

DISSERTATION

**DECENTRALIZATION AND LOCAL CHALLENGES
IN ENVIRONMENTAL RESOURCES POLICY: THE KOREAN CASES**

Submitted by
Soonja Lee
Department of Political Science

In partial fulfillment of the requirements
for the Degree of Doctor of Philosophy
Colorado State University
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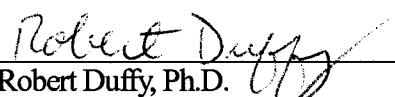
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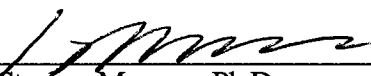
WE HEREBY RECOMMEND THAT THE DISSERTATION PREPARED UNDER OUR SUPERVISION BY SOONJA LEE ENTITLED DECENTRALIZATION AND LOCAL CHALLENGES IN ENVIRONMENTAL RESOURCES POLICY: THE KOREAN CASES BE ACCEPTED AS FULLFILLING IN PART REQUIREMENTS FOR THE DEGREE OF DOCTOR OF PHILOSOPHY.

Committee on Graduate Work


Robert Lawrence, Ph.D.


Robert Duffy, Ph.D.


Sue Ellen Campbell, Ph.D.


Stephen Mumme, Ph.D.
Advisor


William Chaloupka, Ph.D.
Department Head

ABSTRACT OF DISSERTATION

DECENTRALIZATION AND LOCAL CHALLENGES IN ENVIRONMENTAL RESOURCES POLICY: THE KOREAN CASES

Since the 1970s, decentralization has been a vital reform agenda in developing countries. Korea illustrates this phenomenon. Its Democratic Declaration of June 29, 1987 ushered in democratization and social mobilization, political processes that have encouraged decentralization. As Korea decentralizes, the impact of these reforms is felt across the policy spectrum. Yet the Korean government remains reluctant to allow the policy involvement of different social groups and subnational governments. This reality contributes to political and inter-governmental disputes. This problem is particularly acute in the governance of environmental resources.

The leading questions in this study are whether local governments are motivated to engage in environmental resources governance and whether they are adequately supported by the central government. Inasmuch as decentralization is a dynamic policy experiment, this study employs a study design that examines the causes, process, and outcomes of decentralization in two important environmental resources cases, the Yeongwol Dam project and the Saemangeum tidal land reclamation project. These cases fit a most similar systems research design. The study employs archival research and qualitative interviewing to gather data and examine these cases.

The evidence from Korea supports the view that decentralization is a significant trend, not a passing fad. Korea has taken significant steps towards decentralization since 1987. Yet it has largely focused on the transfer of administrative functions without

devolving either political power or administrative necessities to such a degree as would alter Korea's prevailing policy centralism.

The case studies show that a narrow focus on vertical reallocation of administrative functions fails to capture the complexity of Korean decentralization. They reveal that despite a limited commitment, political pressure from civil society and local governments is compelling the central government to continue decentralizing policy-making. Decentralization in environmental resources policy is yet in its infancy, but local governments have gained some functional competencies. Democratization and political decentralization are critical elements at the moment in advancing local challenges to the state. Overall, the findings suggest that progress in decentralizing environmental resources policy is based on a complex collective and political process that requires much more than just legal reform or transfer of administrative functions.

Soonja Lee
Department of Political Science
Colorado State University
Fort Collins, CO 80523
Spring 2006

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TABLE OF CONTENTS

	Page
ABSTRACT OF DISSERTATION	iii
ACKNOWLEDGEMENTS	v
TABLE OF CONTENTS	viii
LIST OF TABLES AND FIGURES	xii
LIST OF ACRONYMS	xiii
 CHAPTER 1. INTRODUCTION	1
1. Background	1
2. Why South Korea?.....	5
3. Research Objectives and Scope	9
4. Significance of the Study to Knowledge and Policy	11
5. Structure of the Study	13
 CHAPTER 2. CONCEPTUAL FRAMEWORK AND LITERATURE REVIEW	18
1. A Review of Major Concepts	18
1.1 What is Decentralization?: Definitions	18
1.2 Typology of Decentralization	21
Forms and Dimensions	21
Vertical and Horizontal Decentralization	28
Foci of the Study	29
1.3 Features of Decentralization	31
1.4 Debates on Decentralization	33
Decentralization in the Developing World	33
Centralization vs. Decentralization	35
Environmental Resources Policy and Decentralization	38
1.5 Decentralization and Good Governance	39
1.6 Decentralization and Local Capacity Building	41
1.7 Intergovernmental Relationships and Their Importance.....	43

2. Prior Research	44
2.1 Reemergence of Discourse on Decentralization	44
2.2 Studies on Decentralization	46
2.3 Studies on Local-Based Resources Management	50
2.4 Studies on the Korean Decentralization	54
2.5 Studies on the Yeongwol Dam Project and the Saemangeum Project	55
CHAPTER 3. STUDY DESIGN AND METHODOLOGY	59
1. Factors Affecting Decentralization	60
2. Study Design	64
3. Rationale for Selecting the Cases	71
4. Limitation of Findings from Two Cases	74
5. Data Collection	75
CHAPTER 4. STATE TRANSITION AND DECENTRALIZATION EFFORTS IN KOREA	77
1. The Korean Policy Contexts	78
1.1 Socio-Economic Conditions	78
1.2 Political and Administrative Systems	80
1.3 The Structure of Local Governments	82
1.4 Civil Society in Democratic Transition	86
2. The Development of Local Autonomy in Korea	90
2.1 Local Autonomy Neglected (the Late 1940s-the Early 1980s)	91
2.2 State Transition and Its Impacts on Local Autonomy (the mid 1980s-the late 1990s)	94
2.3 The Realization of Decentralization (1999-Present)	99
The President Kim Dae-Jung Administration (Feb. 1998-Feb. 2003)	100
The President Roh Moo-hyun Administration (Feb. 2003-Feb. 2008)	103
3. Formal Decentralization Efforts in Korea	109
3.1 Legal-Institutional Frameworks for Local Autonomy	109
3.2 Functions and Affairs of Local Governments	114
3.3 Personnel and Financial Systems Enhancing Local Autonomy	116
3.4 Citizen Participatory Mechanisms in the Process of Policymaking	121
3.5 Features of the Formal Decentralization Efforts in Korea	123
4. Limitations on Korean Decentralization	124
5. Conclusions	130

CHAPTER 5. THE YEONGWOL DAM PROJECT	134
1. Gangwon Province: An Overview	134
2. A History of Water Resources Policy in Korea	136
3. Overview of the Yeongwol Dam Project	139
Natural Features of the Dong River	139
Summary of the Yeongwol Dam Plan	140
4. Legal and Institutional Frameworks for Dam Projects	144
5. Forming Coalitions in Controversy	150
Actors Involved in the Dispute	150
Divided Arguments	154
6. State Transition and the Yeongwol Dam Controversy	155
Business as Usual and Evolution of Local Concerns (the 1950s-1996)	156
Growth of Local Communities Against the State Authority (June 1996-1998)	157
The Movement to Save the Dong River Spreads (June 1996-the Early of 1999)	160
Scientific Criticism and Cancellation of the Plan (April 1999-June 2000)	163
Engaging in New Confrontations (June 2000-Present)	165
7. Conclusions	167
CHAPTER 6. THE SAEMANGEUM TIDAL LAND RECLAMATION PROJECT ...	175
1. North Jeolla Province: An Overview	175
2. A History of Tidal Land Reclamation Policy in Korea	177
3. Overview of the Saemangeum Project	181
Natural Features of the Saemangeum Estuary	181
Reclamation Experience in the Surrounding Areas of the Saemangeum	183
Summary of the Original Saemangeum Plan	183
The Current Status of the Saemangeum Project	185
4. The Legal and Institutional Bases of the Saemangeum Project	187
5. Forming Coalitions in Controversy	191
Actors Involved in the Dispute	191
Divided Arguments	194
6. State Transition and the Saemangeum Controversy	198
Business as Usual and the Latency Period (the 1980s-1995)	198
The Development and Growth of Civic Opposition (1996-1998)	200

Suspension of the Construction and Scientific Approach (Feb. 1999-June 2000) ...	202
Deepening Conflicts between the Two Coalitions (August 2000-May 2001) ...	204
Conflicting Decisions, Endless Debates (May 2001-Present)	208
7. Conclusions	214
CHAPTER 7. CONCLUSION: FINDINGS AND LESSONS FROM THE KOREAN DECENTRALIZATION OF ENVIRONMENTAL RESOURCES POLICY..	221
Korean Decentralization in Theory and Practice	223
Decentralization and Environmental Resources Governance in Korea....	226
Implications of the Study	238
BIBLIOGRAPHY	243
APPENDICES	257
A: Interviewees	257
B: Administrative Functions and Affairs of Local Governments in Korea	259
C: Financial Self-support Index of Local Governments in Korea (As of 2004)	262

LIST OF TABLES AND FIGURES

TABLE	Page
4.1 Type and Number of Local Governments	84
4.2 Distribution of Public Servants (As of 2003)	119
4.3 Distribution of Central and Local Administrative Affairs (1994 & 2001)	126
4.4 Financial Self-support Index of Local Governments (1991 to 2004)	128
5.1 The Yeongwol Dam Plan	143
5.2 Contrast Coalitions and Actors Involved in the Controversy	153
5.3 Major Differences Between the Two Coalitions	155
5.4 The Process of Controversy in the Yeongwol Dam Project	171
6.1 A History of the Tidal Land Reclamation in Korea	180
6.2 Summary of the Saemangeum Plan	185
6.3 Amount Invested and Investment Plan (As of 2005)	186
6.4 Contrast Coalitions and Actors Involved in the Controversy	193
6.5 Major Arguments on Each Issue	197
6.6 The Process of Controversy in the Saemangeum Project	217
FIGURE	Page
3.1 The Analytical Framework	68
4.1 The Structure of Local Governments	83
5.1 Location of Gangwon	134
5.2 The Site of Yeongwol Dam	141
6.1 Location of N. Jeolla	175
6.2 The Site of Saemangeum Project	182

LIST OF ACRONYMS

<u>ACC</u>	Advocacy Coalition for Conservation
<u>ACD</u>	Advocacy Coalition for Development
<u>ACF</u>	Advocacy Coalition Framework
<u>ADCATE</u>	Act on Dams Construction & Assistance, etc. to Their Environ
<u>ADPCAA</u>	Act on Devolution Promotion of Central Administrative Authorities, etc.
<u>APRM</u>	Act for Promoting Rural Modernization
<u>ASMD</u>	Act on Specified Multipurpose Dam
<u>BAI</u>	Board of Audit and Inspection
<u>CCEJ</u>	Citizens' Coalition for Economic Justice
<u>CGJTF</u>	Civilian-Governmental Joint Task Force
<u>CMA</u>	Coastal Management Act
<u>CNACC</u>	Committee for New Administrative Capital Counterplan
<u>CRMC</u>	Central River Management Committee
<u>CSD</u>	Committee on Sustainable Development
<u>CSE</u>	Committee on Saemangeum Environment
<u>CWMPC</u>	Committee on Water Management & Policy Coordination
<u>DJP</u>	Democratic Justice Party
<u>DKP</u>	Democratic Korea Party
<u>DLP</u>	Democratic Labor Party
<u>DLP</u>	Democratic Liberal Party
<u>DMZ</u>	Demilitarized Zone
<u>DP</u>	Democratic Party
<u>DST</u>	Decentralization-Support Team
<u>EIA</u>	Environmental Impact Assessment
<u>EOSD</u>	Executive Office for Supporting Decentralization
<u>EPA</u>	Environmental Protection Agency
<u>EU</u>	European Union
<u>FSI</u>	Financial Self-support Index
<u>GDP</u>	Gross Domestic Product

<u>GKU</u>	Green Korea United
<u>GNI</u>	Gross National Income
<u>GNP</u>	Grand National Party
<u>GNP</u>	Gross National Product
<u>IRBDP</u>	Integrated River Basin Development Plan
<u>IWRM</u>	Integrated Water Resources Management
<u>JRCD</u>	Joint Review Council on Devolution
<u>JITF</u>	Joint Investigation Task Force
<u>KARICO</u>	Korea Agricultural & Rural Infrastructure Corporation
<u>KFEM</u>	Korean Federation for Environmental Movement
<u>KGEU</u>	Korean Government Employees' Union
<u>KIPA</u>	Korean Institute of Public Administration
<u>KOWACO</u>	Korea Water Resources Corporation
<u>KRILA</u>	Korea Research Institute of Local Administration
<u>LAA</u>	Local Autonomy Act
<u>LPOA</u>	Local Public Officials Act
<u>LRMC</u>	Local River Management Committee
<u>MDP</u>	Millennium Democratic Party
<u>MOAF</u>	Ministry of Agriculture and Forestry
<u>MOCIE</u>	Ministry of Commerce, Industry and Energy
<u>MOCT</u>	Ministry of Construction and Transportation
<u>MOE</u>	Ministry of Education
<u>MOE</u>	Ministry of Environment
<u>MOFAT</u>	Ministry of Foreign Affairs and Trade
<u>MOGA</u>	Ministry of General Administration
<u>MOGAHA</u>	Ministry of Government Administration and Home Affairs
<u>MOHA</u>	Ministry of Home Affairs
<u>MOJ</u>	Ministry of Justice
<u>MOMAF</u>	Ministry of Maritime Affairs and Fisheries
<u>MOND</u>	Ministry of National Defense
<u>MOPB</u>	Ministry of Planning and Budget
<u>MSSD</u>	Most Similar Systems Design
<u>NCCMC</u>	National Coastal Management Council
<u>NDRP</u>	New Democratic Republican Party

<u>NGO</u>	Non-Governmental Organization
<u>NKDP</u>	New Korea Democratic Party
<u>NMD</u>	National Movement for Decentralization
<u>NPA</u>	National Police Agency
<u>NPM</u>	New Public Management
<u>OECD/DAC</u>	Organization for Economic Cooperation and Development / Development Assistance Committee.
<u>OGPC</u>	Office for Government Policy Coordination
<u>OPM</u>	Office of the Prime Minister
<u>OSSP</u>	Office for Supporting the Saemangeum Project
<u>PACLA</u>	Provisional Act Concerning Local Autonomy
<u>PCDPLA</u>	Presidential Commission on Devolution Promotion for Local Authorities
<u>PCGID</u>	Presidential Committee on Government Innovation & Decentralization
<u>PCSD</u>	Presidential Commission on Sustainable Development
<u>PDP</u>	Peace and Democratic Party
<u>PERS</u>	Prior Environmental Review System
<u>PSPD</u>	People's Solidarity for Participatory Democracy
<u>PWRA</u>	Public Waters Reclamation Act
<u>RA</u>	River Act
<u>RDP</u>	Reunification Democratic Party
<u>SABND</u>	Special Act on Balanced National Development
<u>SAD</u>	Special Act on Decentralization
<u>SACR</u>	Special Act on Capital Relocation
<u>SPOA</u>	State Public Officials Act
<u>TFCCD</u>	Task Force Consultative Council for Decentralization
<u>TFWQI</u>	Task Force for Water Quality Improvement
<u>T-P</u>	Total Phosphorus
<u>UN</u>	United Nations
<u>UNDP</u>	United Nations Development Programme
<u>UP</u>	Uri Party
<u>WSSD</u>	World Summit on Sustainable Development

CHAPTER 1

INTRODUCTION

1. Background

Decentralization is today a world-wide trend. Its values have wide appeal, regardless of ideology or political theory (Smith 1985). Reversing a sustained period of growing national control, people began to rethink the role of local governments vis-à-vis the state. This onset of a shift of emphasis from central to local authority was observed in Asia, Latin America and Africa in the 1970s (Rondinelli & Cheema 1983). As of 1997, 63 of 75 developing countries in the world are taking steps to decentralize. Much of the governmental decentralization that has taken place in the past few decades usually responds to political concerns in developing countries. Particularly, the diffusion of democracy in the Third World has contributed to this decentralization process. Many scholars assert that as countries democratize, subnational levels of government gain control of more decision-making and revenue-extracting powers. As a corollary of democratization, decentralization and local autonomy have become vital reform agendas (Kamo 2000). It is now not a question whether decentralization is (or should be) undertaken any more. Rather it seems to be a question of what and how to decentralize.

