Territorial Development Policies in Korea

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Korea’s Territory and Regions

Korea in Northeast Asia
Korea’s Territory and Regions

Geography and Land Use

- **Location and Area**
  - The Korean Peninsula lies on the northeastern section of the Asian continent, sharing border with China, Russia and Japan
  - South Korea encompasses a total of 100,210 square kilometers, including about 3,200 islands mostly in the southwest

- **Land use and Natural Environment**
  - Land use is consisted of 64.5% of forests, 20.3% of arable land and 6.6% of urban land
  - High mountains are located along the Grand Baekdu Mountains running along the east coast, north to south direction
  - Climate is characterized by the Asian monsoon system with distinct four seasons and annual mean temperature of 6-16 degrees
Total population of Korea is about 50 million in 2010, doubled from 25 million in 1960.

Annual population growth rates fell sharply over time, from 3% in the 1960s through 1.5% in the 1980s to below 1% after the 1990s.
Population is heavily concentrated in a few regions, with the capital region accounts for 49.5% and 7 metropolitan cities account for 44.9%, while share of rural regions is less than 10%

Urbanization rate is 91.8% with major cities including Seoul (10.2 mil), Busan (3.5 mil), Incheon (2.8 mil), Daegu (2.5 mil), Daejeon (1.5 mil), Gwangju (1.5 mil) and Ulsan (1.1 mil)

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Nation</td>
<td>24,989</td>
<td>31,435</td>
<td>37,449</td>
<td>43,390</td>
<td>47,964</td>
<td>51,530</td>
</tr>
<tr>
<td>.Urban</td>
<td>9,784</td>
<td>15,750</td>
<td>25,738</td>
<td>35,558</td>
<td>42,375</td>
<td>47,298</td>
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<tr>
<td>.Rural</td>
<td>15,205</td>
<td>15,685</td>
<td>11,711</td>
<td>7,832</td>
<td>5,579</td>
<td>4,232</td>
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<tr>
<td>Urbanization</td>
<td>39.1</td>
<td>50.1</td>
<td>68.7</td>
<td>81.9</td>
<td>88.3</td>
<td>91.8</td>
</tr>
</tbody>
</table>
Seoul capital region is among the most dynamic and rapidly growing urban agglomerations in the world.

Its population has increased from less than 10 million in the 1960s to 24.5 million as of 2010
Korea’s Territory and Regions

Age Structure and Changes
Korea’s Territory and Regions

Age Structure, Rural/Urban

Urban Area

Rural Area
II. Policy Framework and Issues
Policy Frameworks and Issues

Hierarchy of Regional Administration

Regional Government (17)
- Seoul Special City (1)
- Metro City (6)
- Province (8)
- Special Province/City (2)

Local Government (227)
- Gu (25)
- Gu (44)
- Gun (5)
- Shi (74)/Gun (79)
- Shi (2)

Community Center
- Dong (423)
- Dong (680)
- Eup (10) Myeon (36)
- Eup (198) Myeon (1,148) Dong (938)
- Eup (8) Myeon (14) Dong (32)
II Policy Frameworks and Issues

Hierarchy of Regional Administration

- 7 metro cities (Seoul), 8 province regions and 2 Special city/regions

- Capital Region includes Seoul, Incheon metropolis and Gyeonggi province

- Almost half of South Korea's population live in Capital region.
Policy Frameworks and Issues

System of Territorial Plans

National Level
- CNTP

Regional Level
- Provincial Plan
  - Extended City Plan
    - City/County Plan
      - City basic plan
      - City management plan
      - District unit plan

Regional Plan
- Area-wide plan
- Capital region plan
- Special region plan
- Development promotion zone plan
- Border region plan
- etc

Sectoral Plan
- Transportation
- Housing
- Water resource
- Culture & tourism
- Information
- Industrial location
- etc
Policy Frameworks and Issues

Significance of the CNTP

Supreme territorial plan
- Takes precedence over other plans regarding national territory

Long term plan
- Sets directions for the long term development of national territory

Comprehensive plan
- Presents basic policy directions on general territorial issues
Policy Frameworks and Issues

Paradigm Shift in CNTP

Main Emphasis

The 1st plan (1972-1981)
Construction of growth poles and Industrialization

The 2nd plan (1982-1991)
Control of the Capital region and decentralization

The 3rd plan (1992-1999)
Promotion of provincial regions and localization

The 4th plan (2000-2020)
Open and integrated territorial development
Policy Frameworks and Issues

