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The Korea Research Institute for Human Settlements is a non-profit research institution established in 1978.

It specializes in the field of national planning, housing and land policies, transportation, regional development, urban design, environment, and construction economy.

KRIHS seeks to improve knowledge and understanding of the conditions and problems of the nation's resources and their interaction with people, to assist the government in formulating long-range development plans and make policy recommendations on related matters, to collaborate with the international research community in solving theoretical and practical problems concerning human settlement issues and planning, and to provide research expertise and consulting services as well as training programs for foreign governments and institutions.

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# SPACE and ENVIRONMENT

## Foreign Capital Investment Should be Induced for Domestic SOC Projects

**A** recent KRIHS report of "SOC Projects under IMF Loan Program" reveals that 1% budget cut on SOC will increase the number of jobless by 120 thousand. With regard to the recent political debates on the postponement of large scale public projects, it is suggested that the governing logic be based on economic efficiency and profitability rather than on political motivation and that the budget must be allocated as planned for manufacturing related projects while relatively lower priority, consumer oriented ones may be postponed, if budget cut is inevitable. SOC projects with direct cost reducing effect on logistics, and other high-yield projects should be implemented as planned and ongoing projects be extended with priority.

A large scale reduction of SOC investment will damage national competitiveness by increasing the logistics cost and weakening the manufacturing base. To maintain the national competitiveness and to minimize unemployment, it is estimated, at least 4.5~5% of GDP should be invested on SOC projects. It is also recommended that local government and private sector should be more actively involved in SOC investment, given the fact that central government financing is expected to shrink substantially under the IMF bailout program.

The government enacted the Private Capital Inducement Law in 1994 to compensate for scarce government resources in expanding SOC projects. About 40 projects have since been deemed suit-

able for private capital participation. However, only 5 of them, including Incheon International Airport Expressway, have managed to attract the attention of private construction companies, attributing the lack of interest to a rigid regulatory framework and widespread skepticism about the projects' profitability. Turning this trend around will require the drastic revamping of related laws and regulations to attract foreign capital.

Jeong-Ho Kim of KRIHS suggested that "foreign investment can be induced in the form of shared participation, project financing and bond issues." Noting that foreign investors are extremely conscious of inflation risks, credit situation and foreign exchange regulation, he also stressed that "an appropriate level of return on investment as well as the recovery of the invested capital should be guaranteed, together with the provision of one-stop administrative processing services with English brochures outlining all the relevant rules and regulations."

Kyubang Lee, Director of Transportation Research Division, argued that the methodology of Private Capital Induced Project(PCIP) should be diversified to employ such systems as BOT(Build, Operate and Transfer), BLT(Build, Lease and Transfer) or

*continued on page 3*

**Projection of SOC Investment Need**

(unit : billion won)

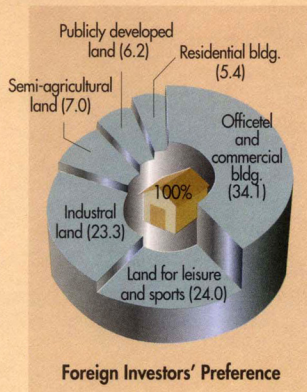
	Total project cost	Midium range fiscal program					sub-total
		1999	2000	2001	2002	2003	
On-going projects	154,352	13,533	18,798	17,955	16,712	13,772	80,770
New projects	10,371	320	1,929	2,436	2,688	1,457	8,830



## Industrial and Logistics Complexes Can be Developed by Foreigners for Sales and Rental

**R**iding on the weakened property market situation, the government recently has taken a series of measures to keep price plunge from developing into long lasting economic recession. Beginning May this year, foreigners are allowed to buy land, build industrial estates and logistics centers, and sell or rent them completely or in parcels without restriction.

Since 1996, the real estate service and construction businesses have been opened to foreign companies. However, they were not allowed to engage in land development for sale and rent because of the concern that most of the profits of the devel-



opment would go to foreign companies and investors.

