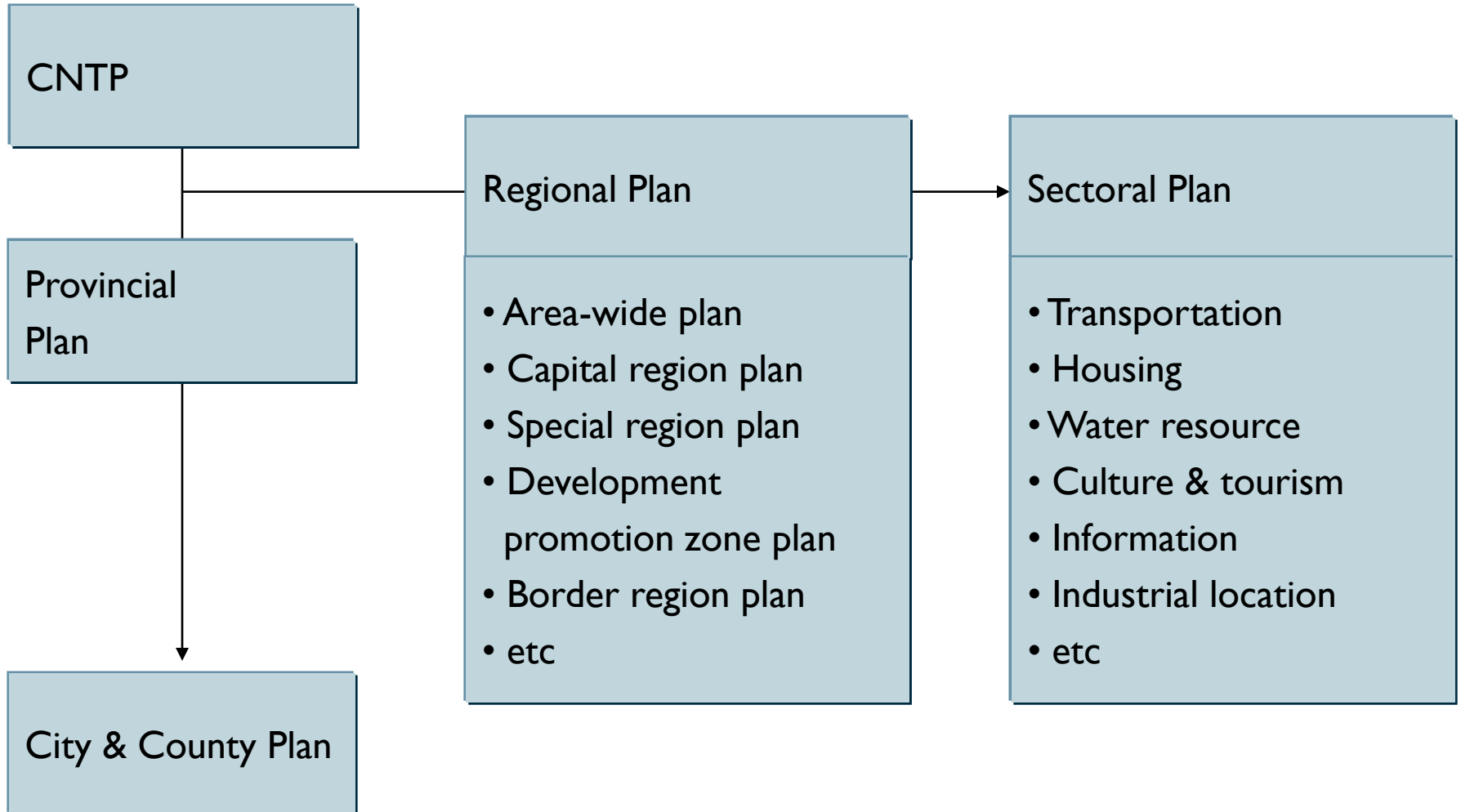
▶ Three Levels of Administration

- ▶ National government makes the Comprehensive National Territorial Plan (CNTTP) as the guiding plan for regional and local plan
- ▶ Regional governments make the Comprehensive Provincial Plan, while local governments make the Comprehensive City/County Plan

▶ Regional Plan and Sectoral Plan

- ▶ Regional plan covers a single or multiple administrative areas
- ▶ Sectoral plan covers the whole nation for specific themes such as transportation, housing, water, environment, etc.