This reconsideration stems from the fact that many developing countries regard administrative decentralization as a highly promising means of solving their problems

and using available potential in response to the failings of centralized government. In Asia, it is closely associated with the move away from highly concentrated systems of government, with reform movements marked by demands for more competitive politics, greater popular participation in government, and a demand for a fairer local share of the bounty of natural resources (MacAndrews et als., 2001: 84). As Geddes (2002) points out, substantial bodies of theory in economics and political science support the belief that local actors are more effective when policy making is more participatory, leading to more efficient, realistic and locally adapted strategies in development and management. International organizations for development have also promoted decentralization, believing that it contributes to more participatory politics and more efficient allocation of scarce resources.¹ In sum, governments close to the ground are better informed about local preferences and conditions, and thus, better able to make appropriate decisions.

The World Bank (1997) has identified three major developments which trigger the decentralization process. First, the minimum size of self-sufficient government has declined. With technology and new demands from people, regions working under a central government have become less important as well. Second, the collapse of centralized authorities and changes in political regimes has given voice to local demands. Lastly, countries turn to local governments when the central government has persistently failed to provide essential services. Similarly, MacAndrews et als. (2001: 84-85) identifies three factors that have emerged and accelerated the decentralization. The first is globalization which has increased civic awareness and created more opportunities for

¹ Particularly, since decentralization as a political and economic reality in most developing countries can greatly affect economic development and poverty reduction, it is not surprising that international organizations, such as the World Bank, the OECD, and the like, are involved in various aspects of decentralization policy in the Third World.

participation in governance.² A second factor is the impact of economic and social changes in the last twenty years in the forms of liberalization, privatization, and market reform which brought forth new demands on central governments, prompting them to reassess their limited capability to deliver services. The last is the change in public perception that links effective governance with local participation and autonomy and has contributed to such reforms.

Decentralization associated with these changes has significant implications for politics and society.³ This rethinking of decentralization has seriously fueled debates over authority concession in public policy arenas. Particularly, there has been a rich history of solutions to environmental and natural resource problems being mostly dictated by central governments. Such centralized policy-making has often met with considerable criticism for failing to take local interests into account or adequately respond to local needs. In this context, decentralization has increasingly become a common policy strategy for solving problems associated with public policy issues. With this strategy, the sharing of responsibilities and resources between central and subnational levels of government has changed institutional settings and decision-making processes. The United Nations Conference on the Environment and Development Agreement, signed in Rio de Janeiro in 1992, points to the advantages of a decentralized government structure for addressing environmental issues (UN 1992). Indeed, decentralization in environmental resources policy often stems from the assumption that localities are better positioned to identify local issues, to deliver appropriate solutions in response to the demands of local

² In contrast, decentralization could be a counterpoint to globalization. Globalization often removes decisions from the local and national stage to the global sphere of multi-nations or non-national interests. UNDP. 1998a (September).

³ The Decentralization Thematic Team at the World Bank. *The Online Sourcebook on Decentralization and Local Development*. Retrieved from http://www.ciesin.columbia.edu/decentralization/Entryway/english_contents.html.

communities because local governments pay more attention to residents, and to work closely with stakeholders in the policymaking.

Despite the almost universal acceptance of decentralization and its extension in developing countries, however, there seems to be limited understanding of the institutional and environmental impacts of decentralization in each country. Furthermore, decentralization is not in itself always a good thing in reality. According to the OECD/DAC Report (1997: 13),⁴ some donors have concluded that the success of decentralization depends on the incentives it creates, the local capabilities it mobilizes or stimulates, and the costs it imposes. As the World Bank (2000) points out, political response to localization, such as decentralization, may be successful or unsuccessful, depending on how these policies are implemented in a specific place and time. It is thus important to examine the history and characteristics of the country, and to assess if a country's government becomes more accessible, responsive, and efficient in the decentralization process.

With this in mind, this dissertation chooses South Korea (henceforth, Korea) since the late 1980's for a case study of political and administrative decentralization in a specific country, focusing on the policy domain of environmental resources management and development. Beginning in the late 1980's Korea initiated a political process that, formally at least, gives the levels of local government and civil society opportunity and autonomy in policy-making processes. This is still in play. Therefore, the focus of this dissertation is to examine the interactions between various interested parties who are struggling to assert their authority and gain influence in governing environmental

⁴ OECD/DAC is the abbreviated form of the Development Assistance Committee of the Organization for Economic Co-operation and Development.

resources, focusing on the challenges of local actors, the roles of civil society and the intergovernmental relationships between the central, provincial and municipal governments as these influence public policy in this particular area.

2. Why South Korea?

In Asia, despite the significant historical differences with developed countries such as Europe, decentralization became a cross-national reform agenda in the 1980's. Along with economic development and political democratization, new constitutions or local government acts have been enacted since the late 1980s through the 1990s that endowed localities with decision-making power, autonomy, some fiscal resources, and systems of local democracy (Morita 1998, cited in Kamo 2000). Korea is an important example of this phenomenon.

Korea has been ruled in a highly-centralized fashion in which the state occupied the process of decision making in almost all public life. From the period of the Three Kingdoms, to the United Silla, to the Koryeo, and then the Joseon Dynasty, this tendency has been reproduced over two thousand years. National control was especially strengthened by the traditionally rooted political culture of Confucianism which was introduced as a national ideology of the Joseon Dynasty in the late fourteenth century.⁵ The most important principle of Confucianism was an emphasis on the absolute authority and power of the state over an individual person. Since then, its influence has been rooted in the Korean society and polity, supporting and maintaining a centralized system even in the era of the modern state.

⁵ The Joseon Dynasty maintained its regime for five hundred years, from 1392 to 1910.

Furthermore, the rationale for this arrangement in the modern state is that it promotes the control and coordination of the scarce resources needed for national economic development. Korea in the last century was dominated by economic growth, based on a commitment to export-led development. Economic activities have been overseen by political and economic elites located in Seoul, the Capital of Korea. Several military governments and *Jaebul*⁶ have played a crucial role in Korean economic growth. Past President Park Jung-Hee's military regime (1962-1979) initiated the Five-Year Plan for Economic Development in 1962 to overcome extreme poverty in the postwar Korea, and the *Jaebul*, having a great deal of influence on the Korean market and polity, have led this centralized economic development policy under the shelter of the central government. These policies achieved remarkable economic growth, yet generated serious regional disparities between Seoul and other regions and between urban and rural areas through concentrating population and economic activities in Seoul.

Following President Park's eighteen-year dictatorship, President Chun Doo-Hwan's regime came to power by military coup in 1980 and harshly suppressed civil society and social movements. This long-lasting repression provoked extreme student demonstrations facilitating Korean democratization in the 1970s and 1980s. The *Jaebul*'s monopolization and capitalist exploitation provoked labor union struggle and workers' strikes at the same time.⁷ As a result, student and labor movements boosted democratization as civil society reacted to prolonged authoritarian rules. In this way Korean democratization was based on a bottom-up and mass ascendant mobilization by

⁶ In Korean language, it means a financial clique, which consists of several big companies.

⁷ Using the political process approach which understands social movements as a political process and emphasizes political opportunity structure, Jiyoung Kim (2002) argues that a social movement has a spillover impact and the student movement in Korea contributed to the development of the labor movement in the 1980s.

civil society that finally led the regime's authoritarian elites to compromise politically with activists and citizens (Kim, B 2001). This trend gathered steam in 1987.

In Korea, the collapse of Chun's authoritarian military government with the Democratic Declaration on June 29, 1987, ushered in democratization and social mobilization, and these political transitions have encouraged decentralization at the same time. Dahal et al. (2002) point to democratic transition in developing countries as a factor for promoting political and administrative decentralization. Under democracy, citizens demand more information control, greater accountability, and more responsiveness from government, and finally, they acquire ownership in the governance and development processes. Moreover, with this incipient democratization, Korea's peripheral regions began to enhance their influence over public policy as part of an effort to strengthen the legitimacy and effectiveness of government. When democratization prevailed in the mid-1980s, the central government began to decentralize its governmental system and the policy-making process. This process has been accelerated by sequential political events, such as the thorough amendment of the Local Autonomy Act (LAA) in 1988 and the reconstitution of local assemblies in 1990, the formation of President Kim Youngsam's civilian government in 1993, and the election of local governments' governors and legislators in 1995. In the process of political transition with economic development, subnational levels of government in Korea have increasingly acquired authority for planning and management in their territory.

However, Korea is not the only country to attempt the shift from centralized to decentralized administration in recent years, and its experience with decentralization in public policy may be typical of developing countries. Accordingly, Korea's

decentralization efforts seem to be limited in several respects. Some of the most common difficulties are: forcing national bureaucracies to relinquish their powers; political and administrative problems arising from inexperienced local governments and under-formed local autonomy; and substantial intergovernmental disparities related to their respective levels of fiscal and economic development (Rowland 1997). Moreover, the relationship between central and local governments is still largely vertical within administrative and financial systems (OECD 2002). These barriers are all evident in Korea to a greater or lesser extent. Hence, the Korean cases examined in this dissertation provide an opportunity to assess such common problems and compare Korea's progress with prevailing theories of decentralization as well.

Against these obstacles, decentralization in Korea overall has been delayed because the central government is not yet fully supportive of the strong decentralization measures represented by the LAA. Particularly, the decentralization process raises concern about the ability of local government to manage environmental protection and natural resources conservation (Kim, S 2000a). Despite growing attention to decentralization, the role of localities in resources governance has been overlooked. In spite of economic, social and political shifts in a diverse society, the central government remains reluctant to allow increased policy involvement of local governments, arguing that environmental resources deserve the highest priority as basic necessities for the whole country, and thus require national oversight.

The central government's reluctance in ceding authority to local governments has intensified disputes among different groups. Not surprisingly, the Korean government has experienced difficulty in implementing national projects since the early 1990s. As Hall

(1981) noted several decades ago, the implementation of national projects in Korea is plagued with “great planning disaster.” These deadlocks seem to be more serious in governing environmental resources. At this point, the acute tension among groups dealing with these issues has led to the need for management alternatives that can substitute for the existing central control. These problems suggest the need to consider multiple stakeholders, such as local governments and communities, non-government organizations, or private sectors as legitimate actors in the policy-making process.

On balance, there seems to be both potential advantages and disadvantages associated with local-based resources governance. Based on this, the main argument in this dissertation is that while decentralization brings important opportunities for local actors to obtain more and better public services and to be involved in the policy-making process, we should not expect this decentralization automatically to build the local capacity for governing their resources or to yield successful policy outcomes for subnational levels of government. It may be more appropriate to view the decentralization process as a policy experiment in a political process, by which we can identify those factors that are most conducive for local-based resource governance. In this sense, I believe that the Korean cases can provide a good experimental setting, one that reveals some of the more significant problems and complexities of the process.

3. Research Objectives and Scope

Dillinger (1994: 10) says, “There is no road map in the process of decentralization...Of the countries in the world that have embarked on decentralization, none yet has the length of history that would permit an *ex post* evaluation. Even the

developed countries, which might be assumed to offer models, have themselves adopted different approaches to the organization of their subnational governments and several are in a constant state of experimentation.” This is certainly true in Korea. In keeping with Dillinger’s approach, the objective of this dissertation is thus rather ordinary: to examine the present institutional structure of decentralization and the significant changes in this issue; to draw lessons from the Korean experience; to suggest its implications for policy makers and practitioners and, as well, for theory building related to decentralization; and to draw on the Korean example for ideas that may be useful for advancing decentralization and local autonomy in other developing countries. In simplest terms, it aims to examine the factors that have emerged and accelerated local autonomy and decentralization in Korea and assess their affects on public policy decisions.

Decentralization is itself a broad subject. It should be thus made clear that the study does not intend to provide a full discussion of the notions of decentralization, but to see why and how it relates to some key concerns involving stakeholders at local levels and the quality of the associated policy choices. In this sense, the scope of the study is narrowed down. As reviewed in the next chapter, there are many different types and dimensions of decentralization and the mixtures of them. Among others, for instance, the dissertation examines political and administrative decentralization in Korea since the mid-1980s in general and the decentralization of environmental resources policy in specific.⁸ In this analysis, particular attention is given to the levels of government as actors in policy-making processes, in addition to civic groups or non-governmental organizations (NGOs), both of which are clearly important. Finally, because

⁸ In this research, environmental resources include water, land, energy, mineral and so on, which are assumed to have impacts on environmental and ecological conditions (see Chapter 2).

decentralization is a political process in which a variety of interest parties are involved, this study considers how these several actors have dynamically interfaced in this policy arena.

Indeed, the success of resources governance at local levels may rely to a great extent on how local governments perform their roles in the process of public policy, even though some of the related issues cannot be solved effectively by local governments alone. Recognizing that such an effort is far from an automatic process, this study also attempts to understand what conditions and factors influence policy outcomes related to environmental resources, by examining two different issues: the Yeongwol Dam Project and the Saemangeum Tidal Land Reclamation Project (henceforth, the Yeongwol Dam project and the Saemangeum project respectively). For study objectives suggested above, these two events are good cases because they touch on both political and administrative decentralization in the Korean political context. Furthermore, they show how this trend has affected the local-based resources governance and which side of decentralization has contributed most to deepening local involvement in environmental resources policymaking. As noted above, an important thrust of this analysis is toward understanding local initiatives to influence policy outcomes in contested situations. The evidence drawn from these two cases sheds sufficient light on Korea's progress in decentralization in this policy area to support certain policy recommendations aimed at strengthening local voice in governing environmental resources.

4. Significance of the Study to Knowledge and Policy

The subject of decentralization in this policy area is worthy because, until

recently, Korea's experience in decentralized environmental resources policy was not much studied. An important body of empirical literature has emerged since the 1980s, and a great many scholars have studied local autonomy in Korea and its results. They have usually focused on the transfer of administrative functions from the central government and the lack of financial capability at local levels in the general perspective. However, there are few studies that have specifically studied the decentralization of environmental resources policy and the local capacity building for environmental resources governance. As yet we have little systematic knowledge of under what conditions and to what degree decentralization affects local capacity for participation in this policy area.

This study thus has both theoretical and practical implications. In seeking a better understanding of the dynamics of the Korean decentralization, it first helps with the theory building on decentralization. It explains how Korea's decentralization is distinctive in its patterns and consequences. Such variation as may be found in the Korean experience with decentralization should contribute to understanding some general features of decentralization in developing countries, thereby informing analyses of similar processes in other developing countries. As mentioned above, for instance, substantial bodies of theory support the belief that local actors are more effective when policymaking is more participatory, leading to more efficient, realistic and locally adapted governance strategies. Hence, this study of Korean environmental resources policy should contribute to the empirical foundation for assessing whether political and administrative decentralization support and strengthen more effective resources governance at local levels.

Second, this study provides a series of useful empirical observations that help

detail the progress of decentralization in Korea. In Korea, economic growth has coincided with moves towards democratization and decentralization beginning in the mid-1980s, which have meant that the central government has passed on greater formal responsibility to civic society or local authorities, though it has not fully devolved the resources necessary to perform them. Ultimately, the study asks, “Is the decentralization process advancing the development and implementation of environmental resources policy in Korea?” This question is important for policy makers and analysts because without an understanding of the effects of current decentralization efforts, they would be unable to adjust current policies in a way that facilitates the attainment of policy objectives in the future. In other words, the knowledge and practice drawn from case studies can provide practitioners with insights on how to solve the deadlocks of national projects and how to incorporate local voices in the process of public policy. Incorporating such analyses into policy design would help ensure that all levels of government realize the realities and contribute to decentralization and development efforts.

5. Structure of the Study

The remainder of this dissertation is divided into six chapters. Chapter 2 provides a general overview of concepts and theories on decentralization and carries out a literature review of decentralization. This chapter starts by identifying and clarifying some of the key terms and concepts used in the study. It also reviews some issues, such as local capacity, good governance and intergovernmental relations, which are necessary to understand the relevance of decentralization and local autonomy. Next, it reviews the scholarly literature for theoretical and empirical purposes, pointing to limitations in the

existing body of literature and demonstrating the significance of this study from a scholarly perspective.

Before proceeding with the empirical analyses, Chapter 3 sets out the study design and describes the methodology employed in this dissertation. It first identifies the important economic and socio-political factors that are critical determinants of decentralization and local autonomy in developing countries. It also exposes a number of key tendencies in political culture which persist to this day and affect the decentralization process in Korea. Drawing upon models of local governments put forth in theories of decentralization and a variety of factors found in previous studies, this chapter then formulates a research framework for evaluating the Korean experience with decentralization in chapters 4, 5 and 6, that can be applied to understand Korea's local autonomy and decentralization and the effects of decentralization trends on environmental resources policy. The following section proposes the methods of data collection, the logic of case selection, and some analytical limitations associated with the two cases used in this study.