First CNTP (1972-1981)

**Goals**

- Effective management of land use
- Building infrastructure for territorial development
- Resource development and natural conservation
- Improvement of living conditions

**Strategies**

- Growth pole development
  - Developing large-scale industrial complexes
  - Building facilities of transportation, telecommunication, water resource and energy supply
  - Empowering lagging regions
Policy Frameworks and Issues


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
Policy Frameworks and Issues

Third CNTP (1992-1999)

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
Policy Frameworks and Issues

### 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
II Policy Frameworks and Issues

Comparison of 1\textsuperscript{st}, 2\textsuperscript{nd} and 3\textsuperscript{rd} plan (Industrial complexes)
Policy Frameworks and Issues

Comparison of 1st, 2nd and 3rd, plan (Transportation)
Policy Frameworks and Issues

Comparison of 2nd and 3rd plan (Dams and Waterworks)
II Policy Frameworks and Issues

Comparison of 1\textsuperscript{st}, 2\textsuperscript{nd} and 3\textsuperscript{rd} plan (Comprehensive Map)
Reducing Regional Disparities

- The most important issue in regional policy is disparities between the capital region and other regions, urban and rural areas, and metropolitan and non-metropolitan regions.
- A distinct feature of regional policy is to counteract the over-concentration into the capital and assist depressed regions.

Addressing Problems of Less Developed Areas

- Large portion of provincial regions suffer from problems such as population decrease, lacking socio-economic vitality, losing competitiveness potential and deteriorated living condition.
- Regional policy aims to reduce spatial disparities by fostering regional economic capacities and improving living conditions of less developed areas.
Concentration into the capital region

<table>
<thead>
<tr>
<th>Area</th>
<th>11.8%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>49.5%</td>
</tr>
<tr>
<td>GRDP</td>
<td>49.4%</td>
</tr>
<tr>
<td>R&amp;D expenditure</td>
<td>67.3%</td>
</tr>
<tr>
<td>Bank deposit</td>
<td>68.7%</td>
</tr>
<tr>
<td>100 Largest corporations</td>
<td>86.0%</td>
</tr>
</tbody>
</table>
### Policy Frameworks and Issues

#### Population Movement

<table>
<thead>
<tr>
<th>Areal Units</th>
<th>Net Migrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seoul</td>
<td>1,126,863</td>
</tr>
<tr>
<td>Busan</td>
<td>212,211</td>
</tr>
<tr>
<td>Daegu</td>
<td>223,090</td>
</tr>
<tr>
<td>Incheon</td>
<td>351,406</td>
</tr>
<tr>
<td>Gwangju</td>
<td>75,294</td>
</tr>
<tr>
<td>Daejeon</td>
<td>26,179</td>
</tr>
<tr>
<td>Ulsan</td>
<td>-</td>
</tr>
<tr>
<td>Gyeonggi - do</td>
<td>1,792,698</td>
</tr>
<tr>
<td>Gangwon - do</td>
<td>-381,129</td>
</tr>
<tr>
<td>Chungcheongbuk - do</td>
<td>-367,000</td>
</tr>
<tr>
<td>Chungcheongnam - do</td>
<td>-465,229</td>
</tr>
<tr>
<td>Jeollabuk - do</td>
<td>-634,754</td>
</tr>
<tr>
<td>Jeollanam - do</td>
<td>-835,182</td>
</tr>
<tr>
<td>Gyeongsangbuk - do</td>
<td>-772,812</td>
</tr>
<tr>
<td>Jeju Special Self-Governing Province</td>
<td>-23,853</td>
</tr>
</tbody>
</table>

[Map showing population movement to the Capital Region]
Population Distribution by county

- Decrease
- 10% Increase
- 15% Increase
- 20% Increase
Policy Frameworks and Issues

Spatial Polarization

<table>
<thead>
<tr>
<th>Increase</th>
<th>Recent Increase</th>
<th>Recent Decrease</th>
<th>Decrease</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Increase</th>
<th>Recent Increase</th>
<th>Recent Decrease</th>
<th>Decrease</th>
</tr>
</thead>
</table>
Policy Frameworks and Issues

Concentration of population, comparison

Population shares of capital regions in developed nations

Korea
Japan
France
UK
The gap between the CR and the rest of the country has become widened

### [Population Forecast (2005 – 2030)]

(Unit: thousand, %)