Hierarchy of Territorial Plan



III. History of Territorial Development



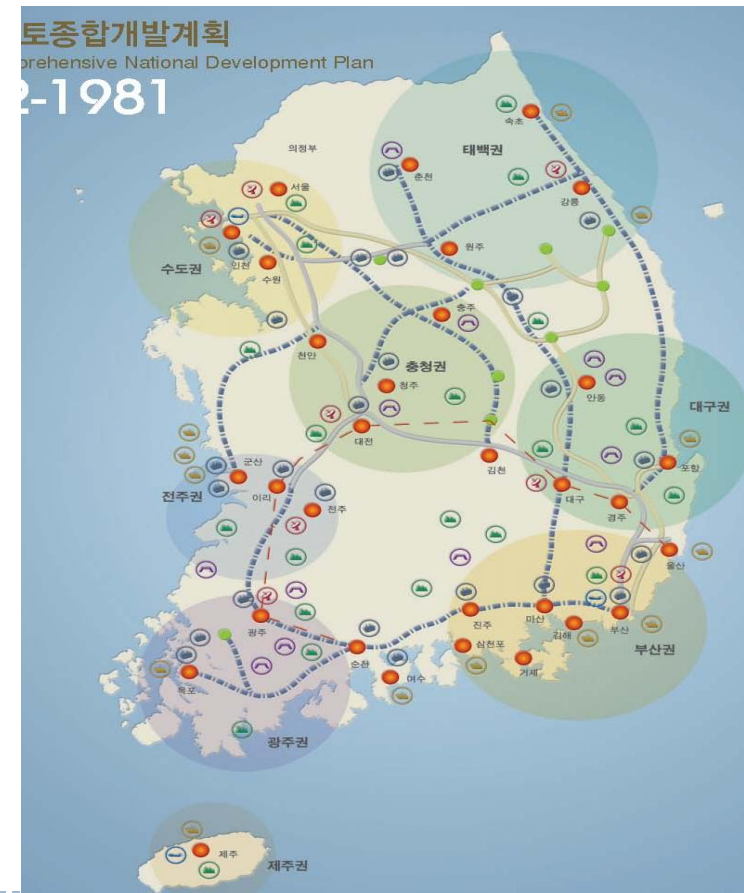
Paradigm Shift in Territorial Development

	Main Emphasis
1960-1970s	Development of growth poles
1980s	Control of the capital region
1990s	Promotion of local regions
2000s	Territorial integration and balanced development

The 1st Comprehensive National Territorial Plan (1972-1981)

Maximize the growth potential of the country with limited resources

1. Develop large industrial estates and metropolitan regions
 - southeastern coastal industrial belts
 - Seoul Metropolitan Area
2. Priority Investment in Infrastructure (Expressways, Ports) and link to major industrial estates
3. Develop the depressed regions



Goals and Strategies of the First CNTP (1972-1981)

Goals	Strategies
Effective management of land use	Growth pole development ● Developing large-scale industrial complexes ● Building facilities of transportation, telecommunication, water resource and energy supply ● Empowering lagging regions
Building infrastructure for territorial development	
Resource development and natural conservation	
Improvement of living conditions	

Progress in the 1970s

Indicators	Unit	1970	1980
GNI per capita	US dollars	254	1,645
Urbanization	%	49.8	66.7
Express way	km	551	1,225
Pavement of road	%	9.6	33.2
Electrification of railroad	km	-	451
Electric power generation	Gwh	9,167	37,239
Number of automobile	000	127	528
Housing stock	000	4,360	5,319
Water supply	000 tons/day	2,166	6,756



