

THE FIRST ANNIVERSARY OF LOCAL AUTONOMY

Hopes and Disappointments

July 1st marks the first anniversary of the local autonomy system in Korea. With the direct elections of local governors and city mayors last July, local autonomy was finally restored after 34 years. Both the longstanding hope of local residents and the ardent goal of local politicians, the local autonomy system is gradually becoming more entrenched and more stable.

At the same time, many are having a hard time perceiving the so-called "fruits" of local autonomy. However, this is most likely because one year is in reality too short a time period for local administrations to fully implement their intended plans and have them bear fruit. Nonetheless, at this point in time, it would seem worthwhile to see how some of the local administrations have done up until now and analyze what they and others must do in the future in order to further progress.

Analyzing the Regions

It should be noted that one of the major difficulties in evaluating the various regional administrations is that there is no objective standard which is widely accepted to rate their performances. The different elements of the media and different research organizations use their own standards and of course have come up with different results. In addition, many of the local administrations have yet to finish compiling the statistical data for their region, which not only makes it hard to evaluate them but also makes it difficult for them to formulate their future plans. While it would not be appropriate to do a direct comparative analysis of the different regions, it seems clear that certain local administrations have

been more active than others.

Kwangju: Since its inception a year ago, the Kwangju local administration has been active in promoting the development of its regional economy, especially by trying to foster the growth of the advanced electronics industry. In conjunction with the establishment of the Kwangju Institute of Science & Technology, they have set aside 19.2 million m² of land for an advanced science and technology complex. They are trying to lure big businesses, particularly electronics companies, in an effort to make the area into an advanced multimedia area similar to Silicon Valley in the United States.

To further boost the local economy, the local administration has decided to expand its investment in social overhead capital, starting with the construction of a new subway system this year which should have its first line running by 2003. This new system should help to alleviate downtown traffic jams and ease transportation costs.

Among all the activities undertaken by local administrations in the last year, the one attracting the most attention was the Kwangju Biennale. Some 605 artists from 58 countries participated in the two-month-long cultural event which ran from September 20 to November 20. Altogether, 1.6 million visitors attended, providing \$8.8 million in gate revenues.

In addition, the local administration has made great efforts to eliminate redundancy and dead weight in its bureaucracy, reducing its original staff of 3,568 officials by 11.7% or 418 positions.

Chungchongnam-do Province: In spite of advantageous location relative to the other Korean provinces, Chungchongnam-do province has lagged behind the others in terms of economic development. However, in the past year, the local administration has done much to put the region back on track and take its rightful place in the national economy by trying to attract the Korean

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core industries and also by developing the region as a Yellow Sea coastal area. Many of the top Korean companies such as Hyundai, Samsung, LG, Hanbo, and Yukong are fighting to get ahead in advancing into or expanding their existing operations within the region. Furthermore, these companies represent Korea's leading industrial sectors, from traditional core industries such as petrochemicals, steel, and automobiles to more advanced sectors such as semiconductors, which is making their economic development strategy even more productive.

One focus of particular interest is the heavy and chemical industry belt centering around the Bay of Asan. Surrounding the Bay of Asan are 8 heavy and chemical industrial complexes under construction covering a total of 38.7 million m². When these up and coming complexes are fully completed, it is expected that the Asan industrial belt will emerge as the most important industrial region not only in Korea but in East Asia as well.

Furthermore, the local government is making extensive efforts to increase its infrastructural investment, expanding its road networks to meet its growing industrial needs and improving its public works facilities.

How the Public Feels

The Hyundai Research Institute conducted a survey in conjunction with the Maeil Business Newspaper concerning society's thoughts on the local autonomy system after a year. The respondents were divided into four different categories: general citizens, central government officials, local government officials, and business people. In general, all of them felt optimistic about the prospects of regional economic development over the next several years. They also agreed that the advanced and distribution industries were the most industries to attract, and that small and medium-sized enterprises (SMEs) were more

desirable than big businesses as regional businesses. Furthermore, while there was no clear consensus on whether or not police and educational affairs should be handed over the local regions, it was generally felt that the Ministry of Home Affairs should loosen its controls and the local bodies should be given more autonomy.

Upon Reflection

The biggest problem since the reinstatement of local autonomy has been disagreements or conflicts between the local administrations in pursuit of their own regional interests. This kind of disagreement or conflict, chiefly manifested in the NIMBY (not-in-my-back-yard) syndrome, has led to a great deal of criticism, even of the entire local autonomy system itself. Most of the problems have centered around complaints against the building of waste-disposal incinerators and attempts to develop protected areas near water-supply facilities. Furthermore, the local administrations have come up with overly ambitious, or even reckless, plans in an effort to hasten the development of their respective regions, and are forcefully petitioning the central government to remove development restrictions on designated "green-belt" areas.

However, these are not problems which should lead one to question the very existence of the local autonomy system but rather are problems naturally arising with the start of the new system. Of course each area is doing its best to look out for its own interests, and it is difficult to ask one area to make sacrifices when the others seem little inclined to do so. A proper balance or relationship needs to be maintained between the central and local government, and it appears that more than a year is needed to settle on what that should be. The main question is how flexible the system should be and how quickly it can be stabilized. ^{VIP}

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