As the first step of the empirical analyses, Chapter 4 provides a general overview of Korea, including historical and social contexts, economic conditions, political and administrative system, the structure of local governments, the growth of social movement and civil society, and their relationships with the decentralization process. As a historical analysis, it carefully looks at the change of intergovernmental relationships and the evolution of local autonomy for the last few decades in Korea. This chapter explores what forces have influenced the development of decentralization in the Korean polity and in what ways. Particularly, it addresses the way that democratization and civil society have

been associated with a certain degree of political decentralization, which sometimes enlivens elected competition and invigorates local participation. In addition, it analyzes the current decentralization efforts that bear heavily on national laws and policies, such as the LAA, showing the degree and features of political and administrative decentralization. Using archival and secondary resources, in short, it examines why and how the Korean decentralization emerged and accelerated, as well as describing what aspects of government were decentralized and to what extent. This review outlines the formalities of the local government system and the general features of intergovernmental relations and state-society interactions, and it evaluates the general types of decentralization—deconcentration, delegation or devolution typically seen in Korean administrative decentralization. It also draws attention to some limitations in this decentralization process. Finally, it poses the question, “Has decentralization led local actors and civil society to challenge national authority and to seek to become more actively involved in the highly centralized environmental resources policy arena?” This is a crucial question that guides the analysis of the two case studies in chapters 5 and 6.

Chapters 5 and 6 are empirical chapters, which examine two distinct causal mechanisms related to the institutional conditions for water resources development and tidal land reclamation, the interaction of stakeholders in conflicts, and the local challenge to the state for governing resources in their territory. Both chapters begin by introducing the general features of the two provincial governments in which these two case studies are located. Each chapter reviews the history of resources governance in the case under review and carries out an institutional and legal analysis of the relationships between central and local governments needing to interact in the resources governance arena in

question, to include the formal allocation of responsibilities and authorities among them. In addition, these chapters explore the whole process of policy contention over the problem in question, to include the specific roles of provincial and local governments, the formation of advocacy coalitions, and the ways and strategies that opposed coalitions used the political system to advance or defeat the two projects. The analysis of two cases helps ascertain whether there are discrepancies between the formal institutional arrangements for decentralization and the decentralization of environmental resources policy, and whether the development of decentralization has positively impacted local challenges to prevailing centralism and local involvement in the policymaking of environmental resources governance.

To conclude, Chapter 7 begins with a short summary of lessons drawn from the analysis in terms of the decentralization process. Then, it recapitulates the central argument, the purposes, and the primary questions of the dissertation. Based on these, the chapter summarizes some crucial findings of Korean decentralization and the decentralization of environmental resources governance in Korea. For this, it first reminds theory components reviewed in chapter 2 and 3, and then, it assesses practical components which are the realities of Korean decentralization in the light of the general features of decentralization. After then, it points out the obstacles limiting local authorities in their attempts to react to the new pressures of decentralization. Yet it also emphasizes that recent decentralizing changes in Korea have resulted in a recalculation of local capacity and it is felt across a many of public policy arenas. Based on the findings of Korean decentralization, the chapter summarizes what the two cases reveal in chapters 5 and 6. In this part, it briefly shows how political decentralization and civil society have

impacts on the decentralization of environmental resources governance, drawing upon similarities and differences between the two cases. With the overall conclusion, the chapter suggests some implications of this study for the development of Korean decentralization and for other developing countries undergoing decentralization process.

CHAPTER 2

CONCEPTUAL FRAMEWORK AND LITERATURE REVIEW

Decentralization is a popular concept in local government circles. While the general direction is clear, however, there is still much confusion about the precise aims of decentralization -- in some ways, as says Hambleton, "it is in danger of becoming an empty term" (1987: 8). In spite of the topic's popularity, relevance, and the richness of scholarly information on the subject, there are also problems involved in comparing such studies and using them to generate reliable propositions which are generated by careless use of conceptual definitions and terms (Cohen & Peterson 1996). Before undertaking the empirical analyses, it is thus necessary to place this study in its appropriate context by clarifying key concepts and definitions. The following section reviews major concepts related to decentralization, and then proceeds to a literature review on decentralization in general and Korean decentralization in particular.

1. A Review of Major Concepts

1.1 What is Decentralization?: Definitions

There have been many efforts to define decentralization. This is due to the fact

that the concept of decentralization is broad and includes many components in its causes and results. In its simplified form, decentralization is defined as the opposite of centralization. In reality, however, decentralization is not just a dichotomy to centralization (UNDP 1999). Leonard (1982: 28) says that it is “more complex than a simple opposite, due to the fact that in today’s real world perfect decision autonomy and hence pure decentralization does not exist.” In this spirit, Montgomery (1983: 231) asserts, “decentralization is more an art than a science in which it follows its own aesthetic principles, but in practice, reality keeps interfering with its logic.” This certainly seems to apply to the situation in developing countries. As Rondinelli and Cheema (1983) argue, there are a variety of motivations that can be associated with recent attempts to decentralize. Based on this, numerous authors and studies have come up with definitions of decentralization covering this diversity.

According to Smith, decentralization is concerned with “the extent to which power and authority are dispersed through the geographical hierarchy of the state, and the institutions and processes through which such dispersal occurs (1985: 1).” Rondinelli and Cheema (1983: 18) define decentralization as “the transfer of planning, decision-making, or administrative authority from the central government to local administrative units, semi-autonomous and parastatal organizations, local governments or non-governmental organizations.” Going into greater detail, Schacter (2000) sees decentralization as involving structural transformation as well as development of the capacity of local governments. Structural transformation includes the transfer of power, authority, resources, and the creation of new frameworks of legal accountability.

Adopting the term, “decentralizing governance,”⁹ the United Nations Development Programme (1998a) considers decentralization as the systematic and harmonious interrelationship resulting from the balancing of power and responsibilities between central and local governments and non-governmental actors, and the capacity of local bodies to carry out decentralized responsibilities using participatory mechanisms.

Concluding this section, it should be noted that decentralization is not so much a theory as it is a common and variable practice in most countries to achieve primarily a diverse array of governance and public sector management reform objectives. According to the UNDP (1999), a quick review of the literature shows that there is no common definition or understanding of decentralization. That is to say, decentralization means different things to different people, and it is primarily a function of the application. Rather than trying to draw a precise definition, therefore, it seems to be more important to identify some critical features such as:

First, decentralization must be understood as a process rather than as a final goal or objective that can be fully attained in a set period of time. While decentralization or decentralizing governance should not be seen as an end in itself, it can be a means for creating more open, responsive, and effective local governments and for enhancing representational systems of community-level decision making in the policy process (cited in UNDP 1998a). Second, as Rondinelli et als. (1984: 4-5) identify, decentralization is not a quick fix for the management problems of developing countries. It begins in a small way and expands only carefully and incrementally. Such progressive change may take a long time to achieve. Third, as the UNDP (1998b: 1) suggests, decentralization is not

⁹ “The UNDP initially adopted the term, decentralizing governance, because of its belief that decentralization of the public sector, in itself, will not be effective unless support is also provided to strengthen local governance, involving the public, private and civil sectors (UNDP 1998b).”

really a distinct alternative to centralization; both are needed because the complementary roles of national and subnational actors should be determined by analyzing the most effective ways and means of achieving a desired objective. Lastly, decentralization is much more than public sector, civil service or administrative reform. It involves the roles and relationships of all of the societal actors, whether governmental, private sector or civil society.

1.2 Typology of Decentralization

Forms and Dimensions

The form and extent of decentralization varies in many countries (Hambleton 1987: 8; Dillinger 1994: 8). Decentralization takes many forms and has several dimensions. Indeed, a wide variety of institutional restructurings are encompassed by this label and several variants may be operating at the same time within a country, and even within a particular sector. Therefore, care must be used in labeling (Litvack et als., 1998). Articles generated from the UNDP and the World Bank usually identify the forms of decentralization such as: political, administrative, fiscal, and economic. Cheema et al. (1984) classify decentralization by form and type. According to them, the forms of decentralization, classified on the basis of objectives, consist of political, administrative, fiscal, and spatial. The most elaborated approach to types is found in regard to administrative decentralization -- deconcentration, delegation and devolution. The elaboration of these forms and dimensions is as follows:

First, *political decentralization* (sometimes, called democratic decentralization) refers to the devolution of decision-making powers to subnational political authorities. It

aims to encourage citizens and their elected representatives to participate in the process of public policy. Advocates assume that decisions made with greater participation would be better informed and more relevant to diverse interests in society than those made only by national political authorities. At the outset, therefore, it requires constitutional or statutory reforms, the development of pluralistic political parties, the strengthening of legislatures, the creation of local political units, and the encouragement of effective public interest groups.¹⁰ Political decentralization is usually assumed to entail democracy.¹¹ In other words, it could support democratization by giving citizens, or their representatives, more influence in the formulation and implementation of policies.¹² Among the other dimensions of administrative decentralization, political decentralization is manifested through devolution which is referred to as the transfer of powers and authorities to lower level political or local government units.¹³ In a devolved system,

¹⁰ Op. cit., Decentralization Thematic Team at the World Bank.

¹¹ Smith (1985: 11) continues, however, "it should be noted that political decentralization does not logically imply democracy, because decentralized procedures may vary in the extent to which they satisfy democratic criteria just as they vary in the autonomy they enjoy from higher levels of government."

¹² Decentralization of government is generally seen as an element for strengthening democracy, a way of bringing decisions closer to the people most affected by the decisions, and a way of achieving the participation of ordinary people in decision-making at local levels (OECD/DAC 1997: 55).

¹³ The Decentralized Governance Programme of UNDP (1997) has come up with a matrix identifying the form of decentralization that is manifested when political, economic or administrative responsibilities are transferred according to any of the four subunits. Among others, the devolution is manifested when political, economic or administrative functions are transferred to autonomous subunits.

Type of Unit to which Authority is Transferred	Aspect of Governance Transferred or Shared			Generic Name
	Political (Policy or Decision Making)	Economic or Financial Resource Management	Administration and Service Delivery	
Autonomous Lower-Level Units	Devolution	Devolution	Devolution	Devolution
Semi-autonomous Lower-Level Units	Delegation	Delegation	Delegation	Delegation
Sub-ordinate Lower-Level Units	Directing	Allocating	Tasking	Deconcentration
External (Non-Governmental) Units At Any Rate	Deregulation	Privatization	Contracting	Divestment

Source: Decentralized Governance Programme of the UNDP. 1997 (September). *Strengthening Capacity for People-Centered Development*. Management Development and Governance Division. Bureau for Development Policy. Annex #, Box 2: 33.

local units to which powers and authorities are transferred should have an elected local executive, elected local legislative body that passes laws and ordinances, specific taxing powers, and jurisdiction over a defined geographical area.¹⁴

Dillinger (1994) says that political decentralization is now a very widespread phenomenon, but its form and extent vary in each country even though almost developing countries claim to be embarked on some form of transfer of political power to local units of government. Moreover, the motivations for decentralization appear only tangentially related to administrative reform. Despite its political dimension, decentralization still presents reformers with an opportunity to promote administrative reform. Political pressure for decentralization results in a high degree of fluidity in the structure of the public sector, and it in turn provides an opportunity to improve fundamental changes in intergovernmental relations. In this respect, Dillinger argues that this opportunity is a transitory one that should be grasped.

Second, *administrative decentralization* refers to the transfer of responsibility for planning, financing, management, regulation and oversight of specific public functions from the central government and its agencies to lower tiers of the government, such as field units of government agencies, subordinate levels of government, semi-autonomous public corporations, or area-wide, regional or functional authorities. It involves mainly the design of organizational roles, the identification of specific administrative tasks needed to fulfill those roles, and the assigning of actors to perform the tasks.

Most decentralization literature focuses on administrative decentralization. It is usually the first step that centralized governments take toward decentralization, and it is tied to the other three types of decentralization. It thus sheds insight on all types of

¹⁴ Cited in Brillantes & Cuachon eds., 2000.

decentralization.¹⁵ There are three ways to implement administrative decentralization -- deconcentration, delegation, and devolution -- all three have different characteristics.¹⁶ But, the decentralization continuum usually progresses from deconcentration through delegation to full devolution. The details are as follows:

As the first mode of administrative decentralization, *deconcentration* shifts the responsibility of administrative workload from central government officials located in the capital to subordinate field staff in the regions, provinces, or districts. It is basically an efficiency measure internal to the central government entity, and therefore, does not involve a downward transfer of decision-making authority from the central government. Deconcentration involves the redistribution of administrative responsibilities only within the central government.¹⁷ In short, it can merely shift responsibilities from the central government to localities, or it can create strong field administration or local administrative capacity under the supervision of central governments.¹⁸ It is often considered to be the weakest form of decentralization and frequently used in unitary states. Rondinelli et al. (1984) say that it has been the most frequently used mode of decentralization in developing countries since the 1970s. It is the case in many East Asian countries, and until recently, was the rule in countries in Eastern Europe (cited in Litvack et al., 1998).

¹⁵ Op. cit., Decentralization Thematic Team at the World Bank.

¹⁶ The typology distinguishes the types of decentralization on the basis of the organization to which power is transferred. Some authors draw four modes of administrative decentralization -- deconcentration, delegation, devolution and privatization (Rondinelli & Cheema 1983). Among others, privatization is a fourth mode of decentralization which takes place through the transfer of some planning and administrative responsibility, or of public functions, from government to voluntary, private, or non-governmental institutions.

¹⁷ Ibid., Rondinelli & Cheema. 1983: 18.

¹⁸ Op. cit., Decentralization Thematic Team at the World Bank.

As the second mode of administrative decentralization, *delegation* is a more extensive form of decentralization than deconcentration. By delegation, the central government transfers responsibility for decision-making and administration of public functions to semi-autonomous organizations not wholly controlled by them, but ultimately responsibility remains with the central government.¹⁹ In detail, the organizations to which authority is delegated: (i) are technically and administratively capable of performing specialized functions; (ii) may be exempt from central rules on personnel; (iii) may be able to charge users directly for services; and (iv) have broad authority to plan and implement decisions without the direct supervision of central ministries.²⁰ For example, governments delegate responsibilities when they create public enterprises or corporations, housing authorities, transportation authorities, special service districts, school districts, regional development corporations, or special project implementation units.

The third mode of administrative decentralization transfers the responsibilities of certain functions to subnational units of government that have a specific degree of autonomy from the central government.²¹ In other words, devolution carries the highest

¹⁹ Cited in Rondinelli & Cheema (1983); Decentralization Thematic Team at the World Bank.

²⁰ Cited in Vista-Baylon (2000).

²¹ Devolution in its purest form has certain fundamental characteristics: 1) local units of government are autonomous, independent and clearly perceived as separate levels of government over which central authorities exercise little or no direct control; 2) the local governments have clear and legally recognized geographical boundaries within which they exercise authority and perform public functions; 3) local governments have corporate status and the power to secure resources to perform their functions; 4) devolution implies the need to “develop local governments as institutions” in the sense that they are perceived by local citizens as organizations providing services that satisfy their needs and as governmental units over which they have some influence; and 5) devolution is an arrangement in which there are reciprocal, mutually beneficial, and coordinate relationships between central and local governments. Cited in UNDP. 1999 (October). “Decentralization: A Sampling of Definitions.” Working Paper Prepared in Connection with the Joint UNDP-Government of Germany Evaluation of the UNDP Role in Decentralization and Local governance. Retrieved from

degree of decision-making independence and involves relinquishing certain functions to subnational governments. It thus entails creating autonomous subnational governments that: have corporate status, recruit their own staff, occupy clear and legally recognized geographic boundaries, raise revenues to finance their functions, and can interact reciprocally with other units in the government system of which they are a part.²²

Under devolution, the subnational units are given legally recognized geographical boundaries over which they exercise authority distinct from the central government (Rondinelli & Cheema 1983). Devolution involves the transfer of discretionary authority to legally constituted local levels of government as well. An essential characteristic of discretionary authority is that the overseer role of central government is limited to ensuring that local governments operate within broadly defined national policy. To the extent that local governments have discretionary authority, they can do what they want, bound only by the broad national policy guidelines, their financial, human and material capacity and capability. In devolved system, local level staff is responsible to local elected councils rather than to sector ministries and the management of projects is integrated into the established structure of local government institutions (OECD/DAC 1997: 57). Considering all these features, as points out Rondinelli, devolution is the mode of administrative decentralization that underlies most political decentralization, in which political decentralization is manifested through devolution; creating elected local governments is irrelevant unless they have recognized areas of responsibility over which to exercise their decision-making power (Brillantes & Cuachon

[http://www.mekonginfo.org/hdp/lib.nsf/0/86466a7a53537ba947256d900025685c/\\$file/q%201.3%20-%20undp%20-%20decentralisation%20definitions.pdf#search=political%20and%20administrative%20decentralization!](http://www.mekonginfo.org/hdp/lib.nsf/0/86466a7a53537ba947256d900025685c/$file/q%201.3%20-%20undp%20-%20decentralisation%20definitions.pdf#search=political%20and%20administrative%20decentralization!)