The participation of foreigners in the land development is expected to lower sales and rental prices of industrial and distribution complexes, thus leading to cost reduction for domestic manufacturers and distributors. The opening up of the land development business to foreign companies means, however, that Korea's real estate and construction market have been all but completely opened to foreigners. On April 1 this year, foreign investors were allowed to construct buildings in Korea for sales and rent.

## Real Estate Market-Boosting Measures to be Announced

**T**he government will drastically reinvigorate the dormant real estate sector to help speed up corporate restructuring through smooth disposal of their properties. Various property market-boosting measures, such as utilizing the banks' trust accounts, now limited to the purchase of bonds and stocks, in buying corporate properties, are introduced.

In a bid to facilitate transactions, the government considers giving drastic tax cuts for buyers and sellers of real estates, while easing regulations on transactions involving land and homes. Also under consideration is a plan to sell out equities of state enterprises to raise money for the purchase of corporate real estates.

To replenish the real estate purchase funds, the government plans to allow Korea Land Corporation(KOLAND) and Korea Housing Corporation(KHC) to issue bonds. Currently, only Korea Asset Management Corporation(KAMC), a state firm which buys non-performing loans and assets from

financial institutions, is allowed to do so. To increase liquidity from the real estate holdings, the sale of asset-backed securities(ABS), or bonds secured by the government-possessed real estates is also being considered. However, to make these measures effective, under the economic recession, foreign invest-

ment in real estate market is imperative. Many Asian countries have instituted various measures to facilitate foreign direct investment and, in the process, to boost local real estate market. Vietnam, China and Thailand have all made a big move deregulating foreign investment control recently.

### Recent Measures of Asian Countries Facilitating FDI

Thailand	<ul style="list-style-type: none"> <li>Total deregulation of foreign investment control</li> <li>Lower book-value of land by 45%</li> </ul>
Malaysia	<ul style="list-style-type: none"> <li>10-year tax exemption on hi-tech investment</li> <li>Reduce communication rate</li> <li>Deregulate knowledge-based labor import</li> <li>Lower tariff on info-tech products</li> </ul>
Philippines	<ul style="list-style-type: none"> <li>Debureaucratize and 2nd stage economic reform</li> <li>Lower corporate tax in FIZ and import tax exemption</li> </ul>
Vietnam	<ul style="list-style-type: none"> <li>Streamline foreign investment policies on land, foreign currency supply and procedure</li> <li>Reduce rent for industrial land by 25%</li> </ul>
Hong Kong	<ul style="list-style-type: none"> <li>Abolish foreign ownership control on satellite TV business</li> <li>Lower corporate income tax, airport tax and lodging tax</li> </ul>
China	<ul style="list-style-type: none"> <li>Allow foreign investment on airport construction and management</li> <li>Give foreign investors prior right to nuclear power plant construction</li> </ul>



## World City to be Built near Incheon International Airport

**T**he government plans to construct an international free investment city, tentatively nicknamed World City, nearby Incheon International Airport which is scheduled to open Jan. 1, 2001. The proposed city will be Northeast Asia's multi-functional hub of transportation, logistics, information, business and leisure activities.

For its implementation, the Ministry of Construction and Transportation will work out a draft bill for a special law while commissioning a feasibility study on internationally renowned consulting firms. Several foreign direct investors have already been showing keen interests in constructing hotels, casino and other leisure facilities on Yongjong Island, where the airport is being built, and neighboring islets.

American hoteliers and tourism businesses in Las Vegas have conveyed their intention to invest \$500



million into building a giant hotel and leisure facilities on 200,000 pyong (660,000 sq. meters) space on Yongjong Island. A Canadian company, jointly with a Korean firm, also has been pushing for constructing luxury hotels, golf cours-

es, casino and other leisure facilities with \$1billion on Shin Island, another island nearby Yongjong Island. The proposed city will be developed on reclaimed land of about 20 million pyong (66million sq. meters) for completion by 2020.