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
<th>Growth rate</th>
<th>SCR/Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>21,747</td>
<td>6.7</td>
<td>48.2</td>
</tr>
<tr>
<td>2010</td>
<td>23,202</td>
<td>4.9</td>
<td>49.8</td>
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<tr>
<td>2015</td>
<td>24,336</td>
<td>3.5</td>
<td>51.1</td>
</tr>
<tr>
<td>2020</td>
<td>25,191</td>
<td>2.4</td>
<td>52.3</td>
</tr>
<tr>
<td>2030</td>
<td>25,786</td>
<td>1.5</td>
<td>53.3</td>
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</table>

Source: Korea Statistical Information Service, 2008
Policy Frameworks and Issues

Growth of GRDP

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital Region</th>
<th>Province</th>
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</thead>
<tbody>
<tr>
<td>1985</td>
<td>43.9</td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td>47.5</td>
<td></td>
</tr>
<tr>
<td>1995</td>
<td>48.2</td>
<td>52.5</td>
</tr>
<tr>
<td>2000</td>
<td>48.4</td>
<td>51.8</td>
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<tr>
<td>2005</td>
<td>48.9</td>
<td>51.6</td>
</tr>
<tr>
<td>2010</td>
<td>48.8</td>
<td>51.1</td>
</tr>
<tr>
<td>2015</td>
<td>49.4</td>
<td>51.2</td>
</tr>
<tr>
<td>2016</td>
<td>49.6</td>
<td>50.6</td>
</tr>
<tr>
<td>2017</td>
<td>50.3</td>
<td>50.4</td>
</tr>
<tr>
<td>2017</td>
<td>50.7</td>
<td>51.2</td>
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</tbody>
</table>
III. History of Territorial Policies
### History of Territorial Policies

<table>
<thead>
<tr>
<th>Period</th>
<th>Main Emphasis</th>
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<tr>
<td>1960-1970s</td>
<td>Growth pole development and industrialization</td>
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<tr>
<td>1980s</td>
<td>Control of the capital region and decentralization</td>
</tr>
<tr>
<td>1990s</td>
<td>Promotion of provincial regions and localization</td>
</tr>
<tr>
<td>2000s</td>
<td>Balanced development and regional competitiveness</td>
</tr>
<tr>
<td>2010s</td>
<td>Quality of life and happiness of people</td>
</tr>
</tbody>
</table>
Growth Pole Development and Industrialization

Regional policy aimed to develop selected growth poles specialized in heavy and chemical industries such as steel, machinery, chemical, shipbuilding, non-metallic, and electronics industries.

Large-scale growth poles based on export industries were developed in Ulsan, Pohang, Changwon, Gumi, Yeocheon, Okpo and other cities mostly along the southeast coastal regions, leading rapid growth of the cities.

Growth pole strategy resulted in the spatial concentration of manufacturing industries and population, creating disparities between the regions with the poles and without the poles.
History of Territorial Policies

Industrial complexes
History of Territorial Policies

Industrial Complexes, 2017

- Total 1,189 complexes
  - 44 National complexes
  - 650 General complexes
  - 27 Urban high-tech complexes
  - 468 Rural complexes

- Engine of Korean economy
  - 87,360 operating firms
  - 2,166,289 employed
  - 422 billion dollars export
History of Territorial Policies

Territorial Policies in the 1980s

Addressing Spatial Concentration and Disparities

- Major policy goals in the 1980s were to reduce widening gaps among regions and concentration in the capital region.

- Various measures including Capital Region Readjustment Planning Act (1982) and First Capital Region Readjustment Plan (1984-1996) were implemented to reduce the concentration of population and industry into the capital.

- Development of Industrial complexes was focused on medium and small cities and also rural areas, with 20 complexes built in cities and 266 in rural areas until 1997.

- Large scale living environment improvement projects such as 2 million housing construction and 5 new towns development in the capital region began in the late 1980s.

The Capital Region Readjustment Plan sets 5 zones with varying degrees of control, Consolidated into 3 zones (in second plan): congestion relief, growth management and natural conservation zone.
Policy Measures for the Growth Control of the SCR

- Restrictive measures for construction of large buildings and factories, expansion of higher education facilities
  - Large buildings are only permitted in the capital region on the condition of the payment of a congestion charge (10% of the building cost)
  - The construction and expansion of factories are allowed within a aggregate ceiling set by the government
  - Adopted the restrictive ceiling of college enrollment in the SCR
Approaches to Regional Development

- Implemented strategies to build economic bases of provincial regions using new industrial complexes and area-wide development plans
- Major policy measures included high-technology industrial complex, multimedia complex and information industry complex
- Focus of development was on the west coast region, Chungcheong and Honam provinces, with weak industrial bases and living conditions compared to the capital region and south east region
- The concept of new industrial spaces was applied to the west coast development, building large scale industrial estates and the west coast expressway
Area-Wide Development

The program aims to develop major regional centers and surrounding areas, industrial complexes and hinterlands, and contiguous urban areas together.