²² Op. cit., Vista-Baylon. 2000.

eds., 2002; MacLean 2003).

Third, *fiscal decentralization* refers to how responsibility for expenditures and allocations is distributed across the levels of government. It transfers two things to local governments and private organizations: funds and revenue-generating power and authority. In reality, it can take many forms, including self-financing or cost recovery through user charges; co-financing or co-production arrangements through which the users participate in providing services and infrastructure through monetary or labor contributions; expansion of local revenues through property or sales taxes, or indirect charges; intergovernmental transfers that shift general revenues from taxes collected by the central government to local governments from general or specific uses; and authorization of municipal borrowing and the mobilization of either national or local government resources through loan guarantees. In many developing countries, local governments possess the legal authority to impose taxes, but tax base is usually so weak and the dependence on subsidies so ingrained.²³

Fourth, *economic decentralization* is the passing over to the private sector of the functions performed by government. It is the most complete form of decentralization, promoting the engagement of businesses, community groups, cooperatives, private voluntary associations, and other non-governmental organizations. It is especially manifested through privatization and deregulation. Privatization measures are the contracting out of the provision and management of public services to commercial enterprises, the transfer of service provision through divestment of state-owned enterprises, and public-private ventures such as the build operate-transfer scheme undertaken in the infrastructure sector. Deregulation reduces the legal constraints on the

²³ Op. cit., Decentralization Thematic Team at the World Bank.

private sector in their delivery of services previously monopolized by the government.²⁴

Lastly, *spatial decentralization* is a term used by regional planners and geographers involved in formulating policies and programs that aim at reducing excessive urban concentration in a few large cities by promoting regional growth poles that have potential to become centers of manufacturing and agricultural marketing (Cohen & Peterson 1996). In Korea, spatial decentralization policy pursued by the central government has been very important. In order to overcome its extreme poverty, the Korean government, led by political and economic elites in Seoul, had pursued export-oriented policy since the early 1960s. The process of concentrating population and economic activities in the capital area of Seoul caused serious regional disparities, and engendered policy changes aimed at promoting spatial decentralization. Consequently, population decentralization and relocation of industries have dominated in the Korean polity since the 1970s (Wessel 1997: 178).

Vertical and Horizontal Decentralization

The previous part has mainly emphasized decentralization among the levels of government, in which it involves the transfer of governmental power to local governments, namely vertical decentralization. However, we should consider different type of decentralization -- horizontal decentralization. As Kauzya (2003) emphasizes, the possibilities of both must be conceived for effective local governance and decentralization policies.

Vertical decentralization can be conceptualized as an expansion in the number of

²⁴ Ibid., Decentralization Thematic Team at the World Bank.

people involved with a policy from a small number within one governmental level to a more extensive number of people among different levels of government, like the central to local power shifts. Within Korea, both central to province and province to local governments are included in this vertical decentralization. Vertical decentralization involves genuine autonomy, which would allow localities to undertake and fulfill their mandates. On the other hand, the horizontal decentralization can be an expansion in the number of people involved with a policy through granting the legislative and judicial branches power to balance the power held by the executive branch. Horizontal decentralization can occur at any of the levels of government. It creates checks and balances to regulate the separation of powers instead of the sharing of power among the branches of government. Within horizontal decentralization, for instance, the national assembly has the power to over-ride the president's veto of a specific policy issue.

Foci of the Study

Drawing on the review of concepts and typology of decentralization set out above, I would here like to set aside a few paragraphs that elaborate the focus of the present study. First of all, what is important in analyzing particular cases of decentralization is to keep in mind that there is a diversity of contexts (economic, political, and cultural) in which decentralization is carried out. This fact, coupled with the variety of motivations behind decentralization reforms, complicates comparisons between and among cases (MacLean 2003). Decentralization is also linked to new forms of interaction between a variety of institutional actors, including NGOs, local community groups, and the like, at local levels, often characterized as partnerships (Evans 1997;

Reilly 1995; Work 1999, cited in MacLean 2003).²⁵ Hence, as Leonard (1982) argues, a single universally applicable typology of decentralization is not possible. In the last two decades, many scholars have shown that decentralization is a multifaceted concept that must be carefully analyzed in any particular country (Rondinelli & Nellis 1986). Furthermore, recent literature tends to recognize that there is no such thing as decentralization *per se*, and that decentralization is neither inherently positive nor negative, but depends for its success on the design, implementation, and context of the reforms (MacLean 2003). Due to these features, different types can be distinguished because they have different characteristics, policy implications, and conditions for success at a specific policy area in a specific country.

By now, scholars have conceptualized decentralization in various ways, but the leading paradigm in the decentralization discourse emphasizes political and administrative aspects (Mniwasa & Shauri 2001). For these scholars, political and administrative decentralization have been key components of the institutional development. At the most basic level, in fact, it seems to be possible to distinguish between political and administrative decentralization. While the former emphasizes a redistribution of power, the latter emphasizes a redistribution of functions. However, the reality is usually more complex. In practice, the various types and forms of decentralization are not as easy to distinguish as their definition suggest, and moreover, they often occur simultaneously, follow upon one another, or are mixed and matched (MacLean 2003). Particularly, as says Vista-Baylon (2000), the distinction between political and administrative decentralization is blurred in practice, because political

²⁵ In it, competing political interests can motivate support or opposition to decentralization process. It is therefore important to identify and assess the motivation for decentralization among different groups or political actors (OECD/DAC 1997: 55).

decentralization is linked with administrative decentralization -- the creation of new organizations and the local performance of certain administrative tasks, and the degree of administrative decentralization is closely related to the political structure of the state.

Because the political and administrative dimensions of decentralization are closely linked in practice, they will be discussed here in the same level of importance. However, it is also important to bear in mind the conceptual distinction between the two, as defined at the start of this chapter. Note in particular that, while there are economic and operational criteria to help determine the best administrative allocation of functions, the fundamental decisions concerning the structure of the state are inherently political, resulting from the preferences of the population and the context of the times, and cannot be subject to any technical assessment.²⁶ Keeping these arguments in mind, this study focuses functionally on both political and administrative decentralization, and looks at vertical decentralization in Korean environmental resources policy.

1.3 Features of Decentralization

It may be useful to recapitulate certain features of the decentralization process to emphasize its variability and dynamics. Distinguishing between forms and dimensions of decentralization is useful because these distinctions broaden our perspective and help us to better understand the concept. Even though authors have tried to classify decentralization into several types, however, it seems to be more important to note that each of these overlaps and influences the others. As noted above, decentralization is a mixture of political, administrative and economic functions and relationships (UNDP

²⁶ For this reason, international financial institutions have no mandate and no legitimate in matters of political decentralization per se (Vista-Baylon 2000).

1998b), and each type must coexist with centralization (Smith 1985; Samoff 1990: 527). Regarding administrative decentralization, for instance, most institutional arrangements are characterized by the combination of elements of at least four types of decentralization (Silverman 1992; Uphoff 2001: 52). Silverman (1992) identifies this situation as a type of administrative decentralization, which he labels “hybrid.”

In addition, decentralization begins in an incremental manner, giving the government time to adjust to new distribution of authorities. The structure of government in all countries changes constantly, sometimes rapidly or dramatically through administrative reforms and reorganization, sometimes slowly and imperceptibly through the interaction of social, administrative, and political forces. Gyford (1987: 61) argues that “decentralization is not happening in a vacuum: other things are happening too.” He continues, “it seems to relate to some fundamental changes in society: a more assertive public, more differentiated interest groups, a much more determined effort by particular sections to stand up for their own interests (63).” Rondinelli and Cheema (1983: 9) say “the results and courses of those changes are most visible and profound in developing countries.” That is to say, decentralization is not an end but a tentative process, and each country in this process has its unique experience. Thus, the types can appear in different forms and combinations across countries, within countries and even within sectors.

Furthermore, decentralization is an ideological principle, associated with objectives of self-reliance, democratic decision-making, popular participation, and accountability of public officials to citizens. Griffin (1981: 225) points out, “Such changes, evidently, are not just technical and administrative; they are political.” As such,

it has been pursued as a desirable political objective. The World Bank in the World Development Report (2000) asserts that decentralization is politically motivated; often its primary objective is to maintain political stability and to reduce the risk of violent conflict by leading a wide range of groups together to a formal bargaining process. Ultimately, decentralization is a political decision, and its implementation is a reflection of a country's political process (Rondinelli et als. 1984: 8-9). In short, it is a means to an end, often required by political reality (World Development Report 2000: 107).

1.4 Debates on Decentralization

Decentralization in the Developing World

There is an unfolding dynamic at the supranational and subnational levels in the world, the process of globalization and localization that is transforming the development landscape and presenting policymakers with new challenges, in which new rules and structures are needed to serve as a foundation for development policy. In an interconnected world in which countries may continue to fragment, development agendas must respond to these imperatives, even though both phenomena are terms that provoke strong reactions -- positive or negative. While the state remains central to the development effort, globalization and localization require that they engage in essential institutional-building at supra- and subnational levels in order to capture the benefits of growth.²⁷ Among others, two aspects of localization receive attention --

²⁷ Globalization requires national governments to seek agreements with partners -- other national governments, international organizations, nongovernmental organizations, and multinational corporations -- through supranational institutions. Localization requires national governments to reach agreements with regions and cities through subnational institutions on issues such as sharing responsibility (World Development Report 2000).

decentralization and urbanization. Decentralization, particularly, has generated political pluralism and self-determination around the world, in which the ability of people to participate in making the decisions that affect them is a key ingredient in the process of improving living standards, and thus, in effective development.

From these statements it is evident that decentralization is seen as a significant tool for development in many Third World countries rather than merely as a form of government organization (Conyers 1984). In most developing countries that were formerly colonies, centralized political and administrative institutions were a direct legacy of the colonial rulers, and until recently these systems were largely left untouched, or were further centralized (Rondinelli et als. 1984: 1-2). In the 1950s and 1960s, international assistance agencies required central control due to the need for a central administration to guide and control the economy and to integrate and unify nations that were emerging from long periods of colonial rule (Rondinelli & Cheema 1983: 11). During the 1970s, however, many governments in the Third World began to experiment not only with new approaches to development, but also with new political and administrative arrangements for planning and managing development programs. The increasing interest in decentralizing authority for planning and administration at subsidiary levels arose from three forces (Rondinelli & Cheema 1983: 10): (i) disillusionment with the results of central planning and control of development activities during the 1950s and 1960s; (ii) the implicit requirements for new ways of managing development programs and projects that were embodied in growth-with-equity strategies that emerged during the 1970s; and (iii) the growing realization that as societies become more complex, it becomes increasingly difficult to plan and administer all development

activities effectively and efficiently from the center.

However, many of the basic promises of development theory were called into question during the 1970s, and the directions and priorities of development policy shifted drastically. Since then, the concept of development was stretched beyond that of maximizing gains in gross national product and, indeed, beyond economic growth as a primary objective. Here, developing countries and international organizations began giving much more attention to providing for the basic needs of the poor so that they could become more productive participants in the development process. These growth-with-equity policies reflected social and political values (Uphoff & Esman 1974; Esman & Montgomery 1980) that favored decentralization.²⁸

Centralization vs. Decentralization

Scholars have tried to show that guarded optimism on the utility of decentralization in developing countries is justified by reviewing the number of cases, in which small but clear-cut improvements have occurred as the result of decentralization programs. The arguments for decentralization challenged the principle of concentrating authority on the grounds that there are no justifications for or experiences demonstrating that administrative services are of a higher quality when carried by a single head. Furthermore, recent literature asserts that it fosters *esprit de corps* and creativity in the government (Wolman 1990), and is a route to increased efficiency and effectiveness of economic and social development programs (Maddick 1963; Teune 1982; Rondinelli et al.

²⁸ Many development theorists argued that greater equity in the distribution of income and wealth required wider participation in the economic, social, and political processes.

1984: 29; Wolman 1990: 30-32; Silverman 1992).²⁹

Some international documents detail the advantages of decentralization.

According to the OECD/DAC Report (1997), it encourages local officials to tailor project and services to local conditions; it motivates them to understand and report on local conditions; it better informs people about the plans; it stimulates local participation in policymaking; it relieves top management of routine tasks; it facilitates local political education and training; it encourages local resources mobilization; and it improves accountability and legitimacy. Similarly, Smith (1985: 4-5) points out that economically, decentralization improves efficiency through demands for locally provided services, and politically, it strengthens accountability, political skills and national integration, bringing government closer to people and providing better services to clients and promoting liberty, equality and welfare. Based on this development, decentralization can finally contribute to further democratization (Cohen & Peterson 1996).³⁰ Simeon (1986: 454-5) points out that decentralization is not only more open and democratic, but also much better able to manage the divisions of a complex society in such a situation where the danger is that government will either be paralyzed by the competing demands made on it, or it will feel the need to become more authoritarian in the face of a fragmented society and the resulting cacophony of voices.

Even though decentralization seems to be promising for developing countries,

²⁹ However, institutions established at the local level frequently have a poor organizational structure and are often not able to deal appropriately with the duties and responsibilities assigned to them (Silverman 1992). Thus, transferring authorities and power to the public sector at local levels does not necessarily result in institutional strengthening that fosters greater efficiency and equality. A separate effort and funding for local administrative capacity building is often necessary (cited in OECD/DAC 1997: 56).

³⁰ Also, democratization can facilitate administrative and/or political decentralization strategies, but its absence does not necessarily mean that such strategies cannot be efficient or effective (Cohen & Peterson 1996).

however, there have been many debates on centralization and decentralization and the relationships between the two. Centralization has been supported under the pretense of governance, suggesting that for newly independent, developing countries, creating a strong central state is the only way to coordinate the development of infrastructure and to establish a governmental administrative system (Wolman 1990). Critics of decentralization argue that it appears parochial and separatist. It may threaten the unity of the general will, reinforce narrow sectional interests, and prove to be anti-egalitarian through its support for regional variation in the provision of public goods (cited in Smith 1985: 5). Even students of underdevelopment have warned that the proliferation of administrative arrangements can bring about deterioration in the quality of administration as officials with less education, narrow outlooks and hardly any experience are employed (Mukerji 1961, cited in Smith 1985: 7). In short, the centralization literature contends that maintaining a system of control protects the public as a whole and is more beneficial than decentralization.

The development literature thus remains divided on whether or not decentralization is beneficial. However, there is an intermediate position. For example, Simeon (1986: 447-8) says, "Decentralization has been held to enhance democracy and to frustrate it; to improve efficiency and to frustrate it; to account for big government and to account for less government; and so on. In this article, he argues, "Indeed, to pose the global question -- to centralize or to decentralize -- is often unhelpful." Cohen et al. (1981: 34) say, "some functions of the state are inherently better handled by the center, while others are inherently better resolved by a deconcentrated structure." Rondinelli et al. (1984: 4) note that, "no one has demonstrated conclusively that decentralization...is

necessarily more cost-effective than centralization (1984: 4).” The Decentralization Thematic Team at the World Bank argues that centralization and decentralization are not “either-or” conditions. A substantial body of literature tells us that there are no totally centralist states (cited in Smith 1985: 1). It is even proposed that both probably go hand in hand (Perrow 1977; Simeon 1986). Samoff (1990: 527) says, “both are important... at different moments.” In sum, even if we could measure it, the degree of decentralization as a criterion for assessing the quality of government is useless.³¹ It is eventually important to decide what should remain centralized and what should be decentralized, and to what degree decentralization should take place.

Environmental Resources Policy and Decentralization

The discussion of decentralization in relation to environmental policy has steadily grown since the 1980s. Scheberle (1997) notes that as environmental problems become more varied and more localized a few policy areas place greater and more diverse demands on subnational governments.

The term environmental resources policy refers to a broad spectrum of activities and projects. By definition, resources included in its scope must be relevant to or otherwise impact environmental quality. Examples of such resource concerns might include watershed irrigation management, water resource development such as dam construction, soil conservation, forestry management, coastal zone fisheries management, biodiversity conservation and so forth. The analyses in this dissertation will focus on water resource development (dam construction) and tidal land reclamation.

³¹ King, Preston (1982: 136), cited in Simeon (1986: 447).

Decentralization initiatives related to these fields inherently require some degree of participation of localities for sustainable management. In fact, it is generally accepted that participation of stakeholders can be fostered by a significant degree of decentralization. According to the Decentralization Thematic Team at the World Bank, three inter-related issues need to be considered when seeking to understand the relationship between decentralization and resource management: enabling policy and institutional environment; participatory processes for establishing community-based groups; and effective operational linkages between institutional actors to facilitate large-scale adoption of improved resource practices.