## Land Prices will Fall but No Nosedives Predicted

**K**orea's land prices have decreased by 30% since the foreign currency crisis started last October and they are expected to drop another 10% by the end of this year. The stagnation in land market will continue until the first half of next year due to high interest rates and overall economic depression but land prices will not nosedive the way they did in Japan during the early 1990s. The effect of inflation may start pushing land prices up in Korea to the level of inflation from the second half of next year.

The bubble in land prices in Korea has been gradually removed since 1992 and interest rates have been relatively high over the several years. During the past two decades, land prices in Korea skyrocketed due to speculative investment nearly 50% in 1978 and about 32% in

1989. However, before Korea faced the financial crisis, prices had been stabilizing with an annual average growth rate of below 1%.

The Japanese land market saw sharp rises in the late 1980s when speculative investment was in full swing. But in the early 1990s, prices plunged as much as 50%, ushering in Japan's worst real estate slump in half a century. The bursting of the bubble resulted in a severe financial

crunch for Japanese banks and distorted the Japanese economy which saw a sharp decline in its GDP growth rate.

Despite Korea's relatively low decrease rate in land prices compared to Japan, the decline will nevertheless worsen the financial structure of businesses and thus have a enormous negative impact on the whole economy.

### Foreign Capital Investment

Wrap Addition in addition to the typical BTO(Build, Transfer and Operate) approach." An idea of setting up a special purpose company(SPC) jointly funded by domestic and foreign construction firms, managing PCIP is also suggested. The proposed company would ease

the financial burden on domestic general contractors, while making it easier for them to acquire advanced technology and know-how from foreign companies in planning, design, operating and construction.

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## Tourism Industry Likely to Experience an Unprecedented Boom This Year

**T**ourism is becoming one of the nation's key strategic industries with its ever-mounting impact on economic, social and cultural spheres. Our tourism industry is likely to experience an unprecedented boom this year due to the won's devaluation against the U.S. dollar. This year alone, nearly 4 million foreign visitors are expected to visit Korea.

The World Tourism Organization, in a report on Korea, offered a set of practical pointers to make Korea a more attractive tourist destination and recommended that the government reconsider its policy on development and preservation of tourist resources. While predicting an annual 10 percent increase in foreign tourist arrivals, the report pinpointed Cheju Island, once described by Newsweek as one of the world's 10 most unspoiled tourist paradises, as falling prey to stereotypical tourist development, which is in turn damaging the island's natural and ecological beauty.

Development can be productive and even sophisticated only if it is pursued without spoiling and mutilating the natural setting. Crash transformations and gaudy imitations in the name of tourist development are likely to make a farce of everything. The development of tourist spots must thus go hand in hand with efforts of environmental conservation.

Surrounded by water on three sides, Korea has much to offer tourists with its abundance of coastlines, beaches, waterways and islands. Its generous juxtaposition of scenic beauty and unique cultural and historical heritages is also a significant attraction. The task of developing and selling all these tourist resources takes as much imagination as it does skill. Those engaged in the tourism industry should be ever conscious of their responsibilities to not only development, but to being creative and

responsible as well.

Natural landscapes, historical remains and adequate accommodation are necessary to promote the tourism industry, but they are not the only necessary conditions. The human elements, effective service and hospitality, are also essential. In this respect Korean hoteliers and restaurateurs still rate rather low. Tour information and guide services leave much to be desired. Recently the Seoul City government decided to change or improve road signs and bulletin boards to help tourists, correcting errors or

inconsistencies. The same has been proposed for guidebooks.

Providing comfort and convenience to foreign visitors through proper services should not necessarily mean an overindulgence in luxury and extravaganza. Many of our own indigenous tourism resources are sufficient and appropriate even for the most discriminating foreign guests. More creative and sincere efforts are needed if we are to meet our obligations without going too far beyond our means.

## Seoul Population Declining for Five Consecutive Years

**T**he population of Seoul declined for the fifth straight year in 1997 and the number of males is steadily outnumbering females. There were nearly 10.39 million people living in the capital last year, 0.77 percent less than the year before.