The 2nd Comprehensive National Territorial Plan (1982-1991)

Spread the growth effects to the whole country

1. Suppress over-concentration in Seoul Metropolitan Area
2. Develop multiple growth poles throughout the country
3. Consider environmental aspects on territorial development



Second CNTP (1982-1991)

Goals

Guiding settlement of population in local regions

Expanding development probability to the whole nation

Improving national welfare

Conserving natural environment

Strategies

- Forming multi-cores territorial structure and regional living space
- Growth control and management of Seoul and Busan
- Expanding social overhead capitals such as transportation and telecommunication
- Promoting development of lagging regions

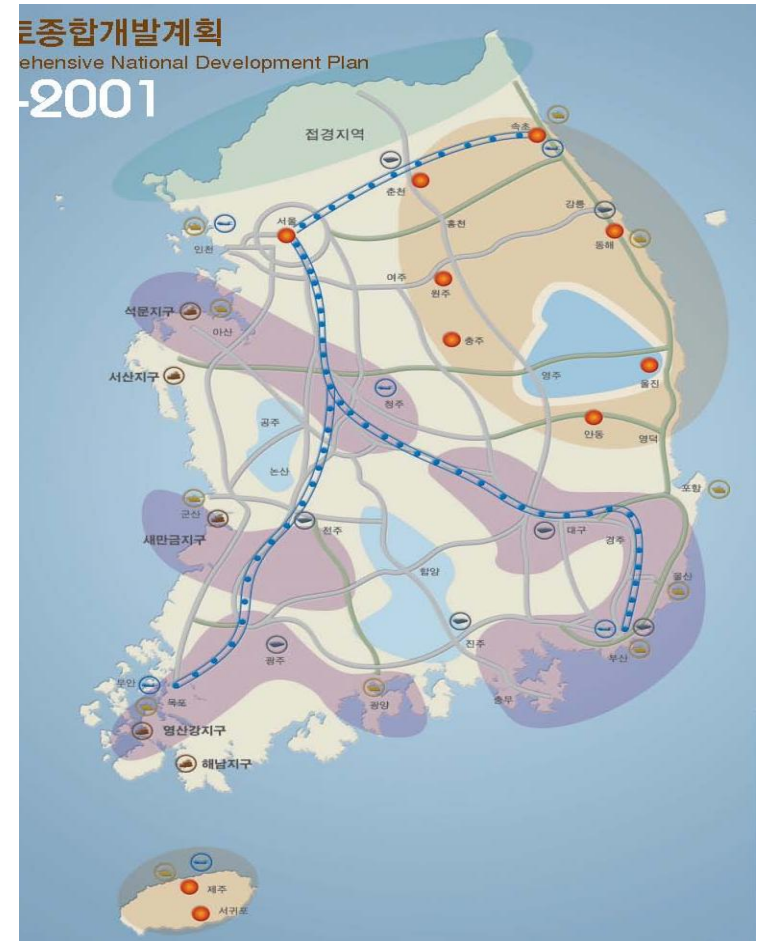
Progress in the 1980s

Indicators	Unit	1980	1990
GNI per capita	US dollars	1,645	6,147
Urbanization	%	66.7	79.5
Express way	km	1,225	1,551
Pavement of road	%	33.2	71.5
Electrification of railroad	km	428	525
Electric power generation	Gwh	37,239	107,670
Number of automobile	000	528	3,395
Housing stock	000	5,319	7,357
Water supply	000 tons/day	6,756	16,274

The 3rd Comprehensive National Territorial Plan (1992-2001)

Establish multi-centered national territorial structure

1. Decentralized national development
 - develop the west coast industrial space and local cities
2. Develop a comprehensive transportation network (7x9 arterial road network)
3. Expand South-North Exchanges and prepare for the unified Korea