1.5 Decentralization and Good Governance

It is necessary to put the discussion in the broader context of the relationship of decentralization and good governance. It may help to elaborate a set of operational measures of decentralization and study design in the chapter 3, which will be applied to the cases of Korea. Writing on behalf of the World Bank, Landell-Mills et al. (1991) have defined governance as the use of political authority and exercise of control over a society and the management of resources for social and economic development, in which the definition emphasizes the political nature and the management aspect of governance. Charlick (1992: 3) offers another definition for governance: "... the effective management of public affairs through the generation of a regime (set of rules) accepted as legitimate, for the purpose of promoting and enhancing societal values sought by individuals and groups." It provides a more normative dimension to the concept in terms of the outcomes of the process and the nature of the relationship between the authorities (the

governors) and the public (the governed). In more detail, Kauzya (2003) considers governance as a multi-faced compound situation of institutions, systems, structures, processes, procedures, practices, relationships, and leadership behavior in the exercise of social, political, economic, and administrative authority in the running of public or private affairs.

How can good governance be promoted or supported? There is not yet any consensus in the literature on the elements of good governance, or on how they should be described. Kauzya (2003) sees good governance as the exercise of government authority with the participation, interest, and livelihood of the governed as the driving force. He draws elements of good governance such as: constitutionalism, rule of law, justice, security of person and property, electoral and participatory democracy, respect for human rights and basic freedoms, transparency, accountability, ethics and integrity in the conduct of public and private corporate affairs, equity, informed citizenry, effective and efficient delivery of public services, and the minimum of a decent standard of living for all. UNDP (1998) also identifies the core characteristics of good governance as including a participatory decision-making process, cognizance of the rule of law, transparent institutions and information, responsive to all stakeholders, consensus-oriented on policies and procedures, a commitment to equity to improve or maintain public well-being, effective and efficient procedures to meet needs and maximize resources, accountability to the public, and a strategic vision on good governance and human development for administrative guidance.

How, then, is decentralization related to good governance? According to UNDP (1998a), decentralization is the logical application of the core characteristics of good

governance at the subnational levels. Good governance can be established when stakeholders can reach a reasonably clear common vision, which guides their actions for mutual benefits. In this process, governments, private sector, non-governmental organizations, as well as ordinary people have independent, respective roles to play. In it, a delicate balance between top-down and bottom-up communications and approaches needs to be sought. Decentralization is accordingly a version of seeking such a balance in order to reach good governance. Charlick (1992) also explains the relationship between governance and decentralization as a way of the state providing multiple centers of participation in decision-making that in turn assures better management, responsiveness, and accountability which are basic features of good governance. Like these, decentralization is identified by many as a crucial factor contributing to good governance. Indeed, as Vengroff et al. (1992) claim, the relationship between successful decentralization and good governance is hypothesized to be quite high.³² At any rate, it seems true that the concept of decentralization plays a prominent role in much of the thinking associated with governance.

1.6 Decentralization and Local Capacity Building

There is another concept to be considered -- capacity building and its relevance to decentralization. Capacity is usually defined as ability to carry out tasks, to meet goals, to get assigned work done. Political capacity, then, means the ability to carry out the tasks and functions that governments are supposed to do (Jänicke 2002: 1). Based on these

³² Cited in Nyiri, Zsolt. "Decentralization and Good Governance: Ten Years of Hungarian Experience." A Paper for the Working Session B of the 8th NISPAcee Annual Conference on *Ten Years of Transition: Prospects and Challenges of the Future for Public Administration*. Budapest, Hungary. April 13-15, 2000. Retrieved from <http://www.nispa.sk/news/nyiri.rtf>.

concerns, the OECD (1998: 8) defines the capacity for environmental protection broadly as “a society’s ability to identify and solve environmental problems.”³³ The definition is generally used to talk about limits in financial resources and qualified personnel of local governments (Rondinelli & Nellis 1986: 16). It implies some limits to successful solutions such as: the lack of ecological, technological or administrative knowledge, the lack of material or legal resources, and the weakness of environmental organizations or institutions in relation to vested interests (Jänicke 2002: 1-2). However, it is more than that, and it includes a number of elements important for moving past limitations. Moreover, it is necessary to have a combination of elements for local capacity building.

A fundamental goal of capacity building is to enhance the ability to evaluate and address the crucial questions related to policy choices and modes of implementation, based on an understanding of environmental potentials and limits and of needs with which people are concerned (Agenda 21: Chapter 37). In other words, capacity building should address the needs and conditions of countries to reflect national priorities, initiatives and strategy (FCCC/CP/2001/13/Add.1). Accordingly, it is quite natural that capacity building is a continuous, progressive and iterative process, and thus, it involves learning by doing (FCCC/CP/2001/13/Add.1) and updating their capacity (OECD 1994: 11).

Jänicke (2002) stresses that successful performance of environmental policy is brought about by a complex interaction of influences and not by any isolated factor, nor a favorite instrument, nor a single type of actor, nor a particular institution. With this feature, there is no one size fits all formula. In this respect, the concept of capacity building is important within the study of decentralization, because it could clarify specific

³³ Cited in Jänicke (2002).

elements needed by local governments to facilitate the decentralization process, and because the limits of capacity building could finally impede the decentralization of environmental resources management (Rondinelli & Nellis 1986; Cohen & Peterson 1999).

1.7 Intergovernmental Relationships and Their Importance

The capacity of local governments to carry out projects effectively and through reciprocal relationships with other organizations may be more significant than their legal status as independent units (Rondinelli & Cheema 1983: 24). Indeed, Uphoff and Esman (1974: xii) argue, “local autonomy by itself provides little leverage for development... What make the most difference are systems or networks of organization.” In this context, the National Academy of Public Administration Report (1995: 2) suggests, “a new partnership needs to be formed, one based on accountable devolution of national programs and on a reduction in the Environmental Protection Agency (EPA) oversight when it is not needed.” Scheberle (1997: 3) argues, “these efforts eventually illustrate the administration’s desire to shift away from command-and-control orientations... toward more cooperative, pulling together approaches.”

Why, then, is there such concern about the nature and quality of intergovernmental relationships in the study of decentralization? Successful policy implementation requires the interaction and coordination of a large number of organizations at different levels of government (Rondinelli & Cheema 1983: 27). Leonard (1983) also argues that supporting linkages must be created between central government and local agencies to overcome weaknesses in administrative capacity at

lower levels of government. Recently, Cohen and Peterson (1999) focus on the role of relationships among central governmental, non-central governmental, and private sector institutions and organizations relative to a given public sector task rather than the spatial relationships of structures. With expanded responsibilities brought about by decentralization, Cuachon (2002) argues, local governments need to strengthen capabilities not only in their functional roles but in intergovernmental relations or cooperation as well.

In addition, it is necessary to take into account the nature of intergovernmental relations in Korea in order to fully understand the impact of local challenges to centralism.³⁴ In fact, intergovernmental relations in Korea have been conflict-ridden since the inauguration of popularly elected local governments in 1995. As noted above, however, central-local relationships should be cooperative because intergovernmental implementation efforts may produce more satisfying results than any one level acting alone. The wider debates are not considered further here, but it should be noted in the study that cooperative relations have a direct impact on the good governance for environmental resources at local levels.

2. Prior Research

2.1 Reemergence of Discourse on Decentralization

³⁴ The intergovernmental relations of a country are difficult to know. It is useful nevertheless to attempt to articulate common patterns in intergovernmental relations. Dillinger (1993) draws three discernable patterns such as: (i) the overcontrolled local sector, in which a very high proportion of public expenditure is made by the central government and local governments function largely as an administrative arm of the central government; (ii) the undercontrolled local sector, in which there are multiple levels of government, each with political autonomy and autonomy over expenditure and revenue, but any clearly defined functional responsibility; and (iii) the perversely regulated local sector, where local governments have some degree of political autonomy but where the relationship with central political leadership is characterized by perverse incentives.

Centralization has been the dominant form of governance for many centuries in most parts of the world. But, territorial distribution of authority has been a subject of debate in Western democracies over a long period (Page & Goldsmith 1987; Cummings 1995). Starting roughly 250 years ago, there have been a variety of movements -- and proposed methods -- for moving away from central government rule, by which these values include efficiency, equity, accountability, and participation (Uphoff 2001). Decentralization thus has a long history in development thinking and practice, and it has been once again high on the agendas of development agencies and theoreticians since the 1960s. In Asia, the response of most governments has been to pay more attention to regional development by decentralizing development administration and planning (Mathur 1983: 60).

The remainder of this section provides a brief chronological overview of developments relating to decentralization in the last few decades. While the number of publications and documents related to decentralization has grown, there have been three periods during which output on the topic has accelerated. Each period has had a different focus as follows (cited in Cohen & Peterson 1996). The first period occurred in the early 1960s, when the focus was primarily on decentralization as an administrative approach for local-level governance in the post-colonial era.³⁵ The early 1960s found proponents of decentralization linking decentralization to transitions to independence, political equity and responses for increasing demand for public goods and services.

The Third World countries have undergone the process of decentralization due to international pressure or domestic reasons since the 1970s. By the mid-1970s,

³⁵ There are many scholars dealt with this topic such as: Maass ed., 1959; Hicks 1961; Humes & Marin 1961; Maddock 1963; Alderfer 1964 (Cohen & Peterson 1996).

decentralization was considered as an important aspect, promoting development objectives, improving management and sustainability of funded programs, and facilitating grassroots participation in development process. Decentralization became an important policy objective during the 1970s and 1980s as governments in developing countries sought to create more socially equitable patterns of economic growth and to meet the basic needs of the poor (Rondinelli 1983: 77).³⁶ In this second period, international aid agencies were urging governments to consider decentralization strategies both to better reach the rural and urban poor and to increase their participation in the development process.³⁷

Since the mid-1980s, decentralization has been promoted as a means to advance the emergence of civil societies, support the growth of democratic institutions, and establish market-oriented economies. Following the 1980s, the third and currently on-going period emerged in the early 1990s. It much more focuses on political aspects of decentralization, seeking to understand whether decentralization of any form or type can stimulate the emergence of good governance, constrain subnational ethnic conflict, promote democratic practices, facilitate the growth of civil societies, and increase the privatization of public sector tasks. It is certainly true in Korea.

2.2 Studies on Decentralization

The literature and sources on decentralization are vast. When decentralization is

³⁶ For example, the former World Bank's President Robert S. McNamara noted that if governments are serious about distributing the benefits of development more equitably, then experience shows that there is a greater chance of success if institutions provide for popular participation, local leadership and decentralization of authority (Rondinelli 1983: 77).

³⁷ It can be found in Cheema & Rondinelli eds., 1983; Rondinelli, Nellis & Cheema 1984; Wolfers et al., 1982 (cited in Cohen & Peterson 1996).

broadened to incorporate such concepts as deconcentration, delegation, devolution, alternative services delivery, privatization, and so on, then the resource base on the subject would undoubtedly be massive (UNDP 1999).

Over the past four decades a large body of literature has emerged that reviews various aspects of decentralization. It is comprised of theoretical exercises, comparative studies of selected cases, or individual country studies. Most of these studies are produced by academics, either through their own research activities or through grants provided by international agencies. The body of literature on decentralization is now wide-ranging, diverse, and substantial. It is tempting to conclude that a careful review of its content could generate useful guidelines for designing and implementing decentralization strategies. That is to say, a rapidly growing body of literature is now attempting to go beyond the study of individual cases and begin the process of developing conceptual frameworks for analyzing implementation (Friedman 1983; Cohen & Peterson 1996).

Decentralization has long been regarded as a necessary condition of economic, social and political development in developing countries (Smith 1985: 189). In economics, it is often associated with public choice theory which deals with why government intervention does not achieve the desired effect.³⁸ Strong local government

³⁸ Public choice takes the same principles that economists use to analyze people's actions in the marketplace and applies them to people's actions in collective decision making. Economists who study behavior in the private marketplace assume that people are motivated by self-interest. Public choice economists make the same assumption -- although people acting in the political marketplace have some concern for others, their main motive, whether they are voters, politicians, lobbyists, or bureaucrats, is self-interest. In Buchanan's words the theory "replaces... romantic and illusory... notions about the workings of governments [with]... notions that embody more skepticism." In the past many economists have argued that the way to rein in "market failures" such as monopolies is to introduce government action. But public choice economists point out that there also is such a thing as "government failure." That is, there are reasons why government intervention does not achieve the desired effect. Shaw, Jane S., Retrieved from <http://www.econlib.org/library/Enc/PublicChoiceTheory.html>.

was consistent with liberal economic thought, in which the small governments were presumably able to respond readily to changing needs and preferences at the local level. In the area of public administration, a recent emphasis on efficient management often based on private sector practices tends to be called the New Public Management (NPM). In development studies, participatory approaches influence decentralization. Liberal democratic theory argued from its earliest forms that the territorial subdivisions of the state enhance political participation and protect citizens against arbitrary government (Ashford 1979: 71; Saito 2001).

There are many arguments supportive of high levels of decentralization. Montgomery is arguably the major proponent of the view that central policies and programs can be carried out effectively and sustainably through strategies of political or administrative forms of decentralization. For a number of years he has studied how administrative and political forms of decentralization could facilitate the implementation of national programs of reforms. In his classic study of the implementation of land reforms, he demonstrates that when programs were carried out by centralized processes they tended to strengthen local bureaucratic power but did little for peasant incomes or political power, that deconcentrated processes showed more local benefits and that devolved processes had the best prospects for introducing distributive or democratic results, though not perfectly (cited in Cohen & Peterson. 1996). Wunsch and Olowu (1990) conclude that the highly centralized state is not capable of promoting equitable, democratically-based development processes because it is dominated by politicians and public servants who are concerned with ruling rather than serving and with capturing monopoly rents and development benefits.

Additionally, we can draw upon scholars' arguments which emphasize promises of decentralization especially in developing countries as follows (see more in Smith 1985): decentralization is a more effective way of meeting local needs by responding to the variety of circumstances encountered from place to place (Phillips 1963); it has been seen as relevant to meeting the needs of the poor by engaging the poor in the development process (Rondinelli 1983); it improves access to administrative agencies (de Mello 1981); it softens resistance to the profound social changes which development entails and participation in local institutions can secure commitment to development needing a change of attitudes (Conyers 1981); it provides for the greater speed and flexibility of decision-making by reducing central controls (Conyers 1981); and local democracy is necessary for national unity (Maddick 1981).

As mentioned above, these potential outputs parallel the goals of democratic governance in developing countries, and thus, underscore the relationship between the two in the literature of decentralization. Recent experiments with decentralization combined with some form of electoral or representative democracy have been noted in the World Bank literature, which suggests a relationship between the objective of "good government" and decentralization (World Bank 1989; 1992). Accordingly, the prevailing theory is that effective local governance is dependent upon decentralization and democratization. Olowu (1990) suggests that local governments are critical for building development and democracy. Vengroff and Salem (1992) theorize that decentralization is closely related to the quality of governance in developing countries. Crook and Manor (1998) test for a positive relationship between enhanced participation

in decentralized government and institutional performance in the area of development effectiveness and responsiveness.

Like these, there are frequent references in the literature to the benefits of decentralization or the ingredients for good governance, the positive relationships between decentralization and political democracy, the development of local governments resulting from decentralization, and so on. In this context, what we need to know must be how decentralization and democratization work together in practice to improve local government. However, there are few in-depth studies of the impacts of decentralizing policies. More seriously, as emphasize Resler and Kanet (1993: 5), even though a growing number of studies focus on democratization, virtually all examining the process from the national or systemic level, those studies have largely neglected the role of subnational institutions. Similarly, much work on various issues related to decentralization has been done, yet much more still remains to be done. This may be certain in Korea.

2.3 Studies on Local-Based Resources Management

Before the 1970s, the conventional wisdom viewed states as lethargic, requiring a powerful central government in many policy arenas, because states were widely derided as mired in corruption, hostile to innovation, and unable to take a serious role in environmental policy for fear of alienating key economic constituencies (Rabe 2003: 33). Indeed, the root of this central control goes back to William Forster Lloyd. Disputing the liberal market system and Adam Smith's idea of the invisible hand, in his lectures of the 1830s he argued that rights to enter the pasture or the labor market are open to all, and

thus, pastures and labor markets are overgrazed and over-saturated, resulting in environmental crises (cited in McCay & Jentoft 1998: 21). Hardin (1968) also argues that without a controlling force, degradation of the environment is to be expected whenever individuals use a scarce resource in common.³⁹ More recently, Coggins (1999) criticizes the devolution of responsibility and authority in federal land and natural resources management, arguing that national lands are not private, and the allocation of natural resources is not a local issue.