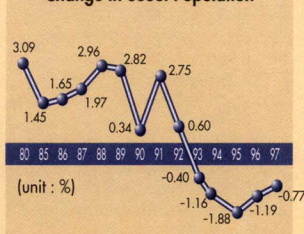
The figure marks the fifth consecutive drop since the city in 1993 registered the first ever decrease in the number of its dwellers in 36 years. The rate of decrease was 1.16 percent in 1994, 1.88 percent in 1995 and 1.19 percent in 1996. However, the number of households increased to nearly 3.5 million, which is 1.21 percent more than the previous year. This translates into 2.97 people per household compared to 3.02 in 1996, evidence of a growing number of nuclear families.

The imbalance between the female and male population has also grown for newly born babies. Presently there are 111.2 males per 100 females for residents 10 years old and younger. The ratio was 109.6 to 100 for teenagers, 104.1 to

100 for the 20s, and 101.8 to every 100 for people in their 30s.

These figures mark a gradual reversal from the demographic figures of Korea's older generation. Figures for residents in their 40s showed 96.2 males for every 100 females, while figures for Seoul residents in their 50s showed 102.2 men per 100 women. The female population outnumbers their male counterparts from the 60s on, the male-female ratio being most skewed for octogenarians which stands at 34.2 males for every 100 females.

Change in Seoul Population





## North-South Railroad Restoration - A Possibility

**T**he government's determination to improve the relationship with the North has boosted projects regarding railroads and sea routes to the North. The government decided to restore the railroad and sea route connections to the North and has completed land procurement to restore the disconnected railways from Kyung-Eui and Kyung-Won lines. Furthermore, negotiation for reopening the direct car ferry route from Sokcho to Najin and Sunbong, which had been disputed for passenger security concerns, resumed in Beijing in April.

The restoration of the North-South railroad through the Kyung-

Eui line will eventually be connected to the TCR (Trans-China Railway) and Kyung-Won line to the TSR (Trans-Siberia Railway) which will transport estimated 10 million tons of cargo annually to Europe.

Currently, the lower part of the bridge over Imjin river has been completed for Kyung-Eui line's Munsan-Changdan section (12km) and the land totalling 42 thousand sq. meters has already been procured for over 1.4 billion won. With the budget of 25 billion won, the restoration can be completed in 19 months. The land totalling 200 thousand sq. meters has been procured and the roadbed design completed for Kyung-Won line's Shintanri-Wolchung section (16.2km). With the budget of 30 billion won, the railway can be completed within 24 months.

The government will also complete the construction plan for



Kumkangsan line's Chulwon-Kumgok section (24.5km) within this year and will procure 184 thousand sq. meters of land for railway restoration. Meanwhile, the North-South seaway connection project for car-ferry route between Sokcho and Najin is also being under consideration. North and South had officially agreed on opening a direct sea route of car ferries from Sokcho to Hunchun, China, via Najin last November, but have not been able to reach an agreement on the issue of passenger security.

## A New Concept of Investment Zones Introduced

**L**arge foreign investors will be allowed to select industrial parks they want to move in and be given generous incentives, including sharp tax cuts. Under the latest government programs, tax holidays for foreigners will be extended from eight years to ten, and time for their leasing state-owned properties, from the current 20 years to as many as 100 years.

This new concept of investment zones will also exempt certain taxes altogether, such as business registration tax, and call for simplifying licensing and permission procedures. The final decision on the designation of this investment zones will be left to provincial governments. They will consider investment amount, employment and technology transfer effects in giving a go-ahead to investors' choice of zones. Investment size and sector will be decided later, but the government is weighing \$100 million as the minimum requirement for the set-up of such zones.

## Water Treatment Facilities to be Expanded along Paldang Reservoir

**T**he government have pledged to take drastic measures, including a 1 trillion won (\$700 million) investment, to dispel growing public concern over the quality of drinking water. Much of the investment will be used to expand water treatment facilities along the Paldang Reservoir, located about 40 km east of Seoul, which is the major tap-water source for about 20 million residents in Seoul and its surrounding areas.

The expansion will increase the sewage disposal

rates to 85 percent from the present 71 percent.

