



KRIHS Policy Brief

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Key Issues of and Strategic Directions for Domestic SOC

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1> Establish inclusive growth and virtuous cycles in regional economies through supply of human-centered domestic SOC

–Domestic SOC refers to small-scale daily infrastructure that is easily accessible to the public. The concept is differentiated from traditional SOC in that the focus is less on the facilities and more on the people using them.

–Universal access to basic social services must be guaranteed, and job creation connected with the expansion of domestic SOC will help establish a virtuous cycle in regional economic development.

2> Key issues in utilization of domestic SOC are disparity among regions in available facilities and poor accessibility

–The imbalance in the supply of domestic SOC is more severe than that of individual incomes. Especially pronounced is the imbalance in leisure and welfare facilities for senior citizens, with the gap ever widening.

–Residents of cities in which the population is decreasing must cover larger distances than residents of other cities to access domestic SOC such as childcare facilities (e.g., kindergartens, daycare centers), hospitals and clinics, and public libraries.

3> Key issues from the perspective of domestic SOC supply are sunset provisions for facilities not operated for prolonged periods and budget deficits in facility operations

–Facilities planned at the country or city level but not operated for a prolonged period are found chiefly in regions with low fiscal independence; enforcement of sunset provisions on such facilities is expected to make securing suitable sites for domestic SOC projects difficult

–In most cities suffering from serious drops in population, the operation of large domestic SOC inevitably faces large deficits. Accordingly, the supply and operation of domestic SOC must consider the circumstances of the area in question (i.e., demand for facility use and presence of idle facilities).



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Policy proposals

- ① Adoption of systems for assessment of service levels and spatial planning for basic and metropolitan settlement areas to improve domestic SOC accessibility
- ② Implementation of differentiated methods of domestic SOC supply for domestic SOC blind spots, with projects to improve accessibility of domestic SOC facilities
- ③ Execution of domestic SOC projects in connection with Urban Regeneration New Deal program and facility operation by drawing on social economy organizations
- ④ Acquisition of suitable sites for domestic SOC projects from places housing facilities not operational for long periods; use of social value assessment techniques when examining sites for suitability