In recent years, the situation has been changed. Some events and existing literature formed over time show the beginnings of concern surrounding decentralization issues in environmental and environmental resources policy. Most justifications for decentralized resources management are built upon the assumption that greater participation in public decision-making is a positive good in itself and that it can improve efficiency, equity, development and resources management. According to economic and public choice theory, decentralization increases economic and managerial efficiency by allowing local people who bear the costs of resource use decisions to make those decisions, reducing administrative and management transaction costs via the proximity of local participants, accessing to local skills and local information, and using local knowledge and aspirations in project design, implementation, management and evaluation for better matching of actions to needs.⁴⁰

In 1878, John W. Powell proposed that a series of policies be shaped to fit the

³⁹ Hardin's logic implies a special version of the general political dynamic of Thomas Hobbes. In his logic of the "state of nature," Hobbes says that where men desire goods scarcer than their wants, they are likely to fall to fighting. In the absence of a civil authority, therefore, personal pacifism makes them easy prey to others. In order to make them share peacefully what the environment has to offer, Hobbes' solution was the erection, by a majority, of a sovereign power, such as Hardin's mutual coercion (cited in Ophuls & Boyan 1991: 196-197).

⁴⁰ Cited in Ribot (undated).

reality of western U.S. landscapes. In it he maintained that individual homesteads under the 1862 Homestead Act would be more likely to prosper within their watersheds to form grazing and irrigation cooperatives (cited in Kemmis 2001: 177-178). Following him, Kemmis (2001) argues that there is increasing evidence of the impossibility of a distant, centralized government managing the West's widespread lands. For solution, he offers a radical proposal for giving the West control over its land, shifting jurisdiction to region.

Also, Bookchin suggests an alternative of decentralized, autonomous communities governed through participatory democracy and existing in full harmony with nature (cited in Lewis 1992: 21). Ostrom's (1990; 1995) discussion of institutional governance of common resources suggests that local governance has extensive local knowledge, an understanding of the structure of incentives, knowledge of the types of individuals who will interact, and insight into the prerequisite relationships necessary to sustain natural resources. Francis and Ganzel also say that advocates of decentralization argue that local governments are more capable of addressing specific circumstances affecting natural resources within their jurisdictions. Thus, transfer of power would facilitate wiser decision making and be more consistent with the spirit of local democracy (cited in Lowry 2003: 333).

Furthermore, Paehlke (2003) finds a shift from national government to states or local governments in the jurisdictional focus of environmental decisions. As Rabe (2003) points out, many scholars studying state governments and federalism also portray states as highly dynamic and effective. According to their arguments, environmental policy is often depicted as a prime example of this general pattern of state effectiveness. A recent study completed by Resources for the Future, an environmental think tank, confirms that

a basic tenet of correct thinking about current environmental policy is the desirability of decentralization from central to local governments and that hundreds of other reports over the past decade have reached this conclusion (Davies 2001, Cited in Rabe 2003: 35).

As mentioned above, proponents of decentralization at local levels commonly argue that a self-selecting group of local people who promise to be civil can do a better job of allocating resources than the duly constituted central authorities. Furthermore, they believe that their efforts can promote the kinds of institutions, practices, and tools that heighten and focus a community's sense of collective purpose on environmental sustainability (cited in Mazmanian & Kraft 1999). Emphasizing that we have already entered a new era, Lowry (2003: 325) defines this era as "a third stage in the evolution of natural resource policies."⁴¹

Based on his research on state approaches to pollution control and park management, however, Lowry (1996; 2003) draws different outcomes. First, empowered states would display considerable variance on emphasis. Second, comparisons of national and state parks reveal a greater emphasis on financial self-sufficiency, more development, and greater commercialization of parks at subnational levels. Lastly, conflict over resource usage would not be reduced and it would simply resume at more local levels of governments. From these findings, Lowry concludes that wholesale devolution of federal power still remains unlikely. In other words, not all states are responding appropriately to policy needs (Lowry 1992, cited in Rabe 2003: 42). Lowry's arguments seem to be true in Korea. As mentioned previously, therefore, it is necessary to conduct more studies on

⁴¹ According to Lowry (2003), the first stage, running from colonial times to the end of the nineteenth century, involved little government control and a view of resource as perpetually abundant. In the second, ongoing stage, natural resource policies are developed within the public sector, allowing government a prominent policymaking role. Dissatisfaction with conventional public sector mechanisms for resolution of disputes over land, water, and species has stimulated a variety of proposals that constitute a third stage.

what should be transferred to local governments and what shouldn't be in the given policy arena.

2.4 Studies on the Korean Decentralization

Henderson (1968: 23) argues, "A miniature of the immense impedimenta of the largest and most centralized state on earth ruled Korea." Henderson's characterization of Korean politics was very accurate and still applies well. Korea represents a proto-typical case of a strong and highly unitary national state that concentrates and centralizes coercive forces, administrative powers, and financial resources (Seong 1998). Although the debate on centralization and decentralization continues and in reality many scholars do not completely support one side or the other, however, the recent trend seems to be toward decentralization. This is the case of Korea. During the ten years following the June Democratic Declaration in 1987, the furthering of decentralization and local autonomy has been a compelling issue requiring government address, along with socio-economic democratization. The current government of President Roh Moo-hyun proposes four tenets as national goals that are to be upheld in every field and throughout the process of national policy. One of these four values is decentralization of power and autonomy (see more in Chapter 4).

Even so, among the political, economic, social, and territorial transformations triggered by democratic transition, the least explored area in social sciences is that of territorial transformation -- a special concern here is with decentralization and local autonomy. Concerning democratic transition and consolidation of Korea, most studies focused on the political aspect of democratization, while neglecting the relationship

between democratization and decentralization. Very few studies on the latter issue exist (Seong 1998). Furthermore, a literature review of the Korean case shows that there is not much study of the roles of local actors and decentralization in environmental resources policy, while there are many empirical studies of local autonomy itself, and its results and limitations. Whereas there are considerably advanced empirical studies of the Korean environmental movement, there are few scholars, if any, focusing on local actors and their roles in governing resources. This oversight may stem from the fact that environmental resources are considered as a basic necessity for the whole country requiring centralized oversight. Clarke (2001) says that there are few studies that tell us how decentralization solves problems associated with environmental and environmental resources policy at local levels in developing countries, or why this may be so. This is certainly true in Korea.

In short, few scholars have focused on decentralization and local autonomy within Korean environmental resources policy although the issues have been developed and have drawn more attention since the mid-1980s. Also, there are few studies of the relationship between the enhanced formal powers ceded to local government and the real constraints affecting the state's ability to develop and implement environmental resources policy at local levels. This dissertation thus aims to fill in some of these gaps within this literature, particularly the literature specific to Korea.

2.5 Studies on the Yeongwol Dam Project and the Saemangeum Project

There are many studies dealing with each of the projects here under review, the Yeongwol Dam project and the Saemangeum project, because these two cases have each

become celebrated national issues of interest to the whole country. Yet there are few studies that attempt to compare these two cases.⁴² In the case of the Yeongwol Dam project, Jae-Bok Ju and Sung-Man Hong (2001) show the importance of the joint task force as a neutral mediation body during the process of controversy. Sun-Woo Lee and Byeung-Gi Lee (2000) advance the importance of negotiation as an approach to settling policy conflicts. Dividing the policy process into three stages, Gong-Nam Moon (2001) also analyzes the stakeholders' activities and responses, and NGOs' roles in the conflict.

Regarding the Saemangeum project, Sung-Eeun Kim (2001) analyzes the governmental-civilian joint task-force's -- a neutral body -- decision-making process during the controversy. Dividing the process into four stages, Jun-Ho Park (2002) empirically examines the ways this neutral body responded to the controversy, a response that led to mediation. He concludes that the government's decision was a political compromise rather than a decision driven strictly by the findings of the task force. Arguing that the central government considered only the economic benefits of the project when it decided whether or not to proceed with it, Jun-Geum Jung (2000) and Sung-Wook Kim (2001) emphasize that in addition to economic feasibility in the Saemangeum project, its environmental impacts, impacts resulting from sea dike construction, should be included in considering whether to implement the project.

As these examples suggest, many scholars have tried to analyze each of these controversies from various viewpoints. These studies focus on a variety of topics, such as the roles of NGOs, expert groups, or science in the process of controversy, the value changes of local residents, and so forth, yet there are just a few studies comparing the whole process of policymaking or analyzing the reasons that these two cases produced

⁴² It refers to Jung, J-s (2003).

different policy outcomes. Using Kingdon's window of opportunity and Sabatier's advocacy coalition framework (ACF), Hyeun-Jun Kim (2002) compares the two cases on what factors led to policy changes. Ik-Joon Cho (2000) also analyzes the two cases, focusing on NGOs' roles in the policy making process. Dae-Ho Hwang and Hong-Keun Lee (2004), in turn, try to identify the determinants that led to different policy outcomes from two cases. In their analysis, they ask, "Why did these two cases result in very different policy outcomes: while the government canceled the Yeongwol Dam construction plan, it decided to proceed with the Saemangeum plan in regular sequence?" To this, they drew the conclusion that the policy outcomes of two cases were made not by mutual agreements among interest parties, but by political interests, that is, to gain a majority in the general election and to acquire local support. In a similar vein, using Sabatier's ACF, Jin-sool Jung (2003) in his thesis compares the process of policy making of two cases. He argues the different outcomes may be explained by such external events as local re- and by-elections, Korea's 16th general election⁴³; the amount of money spent on the project⁴⁴; and the findings and consensus of the investigation task force team.⁴⁵

As reviewed above, the previous studies of these two cases have mainly focused on the causes that produced these conflicts, the evolution of competing coalitions groups in the process of controversy, the formation of strategic relationships by interested parties,

⁴³ In the case of the Saemangeum project, most local residents supported the project, while public opinion in the whole country was against it. In contrast, local residents and governments as well as national public opinion both objected to the Yeongwol Dam project.

⁴⁴ While the government has spent about 1.7483 trillion won (US\$ 1.7 billion) by 2004 for the sea dike construction and compensation in the Saemangeum project, it just wasted about 13 billion won (US\$ 12.6 million) for the Environmental Impact Assessment and the establishment of foundation and execution plans in the Yeongwol Dam project.

⁴⁵ While the task force team for the Saemangeum project could not reach agreement among its members, that of the Yeongwol Dam project drew a unanimous conclusion in which they recommended the central government cancel the dam construction.

the behavior and activities of interest parties, the roles of civic, environmental groups or neutral body, the factors impacted on policy makers' decisions, and the like. There are few studies, if any, dealing with local challenges to the state in the process of controversy. For this reason, this study centers on local governmental efforts to gain authority over environmental resources in their territory, as well as on the role of environmental movements and advocacy coalitions in shaping the resolution of these controversies in the context of greater political decentralization after 1987.

CHAPTER 3

STUDY DESIGN AND METHODOLOGY

As Hambleton (1987: 8) observes, there seem to exist two contrasting interpretations of the significance of current decentralization initiatives. On the one hand, a cautious view would assert that we are witnessing an interesting but passing fad in which the present wave of decentralization will join its predecessors in oblivion. On the other hand, it can be argued that there are deep-seated reasons why decentralization is here to stay. The evidence from Korea supports the view that decentralization should be considered as a significant trend rather than a frivolous craze.

If this is indeed the case, it is necessary to make comparisons with other countries over time to see to what extent changes in the level of decentralization occur and assess the consequences of those changes. There are, however, some difficulties in the way of making systematic comparisons. In a seminal paper on decentralization, Fesler (1965) identifies three methodological problems: a linguistic problem in which the very terms “centralization” and “decentralization” tend to dichotomize our thinking; a problem of measurement and the weaknesses of indices of decentralization; and the problem of differentiating in terms of decentralization between the regions of a single country. As Simeon (1986: 446) argues, even the relatively straightforward empirical question -- how

decentralized is a specific country -- may be difficult to answer, because different criteria and different measurement techniques produce very different answers.⁴⁶

Comparison seems to be further complicated by the fact that decentralization initiatives or reforms are affected by a number of variables. Smith (1985) points out that cross-national comparison is difficult because it occurs in such different contexts. Therefore, as Rondinelli et als. (1984) attest, little research has been done on the socio-economic, political, or physical correlates of decentralization, and thus little is known about which factors are associated with pressures to decentralize. Even so, there is a need to test and compare decentralization, because crucial similarities among developing countries undergoing decentralization certainly exist. Furthermore, identifying these similarities allows us to focus on the unique attributes of particular cases. In order to draw similarities as well as uniqueness from the Korean case, this chapter identifies the key variables which are likely to affect decentralization, frames a design for the empirical study, and proposes a methodology for data collection.

1. Factors Affecting Decentralization

The growing literature seeks to understand the new forms of local governance focusing mainly on the legal-institutional aspect of the decentralization process (Benett 1997; Munteanu 1999). As noted several times, however, a variety of political, social, behavioral, economic, and organizational factors influence whether decentralized policies

⁴⁶ Even Bird writes, "it is neither helpful nor correct to claim that we know how decentralized Canada is -- much less to conclude that it is too decentralized, decentralizing too fast, more decentralized than other countries, or whatever." Bird, Richard M., 1985. "Federal Finance in Comparative Perspective." In Conklin, David. 1985. *Ottawa and the Provinces: The Distribution of Money and Power*. Toronto: Ontario Economic Council: 137-177 (cited in Simeon 1986: 446).

are implemented, and how much they achieve their goals and in what way. Moreover, decentralization is occurring world-wide for different reasons, at different places and through different means.

With these reasons, the “why” of decentralization is as varied as the “how” of decentralization (Litvack et als., 1998). Furthermore, Simeon (1986) proposes two questions which seem to be much more fundamental: why centralization or decentralization is; and what are the forces -- social, cultural, economic, institutional -- that account for why one country seems to be more or less decentralized than another or why a country seems to be centralizing at some times and decentralizing at others. According to Simeon, those may be historians’ questions, but the answers to them are crucial for prediction. Here I would like to add one more question: how these factors are likely to play through in the future. Are social, economic and political conditions in the last few decades likely to push us towards greater centralization? Will they strengthen the thrust for dispersed authority and more local autonomy? Or will these forces produce both simultaneously?

Usually, scholars study three factors affecting the decentralization process-- political, economic and social. For example, Choe (2001) argues that decentralization is a political decision, and its implementation is a reflection of a country’s political development. Dillinger (1994) also points out that political analysts have suggested that decentralization stems from the needs of national political leaders to accommodate or deflect increasingly strident demands for power sharing by groups that have traditionally been excluded from it. Referring to the Third World in general, Prud’homme (1992) characterizes decentralization as a political strategy by ruling elites to retain most of their

power by relinquishing some of it.⁴⁷ Hall (1993) says that it has been attributed to the conspicuous economic failure of the centralized state.⁴⁸ Bahl and Linn (1994) argue that gains from decentralization vary with a country's level of economic development. Wallis and Oates (1988) incorporate measures of ethnic diversity as a predictor of decentralization.

Vieira's (1967) study of forty-five countries indicates that the degree of devolution was significantly correlated with the age of the nation, the size of gross national product (GNP), the level of industrialization, the level of development of the mass media, and the number of local governments. Cheema and Rondinelli (1983) identify a mix of variables favoring decentralization in developing countries, including existing local capacities, available political support, the willingness and capacity of central agencies to provide needed assistance, and the ability to create environmental conditions conducive to successful policy implementation. Similarly, Kauzya (2003) points to possible variables such as government will and commitment to popular empowerment, an effective administrative and political structure, human resources, tools and facilities, sufficient funding, communication networks among different actors, information systems and technology, and appropriate legal provisions.

Considering the lack of full understanding of decentralization, this study proceeds with due concern for offering a realistic assessment of Korean decentralization in the environmental resources policy area. As noted above, each country has its unique decentralization process. Its evaluation thus should first take into account the basis of political system, political culture, the administrative institution, the historical context, the

⁴⁷ Cited in Dillinger (1994: 8).

⁴⁸ Ibid., Dillinger. 1994: 9.

existing socio-economic conditions, and the international pressure affecting the policy process. As Simeon (1986: 447-8) asserts, the inevitability or the desirability of decentralization has meaning only in relation to specific contexts. In particular, the traits of the political system are significant in understanding the Korean decentralization because the system provides the framework in which organizations function and in which policies are carried out. Therefore, a description of Korea's political system, in addition to other characteristics, is essential for better understanding of its decentralization process.