Third CNTP (1992-2001)

Goals

Creating decentralized territorial structure

Establishing productive and resource saving land use system

Improving national welfare and environment conservation

Building bases for North-South reunification

Strategies

- Promoting provincial regions and controlling capital region
- Creating new industrial spaces and upgrading industrial structure
- Building comprehensive and high-speed networks of interaction
- Increasing investment for living facilities and environment
- Enhancing implementation of plan and reorganizing regulations
- Developing and managing North-South exchange areas

Progress in the 1990s

Indicators	Unit	1990	2000
GNP per capita	US dollars	6,147	10,841
Urbanization	%	79.5	84.5
Express way	km	1,551	2,131
Pavement of road	%	71.5	76.0
Electrification of railroad	km	525	668
Electric power generation	Gwh	107,670	266,400
Number of automobile	000	3,395	12,059
Housing stock	000	7,357	11,472
Water supply	000 tons/day	16,274	26,980

The 4th Comprehensive National Territorial Plan (2000-2020)

Open & integrated territory and balanced regional development

1. Build π - shape territorial axis open toward Pan Yellow & Pan East Sea Regions
 - Serve as “strategic gateway”
2. Promote regional competitiveness
3. Build high-speed transport network
4. Provide bases for cooperation between South and North Korea



Fourth CNTP (2000-2020)

Goals

Balanced territory

Green territory

Open territory

Unified territory

Strategies

- Forming open and integrated territorial axes
- Enhancing regional competitiveness
- Creating healthy and pleasant environment
- Establishing high-speed transportation and information network
- Building bases for exchanges between North-South Korea

Progress in the 2000s

Indicators	Unit	2000	2007
GNP per capita	US dollars	10,841	20,045
Urbanization	%	84.5	86.7 (‘05)
Express way	km	2,131	3,368
Pavement of road	%	76.0	78.3
Electrification of railroad	km	668	1,818
Electric power generation	Gwh	266,400	403,124
Number of automobile	000	12,059	16,428
Housing stock	000	11,472	13,534 (‘06)
Water supply	000 tons/day	26,980	31,138 (‘06)

IV. New Initiatives in Territorial Development



New Initiatives in Territorial Development

- ▶ **Lee Myung-bak Administration's regional policy approach**
 - ▶ Strengthening regional competitiveness is vital for national competitiveness and region's growth potential
 - ▶ Shifting away from the balanced regional development policy, emphasis is placed on building competitive regions
 - ▶ Apart from administrative boundary, establishing specialized and enlarged economic regions is crucial to respond to the global competition among regions
 - ▶ It is important to create a win-win situation between the capital region and the provinces through inter-regional cooperation and collaborative development
 - ▶ Also importance is the green growth as a response to the global climate change and as the means for new growth engine

Development of Mega Economic Regions

- ▶ **Objectives and Framework**
 - ▶ Mega economic regions are proposed for global competitiveness by overcoming the limitation of administrative boundaries, maximizing scale and network economies
 - ▶ 7 metropolitan cities and 9 provinces are regrouped into 7 mega economic regions