Other measures include the establishment of automatic water-quality measurement devices in six areas vulnerable to water contamination along the lake by next year. The biochemical oxygen demand (BOD)

*continued on page 6*

**Sewage Disposal Plan for Paldang Reservoir Area**  
(unit : 1000t/day, %)

	1996	1997	1998	2001
Sewage	163	142.6	196	263
Treatment capacity	52	102.5	166	216
Sewage disposal rate	34	71	78	85



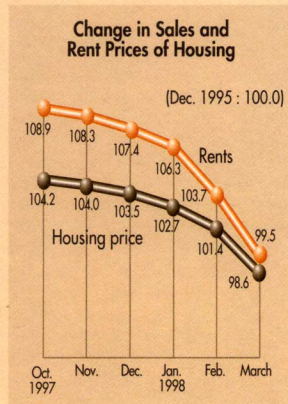
## Home and Rental Prices Decline Rapidly Due to Recession

**H**it hard by economic recession and sluggish real estate market, home and rental prices plunged by a record margin. Home prices dropped 2.8 percent nation wide in March, the largest drop since January 1986. The comparable fall was 1.3 percent in February.

By region, Seoul led the sagging home prices with a 3.4 percent fall, followed by six major cities, including Pusan, Incheon, Kwangju and Taegu, with 3.1 percent, and smaller cities with 1.7 percent.

Rental prices also plunged 4.2 percent nationwide in March month-to-month, marking the biggest fall since 1986. Seoul also led rental price drop with 6.2 percent, followed by six major cities with 4.4 percent, and small cities with 2.5 percent. The sharp drop in home and rental prices is attributed

to reduced buying power of consumers as well as high interest rates since late last year.



## SMG Announced A Plan to Build Up Less Developed Districts

**T**he Seoul Metropolitan Government (SMG) will give 680 billion won to 34 districts to replace shanty old houses with new apartment complexes over the next five years.

An additional 250 regions which have seen construction delayed due to wide-spread financial difficulties of construction companies will be redeveloped by the Seoul Metropolitan Development Corporation, the Korean National Housing Corporation and other state-run organizations.

The 680-billion-won municipal fund will be spent primarily on refurbishing slums and shanty towns located in Naesu-dong, Uljiro, Mapo, Chongno 3-ka, Chongryangri, Chongjin-dong, Sodae-

mun and Pukchang-dong.

According to figures compiled by the city administration, 457 sites have been designated as "districts to be rebuilt," of which 125 reported the completion of reconstruction, with the remaining 332 in gridlock due to economic recession.

## Demand for Construction Materials will Recover in 2001

**D**emand for construction labor and building materials, which has been on a sharp decline this year because of industrial slump, is predicted to rebound to 1997 level from 2001, according to a KRIHS study on "The Middle and Long Term Strategies on Construction Materials and Labor." Project manager, Jae Young Kim, predicted that demand for cement and other major construction materials will decline by between 14 percent and 17 percent this year from 1997.

By item, demand for cement will drop by 14.7 percent to 50 million tons this year from last year's 59 million tons, and recover to 58 million tons in 2001 and 60 million tons in 2002. Demand for ready mixed concrete, which reached 126 million cubic meters last year, will slide down to 109 million cubic meters, a 13.9 percent decrease, this year, then, will rise back to 131 million cubic meters in 2001.

This year's demand for steel bar will also decline by 17.2 percent to 8.6 million tons from a year earlier. Its demand will go up back to 10 million tons, the level of last year, in 2001. Demand for construction workers also will fall by 12 percent with the number reaching 1.83 million this year.

### Water Treatment Facilities

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level, a yardstick measuring water pollution in the lake has continued to rise. Higher BOD levels means lower water quality. The annual BOD levels in and around Paldang Reservoir were 1 parts per million (ppm) in 1990, 1.1 ppm in 1992, 1.2 ppm in 1994, 1.4 ppm in 1996 and 2.1 ppm last May.

