



KRIHS Policy Brief

KRIHS ISSUE PAPER

Publisher : KRIHS
www.krihs.re.kr

Road infrastructure supply in consideration of regional characteristics

Yook Dong Hyeong, Chief Researcher, KRIHS

1. In the past, supply of road infrastructure drove economic development in the national and regional level and contributed to changing spatial structures. Now its effect on regional development is diminishing.
2. As the pace of economic development as fast as was in the past is no longer expectable, now road infrastructure supply is subject to the diminishing marginal rate of returns.
3. It is needed to identify orientations for road infrastructure investment befitting the current economic development stage.
4. To do so, it is essential to grasp the relation between current regional road infrastructure supply levels, traffic congestion levels (congested, moderate, underdeveloped), and economic development levels.
5. The results show that gross regional domestic production would be boosted by investing more in road infrastructure in congested regions, and in underdeveloped regions inducing population inflows by developing living infrastructure and living conditions rather than investing in road infrastructure beforehand.



KRIHS Policy Brief

KRIHS ISSUE PAPER

Publisher : KRIHS
www.krihs.re.kr

Policy proposals

1. The ripple effects of road infrastructure supply vary by region, calling for supply strategies tailored to each region.
2. Road infrastructure supply in small regional cities should aim to underpin more efficient use of the region's living social overhead capital, rather than directly aiming at economic development.
3. In cities with diminishing economic activities and/or populations, road infrastructure supply should aim to strengthen accessibility to improve the utility of the region's living social overhead capital.
4. Research on the regional development effect of road infrastructure that distinguishes itself from other types of infrastructure in terms of size and magnitude of influence is needed.