A total of 10 areas were designated except the capital region from 1994 to 2005.

Comprehensive development plans were established, covering projects of industrial location, higher control functions, international infrastructure and sustainable development.
Development Promotion Zone Program

- Seven rounds of the program from 1996 to 2009 designated a total of 43 zones in depressed areas, except the capital and Jeju region.

- Main policy tools include building new transportation infrastructure and deregulation of land use that are essential to attract private investment in local-based industries and tourism.

- The program has not been very successful in inducing investment and resettlement into the zones.
History of Territorial Policies

Territorial Policies in the 2000s, 4th CNTP

Building an Open and Integrated Territory

- The Asian financial crisis in the late 1990s affected territorial policies as the government aimed to make Korea the hub of Northeast Asia, serving as the gateway.

- Global open poles, instead of growth poles, were developed in selected areas in the capital region and coastal cities with ports and industrial hinterlands.
### History of Territorial Policies

#### Progress in Development Indicators

<table>
<thead>
<tr>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>GNI per capita</td>
<td>US dollars</td>
<td>254</td>
<td>1,645</td>
<td>6,147</td>
<td>10,841</td>
<td>20,562</td>
<td>27,171</td>
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<tr>
<td>Urbanization</td>
<td>%</td>
<td>50.1</td>
<td>68.7</td>
<td>79.6</td>
<td>88.3</td>
<td>90.9</td>
<td>91.8</td>
</tr>
<tr>
<td>Express way</td>
<td>km</td>
<td>551</td>
<td>1,225</td>
<td>1,551</td>
<td>2,131</td>
<td>3,859</td>
<td>4,193</td>
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<tr>
<td>Pavement of road</td>
<td>%</td>
<td>9.6</td>
<td>33.2</td>
<td>71.5</td>
<td>76.0</td>
<td>79.8</td>
<td>92.1</td>
</tr>
<tr>
<td>Electric railroad</td>
<td>km</td>
<td>-</td>
<td>451</td>
<td>525</td>
<td>668</td>
<td>2,212</td>
<td>2,727</td>
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<tr>
<td>Power generation</td>
<td>Gwh</td>
<td>9,167</td>
<td>37,239</td>
<td>107,670</td>
<td>266,400</td>
<td>474,660</td>
<td>528,091</td>
</tr>
<tr>
<td>Number of automobile</td>
<td>000</td>
<td>127</td>
<td>528</td>
<td>3,395</td>
<td>12,059</td>
<td>17,941</td>
<td>20,990</td>
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<tr>
<td>Housing stock</td>
<td>000</td>
<td>4,360</td>
<td>5,319</td>
<td>7,357</td>
<td>11,472</td>
<td>17,672</td>
<td>19,559</td>
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<tr>
<td>Water supply</td>
<td>000 tons/day</td>
<td>2,166</td>
<td>6,756</td>
<td>16,274</td>
<td>26,980</td>
<td>28,908</td>
<td>26,824</td>
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</table>
Bibliography


Acknowledgments

The authors would like to thank the anonymous reviewers for their valuable feedback and suggestions. This work was supported by the National Science Foundation under Grant Number 1234567.

References

IV. Recent Policies for Balanced Territorial Development
Recent Policies for Balanced Territorial Development

Paradigm Shift

2003-2008
Decentralization and regional innovation system (Capital vs. Non-capital Region)

2008-2013
Three dimensional development focusing on regional competitiveness (5+2 mega-economic regions)

2013-2017
Local area development centering on QOL (63 local happy living areas)

2017-2022
Balanced national development based on inclusive and innovative growth (national innovation clusters and urban renewal)
Recent Policies for Balanced Territorial Development

Participatory Government, 2003-2008

Drive for Balanced National Development

- Balanced territorial development was pushed strongly by the Participatory Government (2003-2008), attempting to relocate national administration and public organizations away from the capital to the provinces.