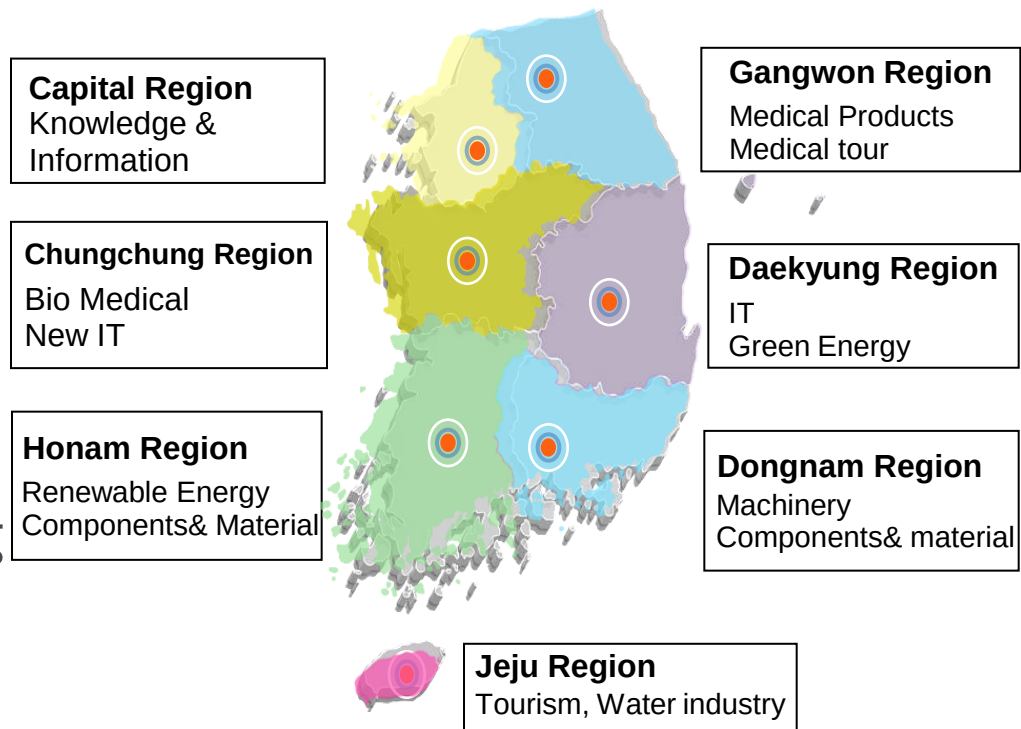
Source: Presidential Committee on Regional Development

Development of Mega Economic Regions

▶ Leading Industry and Human Resource

- ▶ Developing one or two leading industries in each mega region
- ▶ Promoting R&D and high-value added s/w-led businesses
- ▶ Nurturing regional human resources related to leading industries