The government plans to bring

down the BOD to the level of 1 ppm, classified as top quality for drinking water, around Paldang Lake by 2005 at the latest. The deterioration of water quality in Paldang Reservoir has largely been attributed to the explosively growing number of restaurants, factories and farms nearby.



## VIEW POINT

## Ready for True Globalization? Foreign Investment in Korea's Real Estate Market

Pietro A. Doran, Managing Director  
The John Buck Company(Korea) Ltd.

### Speculative Basis of Value: Korean Land Pricing

Korea's property markets have long been one of the most complex sectors of the economy with the government continually challenged in its ability to rein in destabilizing speculative forces. Korean cultural values in which land manifested wealth, rapid development, increasing incomes and rapid expansion in the economic base all combined to drive prices to dizzying heights during the late eighties and early nineties. What about economic fundamentals and income based approaches to land values? In Korea there simply has never been a true concept of land values being fundamentally derived through income potentiality. The implicit danger to ignoring fundamental economic principles to determine land prices is the very fact that most individuals and corporations have calculated their net worth upon accumulated real estate holdings.

### Investment Methodologies: Relationship between Risk and Value

The methodologies utilized by foreign investors relies on the calculated "residual" value of land given a property's highest and best use. The residual value of a piece of land given its highest and best use, is a direct function of the investors required rate of return(IRR). The discount rate used to determine this value will incorporate the projected capital value of a development given the expected income to be generated from the development, the risks associated with that development, the economic risks perceived to be inherent in the market and the investor's own cost of capital. The higher the discount rate, the lower the "residual" value basis of the land. This explains why Korean owners are certain to be disappointed in prices offered by foreign buyers. The speculative base of the Korean market is almost certain to be discounted by foreign entities utilizing income based development and risk proformas.

### A Rush of Foreign Investors into Korea's Property Markets?

The supply of what international investors would consider as "institutional" grade assets are limited and concentrated within the prime commercial districts. While high potential long term re-development opportunities are available in key market sectors, most foreign investors will not seek to take on the added risk of land development until the domestic economy is more

stabilized.

This is not to say that foreign investment in Korean property will not take place in the near term. Such acquisitions will certainly occur. But rather than through new capital sources, these transactions will be initiated by foreign companies with already well-established operations in Korea. These companies, long subjected to high leasing

costs and inflexible attitudes of local building owners, will seek to exploit the opportunities to stabilize their long-term real estate expenses.

### Timing of Market Transactions

It is expected that the first major transactions in the commercial office sector will be announced and consummated by the 3rd quarter of this year. It is also likely that commercial properties will experience a certain degree of activity through sophisticated debt re-structuring models featuring convertible options that will represent potential equity ownership in the asset but may not immediately be recognized as a true transaction by the general public.

### Foreign Investment in Real Estate is Long-term Investment

Unlike the stock market, foreign institutional property investors represent a new source of long term capital commitment to the Korean economy. Even if the economy, or investment, does not perform to expectations, the property investor cannot "cut and run" as is the case with the stock market. Property investment by its very nature is long term and semi-permanent. The institutional investor, due to a long-term investment view, becomes, in many ways, a citizen of the country subject to the rules of law, taxation, local custom and practice all of which must be learned and adhered to in order to protect the viability of a property investment.

### Globalization of the Korean Real Estate Market

New concepts of valuation, management and financing will bring about enhanced liquidity, greater accountability and more social responsibility to the real estate process. Introduction of these new concepts will contribute greatly to the development and stability of the Korean real estate markets. Also disciplined investment approaches combined with reporting transparency in both transaction and financing along with far more assertive and independent banking and financial institutions will serve to not only stabilize the real estate markets of Korea but will, in fact, provide a more sound basis for establishing values which will serve to protect the long term interests of the Korean people. And, after all, foreign investment in real estate will contribute to the integration of the Korean economy within the international economic community.



**Kyu Sik Lee**, principal evaluation officer of the World Bank, visited KRIHS on April 28 and gave a lecture on Delayed Development of the Cholla Region, Korea : An Institutional Study, which is a part of his recent research effort of the Korea Impact Evaluation Report. He introduced the Baumol's framework for institutional analysis which asserts that 'the rules of the game' play a key role in determining whether entrepreneurship will be allocated in productive or unproductive directions and that this can significantly affect the vigor of the economy's growth.