As mentioned earlier, decentralization seems to go hand-in-hand with participation at local levels and with democratization as well as with more efficient government. Harriss (2000) argues, however, that these pious hopes have often lent themselves to abuse, and also, that they serve the neo-liberal interest of downsizing the state. According to Harriss, international comparative research has shown that the outcomes of decentralization are crucially influenced by the political relationships between center and locality and by configurations of local power. Moreover, research has shown that good government actually involves much more complex interactions across the levels of central and local government, and more civic action than is supposed in the stylized notion of decentralization. There is an "ironic paradox of decentralization": strengthening the capacity of local government may mean that the government at the center has to play a stronger role in certain critical respects. As Tandler (1997) say, we should therefore keep in mind that it involves a three-way dynamic which includes an activist central government, as well as local governments and civil society interacting in a complex process.⁴⁹

⁴⁹ "... The state government took certain traditional powers away from municipal governments, while at the same time devolving others... It was not that the CG continued to do what it had done in the past, but

As Dillinger has pointed out, decentralization in most countries has come from ad hoc reactive responses by the national government, rather than as a sequential set of well-conceived policies. Decentralization often takes place amid political turmoil: the euphoria at the fall of a military regime; an economic crisis; the jockeying for power by newly emergent interest groups. All these conditions create an environment in which a careful, rational, and orderly process of decentralization is more or less likely.⁵⁰ At any rate, these forces favoring decentralization have particularly influenced environmental resources management and development, imparting a new emphasis on subnational levels of government as both resources managers and intermediaries. As Nagel (1999) argues, where environmental resources are concerned, it is equally (or more) important to pay attention to the way subnational levels of governments define problems and make decisions in the process of public policy. Bearing in mind the complex factors affecting the evolution of decentralization in developing countries, including Korea, the following section of this study develops a basic frame of reference for analyzing Korean decentralization.

2. Study Design

Once factors affecting decentralization are identified, we should frame a study

that it was doing something different and quite actively so. The CG was also contributing in a major way to the creation of civil society by encouraging and assisting in the organizing of civil associations, including producer groups, and working through them. These groups turned around and 'independently' demanded better performance from government, both municipal and central... This complicates the currently popular assumption of one-way causality, according to which good civil society leads to good government and, correspondingly, good government is dependent on the previous existence of a well-developed civil society (Tendler 1997, cited in Harriss 2000)."

⁵⁰ Simeon (1986) points out that a variety of forces which seem to push toward a more centralized polity, but these forces at the same time are Janus-Headed.

design for the research. This study design should be adequate for examining some of the earlier research findings to see whether they conform to the more general context, and should enable us to assess the performance of decentralized resources policy in Korea. As Harris (1983: 183) says, decentralization is a complex and multi-faced issue. Therefore, there is no specific paradigm or theoretical model that guides the decentralization process. Noting such variability, some critics argue that it makes no sense to construct a general framework for designing and implementing decentralization reforms and programs (Cohen & Peterson 1996). In reality, it shows up in diverse ways, such as political-legal reform, fiscal, administrative, and civil service reform, popular participation, strengthened equity in local governance, resource mobilization and management, natural resources management, social services planning, and delivery capacity building (UNDP 1998b).

The risk of this kind of study is that, in the search for multi-causal factors, some explanatory value could be lost if the particular weight of each variable is not assessed (Evans & Stephens 1988: 731). However, single-factor explanations and grand theories, such as cultural determinism or rational choice, are not usually appropriate when they confront broad-gauged historical phenomena. Inasmuch as decentralization is a long process, Korea's decentralization should be analyzed in a historical perspective. This could be summarized as a 'triangulation,' in which, given the numerous problems of measurement, we can think about using multiple measures to address the same phenomenon (Peters 1998).⁵¹ In this way, specific variables do not seem sufficient to explain decentralization by themselves. The factors mentioned above must be integrated

⁵¹ Peters (1998: 26) says that while there are a number of questions, the answer is "It depends." That is to say, there is no perfect way to conduct analysis, and thus, what is most important is to understand fully what values are being traded for what others in choosing any analytical approach.

in a set of independent variables. Drawing on factors identified by now, therefore, the study attempts to use more realistic measures to assess the causes of Korean decentralization and their impacts on environmental resources policy, but they are far from sufficient to fully explain all aspects of decentralization in this policy arena, given its complexity.

In sum, while I do not reject that social conditions, political structure, economic development, cultural and historical context, and environmental constraints might be independent variables that explain why decentralization emerged and has accelerated in Korea, I shall try to demonstrate that none of them by itself can capture the tremendous complexity of the decentralization process. In addition to factors drawn above, the analysis also includes indicators for assessing the process and outcomes of decentralization, such as whether there are legal-institutional systems for decentralization, whether there are financial and other resources for the local autonomy, and whether there are formal or informal mechanisms for local participation in policymaking.⁵² Also, the analysis focuses on the way local governments define problems and participate in policy-making processes. In other words, this study considers local actors' involvement and their

⁵² The dimensions of decentralization may be summarized according to 'functional responsibilities,' 'access to revenues,' and 'political autonomy/accountability.' They are summarized such as (Johnson & Minis, Jr., 1996):

<u>Functional Responsibilities</u>		<u>Access to Revenues</u>	<u>Political Autonomy/ Accountability</u>	↓ Decentralization →
↓ Decentralization →	•Minimal urban services (small public works maintenance) •Basic civil record keeping	•Small scale fees, licenses, permits, user charges set by central government •Low level of central to local transfers	•Officials selected by central government •Salaries set and paid by central government •Accountable to central government	
	•Basic urban services, not including most social services (education, social welfare, health)	•Reliance on central government transfers and/or shared taxes •User charges set by the central government		
	•Broad array of urban public works & social services	•Broad authority to set own-source revenues (user charges, property taxes, etc.) •Intergovernmental transfers •Authority to incur debt	•Local selection of officials •Salaries set and paid locally •Accountability to local constituents	

Source: Johnson, Ronald W., and Dennis Rondinelli. 1995. *Decentralization Strategy Design: Complementary Perspectives on a Common Theme*. Research Triangle Institute: 15.

challenge to the central authority without denying the importance of other independent variables. Overall, it emphasizes intergovernmental relationships between central and local governments, in addition to state-society relations which are certainly complementary to any explanation of intergovernmental relations.

According to the World Development Report (2000: 107), some 95 percent of democracies now have elected subnational governments, and countries everywhere are devolving political, fiscal, and administrative powers to subnational tiers of government. But decentralization is often implemented haphazardly. Overall, it is thus important to combine the study of outcomes of decentralization with that of the decentralization process, since decentralization is not an end but a process. Combining them, the decentralization framework in Korea could be illustrated as a kind of continuum having a feedback. As a result, the relative performance of the Korean decentralization (dependent variables), composed of the emergence, process and outcome, can be judged as a function of a number of variables assumed to affect decentralization. The factors identified as the causes coexist each other, and they are interdependently related to both the process and the outcome. The analytical framework could be summarized as in Figure 3.1.

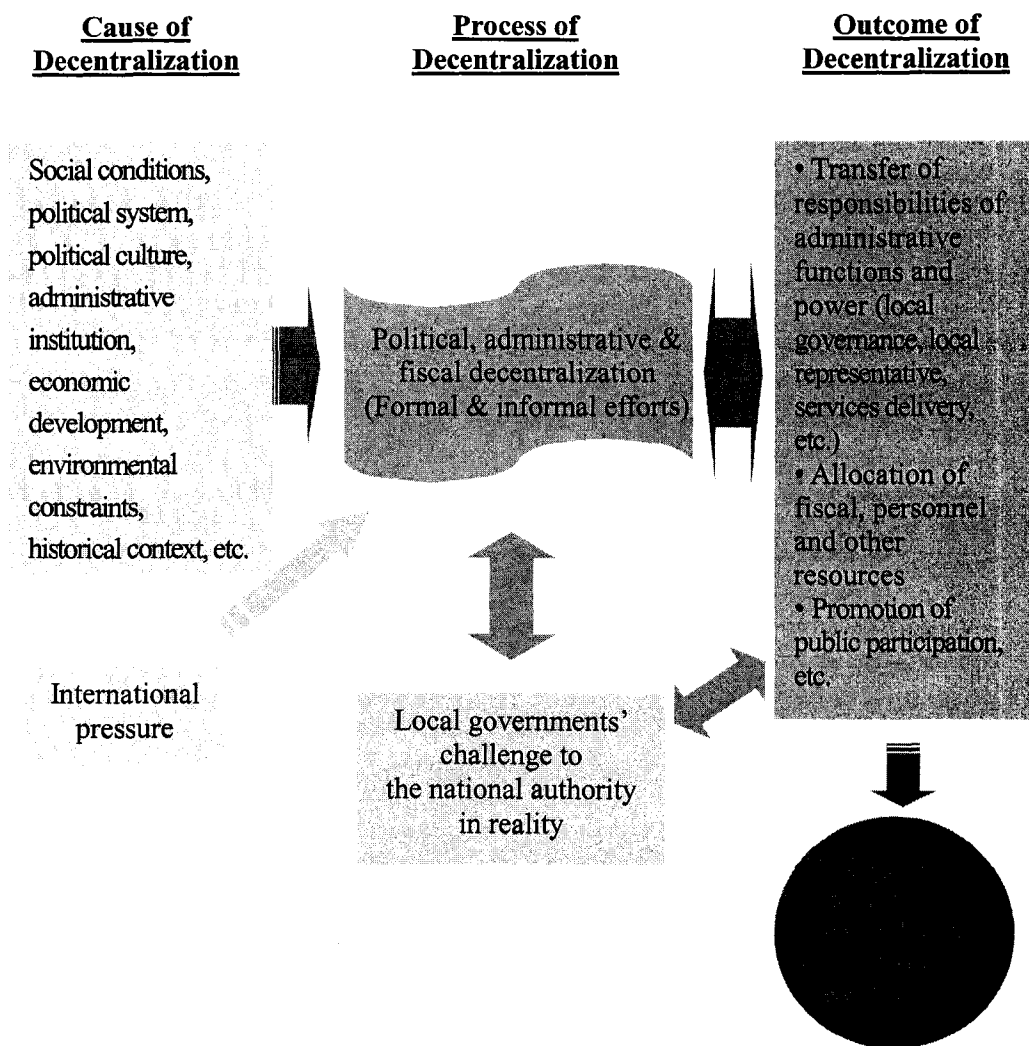


Figure 3.1 The Analytical Framework

As mentioned earlier, the decentralization process raises concerns about the ability of local government to manage environmental resources. Despite growing attention to decentralization, the role of localities in resources governance has been thoroughly overlooked in legal and institutional frames. It may stem from the fact that environmental resources are considered a basic necessity for the whole country in Korea, and thus, related public policies have been centralized for a long time. In this situation, there are few studies that tell us how decentralization solves problems associated with environmental resources policy or why not. But change is in the air. We can witness that many national policies, related to environmental resources, have been cancelled or deadlocked by the severe opposition from a variety of stakeholders. Local actors as well as civil society are actively trying to participate in policymaking, and moreover, local governments are eagerly arguing their rights for environmental resources in their territory. In this respect, it is important to examine how the decentralization process impacts on local actors' voice in environmental resources policy and why there is more civil society's involvement in this policy arena.

The present study discusses political and administrative policy reforms aimed at or affecting Korea's decentralization of environmental resources and manifested through the major types of decentralization identified in the literature -- political, administrative, and fiscal. It takes stock of the resulting changes in terms of improvements of local governance, service delivery, public participation, and other indicators. While debates about centralization and decentralization in Korea have focused mainly on the transfer of administrative responsibilities and functions, therefore, this study is broader in scope, examining the political relations between the components of government and between

state and society. In short, key themes examined in the case studies are both political decentralization which includes the political consequences of democratization and civil society and the political relations between units and levels of government, and administrative decentralization which focuses primarily on the transfer of administrative responsibilities and authorities.

Embedded in the study as it proceeds are a number of underlying assumptions. First, the study basically assumes that the economic development and political crisis of a strong state transitioning to democracy provides a base of local autonomy under institutionalized authoritarianism, and that this local autonomy has contributed to further decentralization in public policy arenas. Second, it assumes that the evidence in Korea suggests that decentralization should now be considered as a significant trend rather than a passing fad, and that this trend is inspiring local challenges to the central authority in environmental resources governance. Third, it assumes that in spite of its shared problems and commonalities with other developing countries, there are distinctive patterns of decentralization in Korea generally as well as in environmental resources policy. Fourth, it assumes that the process and degree of decentralization are usually affected by political system and considerations. Fifth, it assumes that strengthening the capacity of local government may mean that the central government plays a stronger role in certain critical respects. Sixth, it assumes that the decentralization process involves a three-way dynamic between local government, civil society and an active central government in the much more complex process. Lastly, in a narrow sense, it assumes that government interest in sponsoring the decentralization of environmental resources policy is based on the assumption that the central government's management of environmental

resources has in some sense failed or proven less than adequate, rather than reflecting the view that local government could manage scarce resources more effectively on account of its greater responsiveness to local concerns as a venue for local voice and influence in environmental resource decision-making.

In sum, the study is fundamentally interested in ascertaining whether the decentralization process in this issue-area has strengthened local government's capacity to govern environmental resources in their territory. In considering this problem the study certainly sheds light on some of the major trends in Korean decentralization in this issue area, for instance, whether decentralization is best characterized as deconcentration, delegation, or devolution. Yet in the end it aims to establish which aspects of Korea's decentralization are more influential in enhancing of local voice in the policymaking related to environmental resources.

3. Rationale for Selecting the Cases

As Litvack et al. (1998) argue, the literature and experience to date have shown that decentralization is inherently a country-specific matter that requires considerable "contextual" information to analyze and assess. Therefore, it is necessary to collect detailed data from country case studies. Moreover, detailed information-intensive case studies may be the essential building blocks for developing better knowledge in this field. For this reason, it is very meaningful to review a single country's experience with decentralization. Korea is a good example. As with many developing countries it has experienced state transition with the collapse of authoritarian government and with greater political contestation the voices from a variety of parties have rapidly grown up

within the localization and decentralization process. At the same time, as seen elsewhere, environment and natural resource issues in Korea have urgently emerged, activating civic society.

On the other hand, for choosing specific cases from Korea, this study employs 'the Most Similar Systems Design (MSSD)' which is based on John Stuart Mill's presentation of canons of experimental inquiry in *A System of Logic: Ratiocinative and Inductive* (1843). In fact, Przerowski, Adam and Henry Teune (1970) have developed the modern applications of the Mill's principles -- the Most Similar Systems Design (MSSD) and the Most Different Systems Design (MDSD) -- yet as more efforts involved in the selection of cases. Both are based on some different expectations about social reality. Particularly, the MSSD is based on a belief that a number of theoretically significant differences will be found among similar systems and that these differences can be used in explanation.⁵³ Based on the MSSD, it focuses on the two cases, each planned and implemented by central agencies at the national level: one is the Yeongwol Dam Project and the other is the Saemangeum Tidal Land Reclamation Project.

Under Korea's unitary political system, one may assume that these two subnational governments and even local governments within these two provinces have the same administrative organization systems, legal bases, and political structures. Both share very similar problems such as centralized decentralization due to the lack of financial and other resources, and the limit of authorities. In addition, they share the same cultural and historical background, and have suffered from the same social and political transitions. At the project level, both were planned and implemented by national agencies.

⁵³ In contrast, the Most Different Systems Design (MDSD), which seeks maximal heterogeneity in the sample of systems, is based on a belief that in spite of intersystemic differentiation, the population will differ with regard to only a limited number of variables or relationships.

Yet neither local government was allowed a voice in the policy process because water and land development are deemed basic necessities for the whole country.

Nonetheless, these two subnational governments exhibit some important variation in policy direction and totally different policy outcomes in the case of the national projects implemented in their own territory. Even though Governor Kim Jin-Sun of Gangwon Province proclaimed the cancellation of the dam construction just before the former President Kim Dae-Jung's announcement, the provincial governor and provincial assembly gave a lukewarm response to the conflict between the central government and other parties. On the other hand, local governments, which had harmful impacts from the dam construction, aggressively resisted this national initiative. N. Jeolla Province, however, became actively involved in the land reclamation project from the beginning stage. Even the provincial government has been asking the central government to strengthen its land use planning authority. While the Yeungwol Dam project was finally cancelled when the former President Kim Dae-Jung announced the cancellation of the dam construction on June 5th, 2000, the Saemmangeum project is still in play, and highly controversial.

In short, based on the MSSD, the empirical analysis in this dissertation seeks organizations with very similar institutional structures but different policy directions and outcomes. If we find that both cases exhibit similar patterns of local involvement in environmental resources governance in their territory and local challenges to the national authority in policymaking, we may conclude that the locality itself or other factors, such as socio-economic or political aspects, are explanatory.

