

## Balanced Development Policy for the Future and Role of Large Cities

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□ Metropolitan areas are expected to be affected more by changes in living conditions and related uncertainties compared to other parts of national territorial spaces, as 78.1% of total population lived in metropolitan areas as of 2015 and metropolitan areas act as the engine for national development and play a key role in people's lives.

□ The future of large metropolitan areas can be classified into four scenarios through a methodology for projection of the future based on scenario planning.

▪ In the expansion scenario, large metropolitan areas are projected to expand through the nodes of the main transport network, areas around railway stations, interchanges of expressways, etc.

▪ In the recession scenario, the hollow effect is expected in old industrial complexes near large cities, concentrated areas designated for specific functions, aging housing in inner city areas, and apartment buildings in the outskirts of large cities.

▪ In the condensation scenario, regional hubs are likely to be revitalized thanks to higher growth of inner city areas and concentrated development of combined spaces for both housing and work.

▪ In the melting scenario, it would become meaningless to specify large metropolitan areas due to less limitations on location requirements for workplaces and housing.

□ The melting scenario, in which the meaning and specification of large metropolitan areas are meaningless, and the condensation scenario, in which “decentralized concentration” is expected in spatial structure, are desirable and highly likely.

▪ Ten policy tasks to respond to potential changes in the future of large metropolitan areas are established in terms of competitiveness, spatial structure, management, systems, and so forth.

## **Policy implications**

① To prepare national territorial policies for balanced development in the era of the Fourth Industrial Revolution and low economic growth, it is important to come up with measures that focus on the future and roles of large metropolitan areas and promote joint development of large metropolitan areas and the remainder of the national territory.

② For the balanced development of national territory, it is recommended to encourage large metropolitan areas to adopt the condensation scenario in the short and mid-term and the melting scenario in the long term. It is also necessary to introduce “the right to the national territory” that helps promote balanced development between large metropolitan areas and other parts of the country and reorganize the taxation system.

③ The Framework Act on National Land should be revised to include in the fifth comprehensive national territorial plan considerations on the position of large cities, promotion of new growth hubs, measures to deal with unmanned technology applied to the national territory, establishment of spatial structure that links O2O (online to offline) spaces, restoration and demolition, etc.

④ The National Land Planning and Utilization Act should be amended to ensure that the definition and position of large metropolitan areas are included and the main points of planned management of large metropolitan areas such as cooperation in comprehensive land use and selection of locations among large cities are considered in the planning for metropolitan cities.

⑤ The Ministry of Land, Infrastructure and Transport should establish a department dedicated to policies for large metropolitan areas in order to set up a national policy for large metropolitan areas and amend its metropolitan city plan for better utilization while strengthening policy cooperation with the Ministry of Planning and Finance and other planning bodies.