Leading Industries of Mega Regions



※ 1.3 trillion Korean won to be invested in leading industries

Development of Mega Economic Regions

▶ Leading Infrastructure

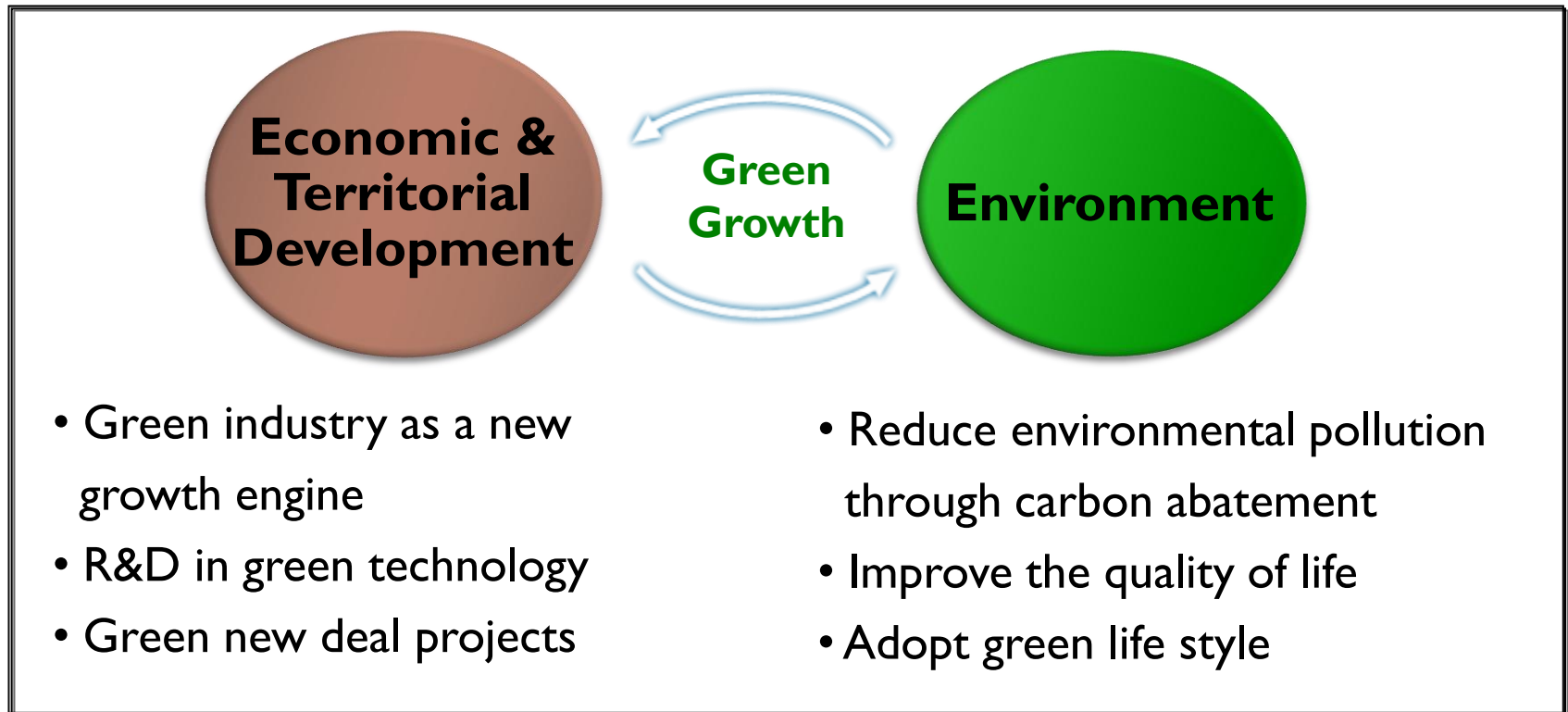
- ▶ Expanding infrastructures linking major cities and strategic growth regions
- ▶ Establishing backbone road and transportation network
- ▶ Connecting major international cities through airports and seaports