- Three types of new cities, an administrative (Sejong) city, 6 enterprise cities, and 10 innovation cities were planned to accommodate public institutions and private investment.

- Regional innovation system and industrial cluster replaced industrial complex as the new engine of regional growth.

- Depressed rural regions were designated as the revitalization areas, receiving support from the central government.
The program targeted 70 counties and cities, the lower 30% class of the 234 county level areas in Korea.

Policy measures include establishing regional innovation system based on education and expert consulting, rural-urban interaction programs, and specialized resource development combined with tourism.

Government supported financial assistance depending on the degree of deprivation and performance.
Recent Policies for Balanced Territorial Development

Construction of New Administrative city

- Sejong City
  - Project area: 73 sq km
  - Project cost: KRW 22.5 trillion
  - Population target: 500,000
  - Completion: 2030
  - Developer: Korea Land and Housing Corporation

- Most of Central Government Bodies have moved to Sejong city from Capital Region
Innovation and enterprise cities

**Innovation Cities**

- Relocate public agencies from the capital region to the provinces
  - **Public agencies** 154
  - **Employees** 49,000
- Construct 10 innovation cities
  - Create clusters, linking public agencies, enterprises, universities, and research institutions

**Enterprise Cities**

- Revitalize regional economies through private investment
  - Incentives: right to expropriate land and tax reduction

- **Enterprise city (6)**
- **Innovation city (10)**
### IV Recent Policies for Balanced Territorial Development

#### Relocation of central functions

Concentration of socio-economic power is closely related with uneven regional development.

<table>
<thead>
<tr>
<th>Category</th>
<th>Proportion of the capital area (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>48.0</td>
</tr>
<tr>
<td>Employees in the manufacturing industry</td>
<td>46.6</td>
</tr>
<tr>
<td><strong>Main functions</strong></td>
<td></td>
</tr>
<tr>
<td>Government</td>
<td></td>
</tr>
<tr>
<td>Central Administration</td>
<td>100.0</td>
</tr>
<tr>
<td>Head office of the public enterprises</td>
<td>83.2</td>
</tr>
<tr>
<td>Industry</td>
<td></td>
</tr>
<tr>
<td>Head office of the top 100 corporations</td>
<td>91.0</td>
</tr>
<tr>
<td>Head office of the top 500 corporations</td>
<td>82.6</td>
</tr>
<tr>
<td>Head office of the top 3000 corporations</td>
<td>71.9</td>
</tr>
<tr>
<td>Academy</td>
<td></td>
</tr>
<tr>
<td>Top 20 universities</td>
<td>65.0</td>
</tr>
</tbody>
</table>
### Relocation of central functions

#### Concentration of public sector, even more severe

<table>
<thead>
<tr>
<th>Category(2005)</th>
<th>Number of agencies in the Capital Region</th>
<th>Number of agencies in the provinces</th>
<th>National</th>
<th>Proportion of the Capital Region (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Central administrative agencies</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central administrative agencies</td>
<td>50</td>
<td>8</td>
<td>58</td>
<td>86.2</td>
</tr>
<tr>
<td>Attached agencies</td>
<td>109</td>
<td>25</td>
<td>134</td>
<td>81.3</td>
</tr>
<tr>
<td>Total</td>
<td>159</td>
<td>33</td>
<td>192</td>
<td>82.8</td>
</tr>
<tr>
<td><strong>Public agencies</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gov’t-invested agencies</td>
<td>23</td>
<td>3</td>
<td>26</td>
<td>88.5</td>
</tr>
<tr>
<td>Gov’t-financed agencies</td>
<td>14</td>
<td>1</td>
<td>15</td>
<td>93.3</td>
</tr>
<tr>
<td>Gov’t-contributed agencies</td>
<td>80</td>
<td>24</td>
<td>104</td>
<td>76.9</td>
</tr>
<tr>
<td>Public corporations</td>
<td>70</td>
<td>3</td>
<td>73</td>
<td>95.9</td>
</tr>
<tr>
<td>Total</td>
<td>187</td>
<td>31</td>
<td>218</td>
<td>85.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>346</td>
<td>64</td>
<td>410</td>
<td>84.4</td>
</tr>
</tbody>
</table>
1. Background for Decentralization of Public Sector

- Importance of public agency relocation policy

IV Recent Policies for Balanced Territorial Development

Relocation of central functions

- Win-win strategy for both the Capital Region and provinces
- Leading role of public sector in regional development
- Establish a condition for global city by alleviating over-population and fostering the specialized functions in the Capital Region
Recent Policies for Balanced Territorial Development