**Seminar on Free Trade Zone and Foreign Investment** was held at KRIHS on April 20. Development directions of free trade zone and its implementation strategies were addressed with the discussion of the impact on national economy, current institutional barriers deterring foreign investment and lessons from foreign countries. Background and the concept of the World City, which the government announced earlier this year to develop nearby the new Incheon International Airport, were also suggested.

**KRIHS had a series of breakfast meetings** with the American Chamber of Commerce (March 12, Director : Tami Overby), the European Union Chamber of Commerce (April 2, Director : Jean-Jacques Grauhar) and the Seoul Japan Club (April 20, Director : Shin-Ichi Kimura) on the issues of foreign direct investment and the World City development. Potential functions and development directions were discussed and investment criteria and feasibility diagnosed.

**Professor Yang Kai Zhong**, Head of Department of Urban and Environmental Science, Peking University, visited KRIHS on February 5 and exchanged views on mutual collaboration between the two institutes.

**'98 Sino-Korean Symposium**, jointly organized by the Institute of Geography, Chinese Academy of Sciences (IGCAS) and KRIHS, will be held August 24-28 in Qing-



dao, China. It will be a capstone meeting of a two-year joint research effort on the Development of Shandong's Coastal Region and the Prospect of Sino-Korean Cooperation started September 1996. Symposium correspondence is to Professor Li Wen-Yan of IOCLAS (fax : 010 6491 1844).

**Chief investment manager** of Yasuda Life International, Hong Kong, Takayuki Nakazato called at KRIHS on May 26 and discussed with staff members of Land Research Division on the recent policy change in foreign ownership of land and the future prospect of Korea's real estate market.

**Professor Allen Scott** of UCLA visited KRIHS and had a round table discussion on "Plant Closing, Unemployment and Regional Development Strategy" on April 3. Using the examples of electric car industry and furniture industry, he gave us an enlightening account of how U.S. successfully restructured the economic system to cope with the recession of late 1980s and early 1990s.

**Professor John Doling** of Birmingham University gave a lecture on "Globalization and Housing Policy" on April 15. The impact of IMP program in 1976 on housing sector in U.K. and recent macroeconomic trends and housing policy changes were addressed.

**In collaboration with East-West Center** of Hawaii, KRIHS will host an International Conference on Restructuring the Korean Peninsula Towards Northeast Asian Hub Coun-

try to be held September 29-30 in Anyang, Korea. For further information, contact conference organizer Won Bae Kim at [wbkim@krihs.re.kr](mailto:wbkim@krihs.re.kr).

**The second OECD-KOREA Workshop** on Metropolitan Planning and Governance : Toward New Models will be held October 28-30 in Seoul, Korea. Using a series of case studies from Korea and other member countries of OECD, the workshop will provide a forum to assess the role of large city or metropolitan governments in regional and national development and to examine the influence of globalization and decentralization on metropolitan areas in terms of local and national competitiveness. The efficiency of urban service delivery on selected items and new models of metropolitan governance will be discussed. For further information, contact Josef.konvitz@oecd.org or [hskim@krihs.re.kr](mailto:hskim@krihs.re.kr).

**KRIHS and UNCRD** (United Nations Center for Regional Development) of Nagoya, Japan will jointly organize the international workshop on Fiscal Resource Management for Metropolitan Governance and Development to be scheduled on the second week of November. For further inquiry, contact Josefa Edralin of UNCRD at [jedralin@uncrd.or.jp](mailto:jedralin@uncrd.or.jp) or Hyun Sik Kim at [hskim@krihs.re.kr](mailto:hskim@krihs.re.kr).

**KRIHS** is now preparing the official web site to be open by the end of August this year. The temporary address is <http://www.krihs.re.kr>.

Contact us with a response or a question, or comment on ideas we cover in the Gazette.

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