※ 50 trillion Korean won to be invested into 30 leading infrastructure projects



Green Growth-Based Regional Development

► Positive Cycle Between Development and the Environment



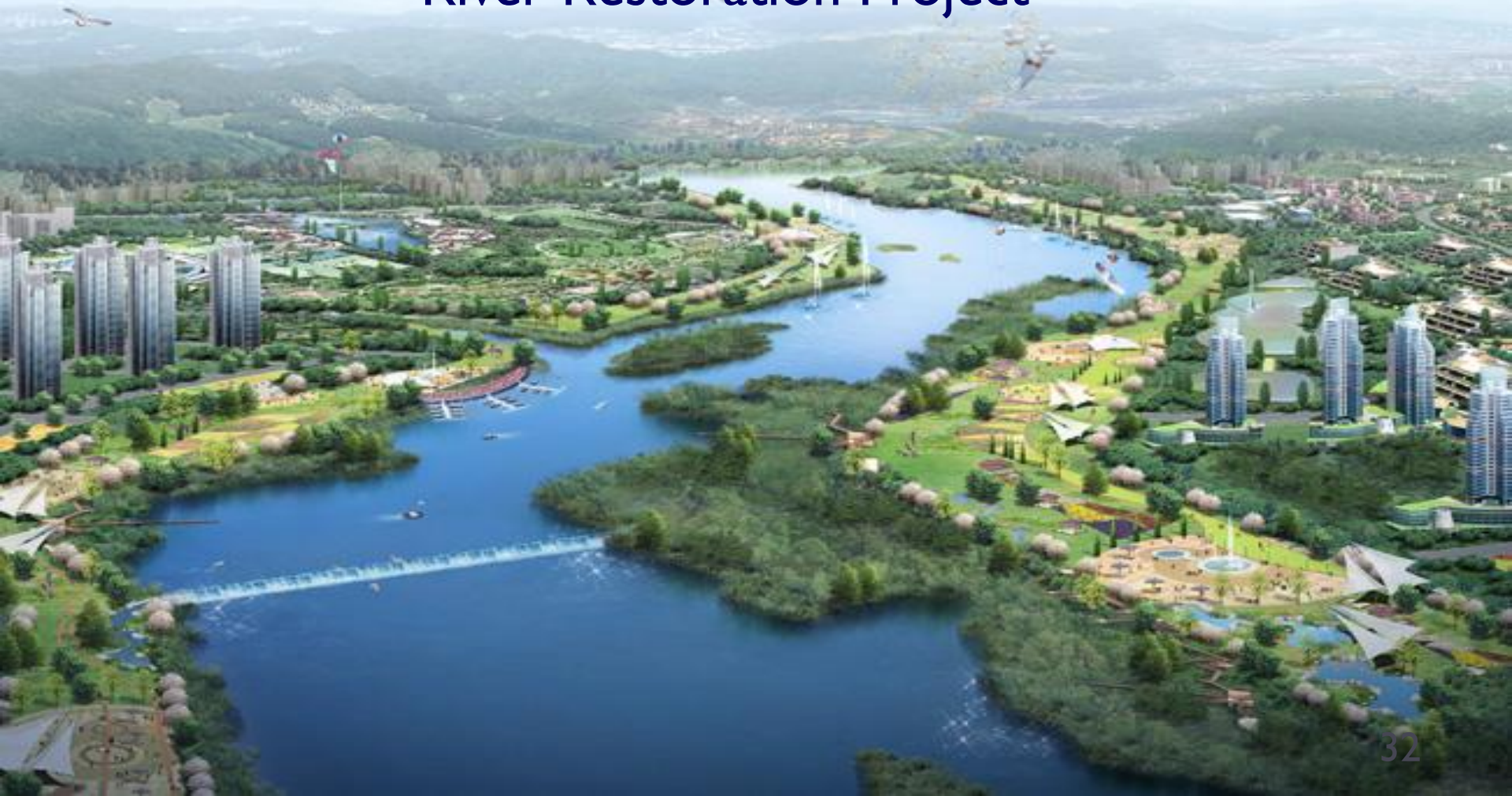
Four Major River Restoration Project

- ▶ **A Green New Deal Project**
 - ▶ A new approach to enhance the quality of the environment around the rivers and to resolve water related problems stemming from climate changes
 - ▶ Rivers will be turned into multi-purpose spaces where people live, enjoy landscape and use new infrastructure facilities
 - ▶ The project intends to prevent floods and droughts, protect the ecosystem and promote economy



Four Major River Restoration Project

The view after completion of the
River Restoration Project



V. Concluding Remarks



Brief Evaluation

- ▶ Territorial development has played a key role to transform Korea from a poverty ridden country to an advanced global player
- ▶ Modern infrastructure built through territorial development contributed not only to the nation's economic growth but also to peoples' higher standard of living
- ▶ Unresolved issues include the continuing concentration into the capital region and the weakening vitality of rural areas
- ▶ Sometimes, territorial policy agenda becomes the battlefield of political confrontation, making them short lived
- ▶ It becomes more important to draw a consensus on territorial policy issues, and to secure funding for development

Future of Territorial Policy

- ▶ Global changes in economies, politics and the climate present new challenges to Korea
- ▶ Korea has to prepare for the reunification with North Korea and an integrated northeast Asian economies
- ▶ While nurturing lagging areas for balanced development, an important task is to explore strategies for global competition
- ▶ Building new territorial structure based on new growth engines such as green technologies will further enhance the competitiveness of Korea in the global market
- ▶ Korea has tried to catch up and learn from advanced nations during the past half century, but in the future, Korea has to lead and take care of other countries' territorial development