New city development

- Reorganization into a multi-core national territorial structure
## Recent Policies for Balanced Territorial Development

### Three Dimensional Regional Development, 2008-2013

<table>
<thead>
<tr>
<th>Scale</th>
<th>Scope</th>
<th>Direction</th>
<th>Measures</th>
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</thead>
<tbody>
<tr>
<td>Local Area</td>
<td>163 cities and counties</td>
<td>Basic needs and QOL enhancement</td>
<td>Programs for local education, health, culture and welfare</td>
</tr>
<tr>
<td>Mega Economic Region</td>
<td>7 economic regions</td>
<td>Regional competitiveness, inter-provincial cooperation</td>
<td>Projects for leading industries, infrastructure and human resource development of regions</td>
</tr>
<tr>
<td>Supra-Region</td>
<td>4 + α develop. axes</td>
<td>Globally open and competitive territorial belts</td>
<td>Projects for coastal, border and inland belts</td>
</tr>
</tbody>
</table>
Recent Policies for Balanced Territorial Development

Mega Economic Region

Leading Industries of Mega Regions

Capital Region
Knowledge & Information

Chungchung Region
Bio Medical
New IT

Honam Region
Renewable Energy
Components& Material

Jeju Region
Tourism, Water industry

Gangwon Region
Medical Products
Medical tour

Daekyung Region
IT
Green Energy

Dongnam Region
Machinery
Components& material

30 Leading Infrastructure Projects

Recent Policies for Balanced Territorial Development
Happy Living Area is a group of cities/counties voluntarily organized by local government for inter-local cooperation in public services and development activities.

Strategies include: building basic infrastructures; enhancing economic vitalities of local areas; improving local education and creative talent; enhancing local culture and ecosystem; and establishing customized local welfare and health system.
Recent Policies for Balanced Territorial Development

Happy Living Areas, 2013-2017

- 20 Metropolitan Areas
- 14 Rurban Areas
- 21 Rural Areas
## Recent Policies for Balanced Territorial Development

### Balanced National Development, 2017-2022

<table>
<thead>
<tr>
<th>Vision</th>
<th>Strong Regions, Balanced Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal</td>
<td>Self-Sustained Growth of Regions</td>
</tr>
<tr>
<td>Strategies and Tasks</td>
<td>People: Stable and Quality Life</td>
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<tr>
<td></td>
<td>Education system circulating human capital and job of regions</td>
</tr>
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<td></td>
<td>Unique culture and tourism utilizing resources of regions</td>
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<td></td>
<td>Health and welfare system guaranteeing basic QOL</td>
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<td></td>
<td>Space: Vibrant Space throughout the Country</td>
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<tr>
<td></td>
<td>Revitalizing rural areas with attractiveness</td>
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<tr>
<td></td>
<td>New deal for urban renewal and revival of medium and small cities</td>
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<tr>
<td></td>
<td>Empowering population decreasing areas</td>
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<td></td>
<td>Industries: Regional Innovation Creating Jobs</td>
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<td></td>
<td>Innovation Cities, Season II</td>
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<tr>
<td></td>
<td>Innovation of regional industries</td>
</tr>
<tr>
<td></td>
<td>Economical reuse of vacant land</td>
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</tbody>
</table>
V. Evaluations and implications
Systematic implementation of territorial policies centered on the CNTP since the 1970s played an important role in transforming Korea to a global economic power.

Territorial policies contributed to economic growth and quality of life through growth poles, new towns and infrastructure.

Unresolved issues include spatial disparities, weakening vitality of provincial regions and governance system.

Political differences between alternative goals such as equity vs. efficiency, balance vs. competitiveness and development vs. conservation made some good policies short lived.

Needs to overcome new challenges such as lower economic growth, population aging, stagnant urbanization and depopulation of rural areas that requires new approaches.
Territorial policies must often manage side effects and trade-offs between urban & rural interests, large & small cities, and old city center & new town etc.

Decentralization does not necessarily pre-determine successful regional policy: continued efforts, co-ordination of sectoral policies are required.

With the emerging issues of ‘Disparities within regions(cities)’, it is necessary to embrace the “Inclusive growth” approach in the territorial policy.

New direction of balanced territorial development is centered on the inclusive growth such as flexible and place-based measures, endogenous & sustainable development, and quality of life for local residents etc.
Muchísimas gracias!
(Kámsa Hápmida)