4. Limitation of Findings from Two Cases

The selection of two cases from among many cases relevant to a consideration of the Korean decentralization of environmental resources policy is a little complicated. Even though there are many interesting cases, it is not easy to choose typical cases that, by themselves, adequately represent or fully explain Korea's current situation with respect to the decentralization in a given policy arena. Any study of the problem is thus necessarily at least somewhat selective and its conclusions must be qualified.

Given the emphasis on the potential of localities to perform national policies for environmental resources, this study prefers to concentrate on two issues, water and land, that have generated nationwide debate and attention for more than a decade. Among other criteria, the cases are ones that involve a variety of interested parties and manifest an acute degree of intergovernmental conflict. In spite of these considerations, however, the choice of cases is a little arbitrary.

The availability or access to relevant information is one of crucial elements in the selection of these two cases. Within limitations, the two cases are selected for the empirical study. As noted, the case selection is based on the MSSD, in which two cases brought out different policy outcomes, even though conflicts in both cases have been developed in a similar way.

For purposes of generalization and theory building, it is important at the outset to ask whether the results drawn from these cases could be generalized to the larger administrative and policy context of the Korean decentralization. This study is not the first analysis or comparison of these cases. As reviewed previously, Hwang and Lee (2004) discuss factors that influenced the final official decision on these two projects.

Although many interest groups competed to affect these projects' outcomes, Hwang and Lee argue that decision-making in each instance was made by political compromise or interest rather than mutual agreement among stakeholders. In a similar vein, Jung, J-s (2003) employs Sabatier's advocacy coalition framework to analyze the process of policymaking in the two cases. As seen previously, he concludes that the major factors influencing these different policy outcomes were the local re- and by-election, the 16th general election, the amount of money already spent for each project, and the role of joint task forces.

As noted in Chapter 2, however, there are few, if any, studies that focus on local involvement in environmental resources policy or that compare relevant cases in this aspect in Korea. Therefore, while this study may have some weaknesses that limit its generalizability to Korean decentralization as a whole, the comparison of these two cases sheds useful light on local efforts to wrest from the central government's greater authority for environmental resources policy in their territory.

5. Data Collection

In order to achieve the research objectives proposed earlier, the study adopts a qualitative analysis based on the comparison of similar cases. Such a case study approach usually draws on archival research, qualitative interviewing and fieldwork⁵⁴ to gather information and data.

⁵⁴ In this dissertation, there is a small element of participant observation in a research team for the Saemangeum Land Use Plan, which contributes to enhance the validity of the findings drawn from the archival and secondary source analysis. Even though there is not a visible land area yet, the central government asked the group of four national and one local research institutions to establish the land use plan in the Saemangeum reclaimed land.

The main method employed in this dissertation is archival research. The reason for the use of this method is that it is reasonably accurate in ascertaining the Korean government's formal efforts in promoting decentralization and in assessing the actual behaviors of local governments and civil society in response to administrative centralism. In this way, the study firsts conducts a bibliographic review of diverse materials, including published and unpublished public documents, research reports or articles, books or book chapters, references or abstracts, laws and bylaws, legislative studies, and so forth, to ascertain what studies and appraisals of local autonomy and decentralization have been already done within Korea and particularly in the area of environmental resources policy. This archival method is also employed for identifying why decentralization developed in Korea and for locating formal institutional arrangements for decentralization at the national and local levels. Furthermore, this is useful to assess how this change has affected the environmental resources governance at local levels. In addition, data collected by personal interviews complements this archival research, providing for some insights from different parties on the same issue. This interview method, conducted with non-structured questions, is a mixture of face-to-face, telephone and email interviews with 13 individuals in the government and non-profit sectors.

CHAPTER 4

STATE TRANSITION AND DECENTRALIZATION EFFORTS IN KOREA

Decentralization is one of the essential institutional reforms pursued in developing countries. Many experiments are under way, and only limited evidence on final outcomes is yet available. Nonetheless, some lessons have emerged from recent experiences. In Korea, the system of local autonomy in a modern sense was introduced right after the establishment of the Republic in 1948. Its evolution has undergone many ups and downs. While Korea's experience certainly mirrors many of the challenges and problems found in other developing countries, some of the particularities of its experience of decentralization should be noted. Korea's own challenges in the decentralization process cannot be fully understood without appreciation of national history and current transitions in a number of areas.

In this respect, I first review the Korean policy contexts that could impact on the decentralization process. As a historical analysis, the next section looks at the evolution of local autonomy and the change of intergovernmental relationships for the last few decades, by exploring the way that democratization, civil society and political leaders' will have been associated with a certain degree of decentralization. Following this, it analyzes the current decentralization efforts by looking at institutional frameworks for

local autonomy and decentralization that bear heavily on national laws. It could be classified into four parts: legal and institutional frameworks for local autonomy; functions and affairs of local governments; personnel and financial systems enhancing local autonomy; and citizen participatory mechanisms in the process of policy making. A careful look at these variables allows me to gauge how Korea is faring in promoting decentralization and to identify institutional and political obstacles to decentralization. This assessment will be used to help explain two specific cases in chapters 5 and 6.

1. The Korean Policy Contexts

1.1 Socio-Economic Conditions

South Korea is located in East Asia and occupies the southern half of the Korean Peninsula bordering the Yellow Sea in the west and the East Sea in the east. It is bordered on the north by China and Russia and across the East Sea lies Japan. As of 2003, its land extension is about 99,600 square kilometers (38,455 square miles),⁵⁵ and its population is about 48 million with a density of 490 people per square kilometer. Mountains cover about 70 percent of South Korea's land area, making the peninsula one of the most mountainous regions in the world.

Koreans are one ethnic family and speak one language. In the seventh century, the various states of the peninsula were unified for the first time under the Silla Kingdom (BC 57-AD 935). Such homogeneity has enabled Koreans to be relatively free from ethnic problems and to maintain a firm solidarity with one another. Until the end of the

⁵⁵ The total area of North and South Korea is about 220,140 square kilometers (84,996 square miles). North Korea occupies 120,540 square kilometers (46,540 square miles) out of the total figure.

14th century, states occupied regimes had been independent of foreign countries, having its own peculiarities. However, the Joseon Dynasty, established in 1392, introduced Confucianism from China. Over 500 years Confucianism⁵⁶ became a stronger political ideology in Korea than in China, influencing the whole of Korean society.

After dynastic regimes for two thousand years, the modern government of the Republic of Korea was established in 1948, a year after the adoption of the United Nations (UN) resolution which called for a general election under the supervision of the UN Commission. The election pushed through in the southern part of the country, while in the northern part, which was then occupied by the Soviet Union, the UN Commission was denied access (Cited in Cuachon 2002).

With regard to economic conditions, as one of the Four Dragons of East Asia, Korea has achieved an extraordinary growth. Today, its per capita Gross Domestic Product (GDP) is comparable to the lesser economies of the European Union (EU). Its success in the 1970s and 1980s was achieved through government-business ties, import restrictions, sponsorship of specific industries, and strong labor efforts. The government promoted the import of raw materials and technology at the expense of consumer goods. It also encouraged savings and investment over consumption (Cited in Cuachon 2002). AsianInfo.org reported in 2000 that the adoption of an outward-looking development strategy, where exports are the engine of growth, was the key to the “Economic Miracle on the Han Gang”⁵⁷ which Korea initiated in 1962.

This expert-led economic policy contributed greatly to the radical economic

⁵⁶ Sometimes, it is called post-Confucianism.

⁵⁷ “Gang” in Korean means a river. The Han Gang flows through Seoul, the capital of Korea, and serves as a lifeline for the heavily concentrated population in the central region of modern Korea, just as it did for the people of the ancient kingdoms that developed along its banks.

transformation of Korea. As a result, from 1962 to 2004, Korea's Gross National Income (GNI) increased from US\$ 2.3 billion to US\$ 681 billion, with its per capita GNI soaring from US\$ 87 to about US\$ 14,162. These impressive figures clearly indicate the magnitude of success that these economic programs have brought about. However, GNI and per capita GNI drastically dropped to US\$ 340.4 billion and US\$ 7,355 in 1998 due to the fluctuation in foreign exchange rates. Korea recently pulled through an economic storm that began in late 1997.⁵⁸ Moreover, centrally-led rapid industrialization and urbanization since the 1960 has been accompanied by concentration of local residents into the cities, particularly Seoul, resulting in heavily populated metropolitan areas and social problems accompanied with urbanization.

1.2 Political and Administrative Systems

The Korean Constitution guarantees the separation of power among three parties -- the executive, the legislature, and the judiciary. The executive body consists of the President, the Prime Minister, the State Council, and eighteen executive ministries, four ministries of state, and sixteen agencies (or service, administration). Korea has a democratic form of government, with the president heading the executive branch. The president functions as head of state and has the duty to safeguard the country's independence and work for the reunification between N. Korea and S. Korea. The president elected by popular vote serves a single five-year term and performs executive functions through the State Council, the cabinet. The State Council consists of the President as a chairperson, the Prime Minister as a vice chairperson, two deputy prime

⁵⁸ It refers to the Korean Statistical Information System of the Korea National Statistical Office: <http://kosis.nso.go.kr/>; and the Bank of Korea: <http://www.bok.or.kr/>.

ministers⁵⁹, heads of executive ministries, and other appointed ministers of state. The Prime Minister is appointed by the President with the National Assembly's approval, and the president appoints the ministers upon the recommendation of the Prime Minister.⁶⁰

Second, Korea's unicameral national assembly consists of 299 members who serve renewable four-year terms. Among them, 243 seats are elected by direct, popular vote and 56 seats are distributed to the parties according to the popular votes earned in an election. According to the 2002 general election results, the percentage of vote by party is divided into the ruling Uri Party (UP, 51 %), the Grand National Party (GNP, 41%), the Democratic Labor Party (DLP, 3%), the Millennium Democratic Party (MDP, 3%), and others (2%). As a result, the National Assembly seats are distributed to UP (152 seats), GNP (121 seats), DLP (10 seats), MDP (9 seats), and others (7 seats) respectively.⁶¹ The Korean multiparty system has two major parties, but is somewhat unstable because these do not represent different political ideologies or interests in society. Rather Korean political parties are based on strong regional supports, even though there have been many attempts to create a new party that could overcome this regionalism (Kim, B-J 2002).

Lastly, Korea's judiciary consists of the Supreme Court, in which justices are appointed by the President with the consent of the National Assembly, five High Courts, the Patent Court, the Family Court, and the Administrative Court, the District Courts, the Branch Courts, the Municipal Courts, and others. These courts are distributed across three tiers of courts in Korea: the District Courts, including the specialized Family Court and the Administrative Court, as the courts of original jurisdiction; the High Courts as the

⁵⁹ They are assigned to carry out particular affairs delegated by the Prime Minister.

⁶⁰ See more in the official web site of the Office of Prime Minister: <http://www.opm.go.kr/>.

⁶¹ See more in the official web site of the National Assembly: <http://www.assembly.go.kr/>.

intermediate appellate courts; and the Supreme Court as the highest court. The High Courts and the District Courts are divided into geographic districts, such as branch courts, municipal courts and others. In addition, military courts may be established under the Constitution as special courts.⁶²

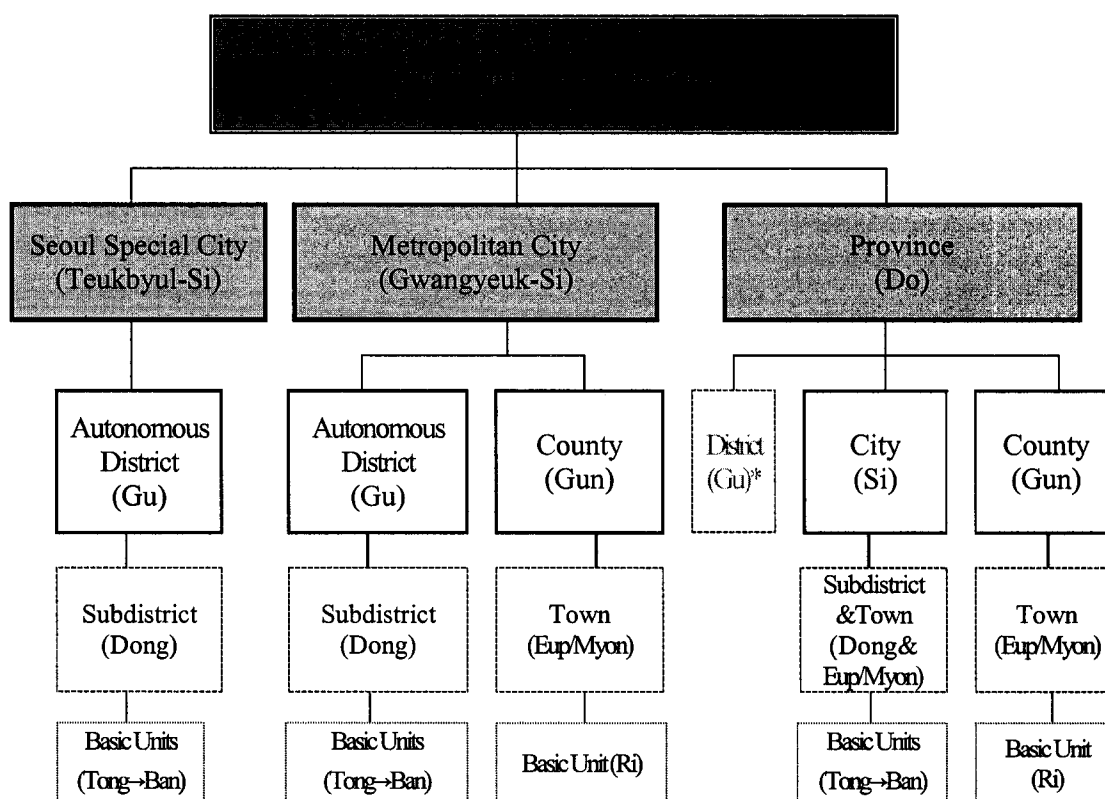
1.3 The Structure of Local Governments

In a broad sense, the Korean local government is a two-tier system comprised of upper-level local governments which are called ‘Gwangyeuk Jachidanche’ and lower-level local governments which are called ‘Gychoe Jachidanche.’ First, the upper-level local governments are composed of Seoul Special City (‘Teukbyul-Si’) as the capital, six metropolitan cities (‘Gwangyeuk-Si’) of Pusan, Taegu, Incheon, Gwangju, Taejeon, and Ulsan, and nine provinces (‘Do’) of Gyeonggi, Gangwon, North Chungcheong, South Chungcheong, North Jeolla, South Jeolla, North Gyeongsang, South Gyeongsang, and Jeju. Each subnational government consists of local governments, the lower tier group. A special city and metropolitan cities are subdivided into autonomous districts (‘Gu’), and provinces are subdivided into cities (‘Si’) and counties (‘Gun’). Also, autonomous districts and cities are subdivided into subdistricts (‘Dong’), and counties are subdivided into towns (‘Eup’ and ‘Myeon’).

Overall, the Korean local administrative system consists of one special city (Seoul), six metropolitan cities and nine provinces as upper-level governments, and 77 cities, 88 counties, and 69 districts as lower-level units. Thus, the sum of all local administrative units is 250. Remaining areas are not considered as local governments but

⁶² See more in the official web site of the Supreme Court: <http://www.scourt.go.kr/>.

just as basic administrative units. The Ministry of Government Administration and Home Affairs (MOGAHA) at the national level is directly responsible for matters concerning these local governments. The MOGAHA has responsibility for fostering local administration by developing local autonomy; enhancing financial self-sufficiency of local governments; and developing local economies (see Figure 4.1 & Table 4.1).⁶³



Note 1: refers to local governments, refers to administrative units

Note 2: * is an administrative district in cities with a population of 500,000 or more. This type of local governments in Korea does not exist anymore.

Figure 4.1 The Structure of Local Governments

⁶³ See more in the official web site of the MOGAHA: <http://www.mogaha.go.kr>.

Table 4.1 Type and Number of Local Governments

Names	Total	Upper-Level	Lower-level			
			Subtotal	City	County	Autonomous district
Total	250	16	234	77	88	69
<Special City>						
Seoul	26	1	25	-	-	25
<Metropolitan City>						
Busan	17	1	16	-	1	15
Daegu	9	1	8	-	1	7
Incheon	11	1	10	-	2	8
Gwangju	6	1	5	-	-	5
Daejeon	6	1	5	-	-	5
Ulsan	6	1	5	-	1	4
<Province>						
Gyeonggi	32	1	31	27	4	-
Gangwon	19	1	18	7	11	-
N. Chungcheong	13	1	12	3	9	-
S. Chungcheong	17	1	16	7	9	-
N. Jeolla	15	1	14	6	8	-
S. Jeolla	23	1	22	5	17	-
N. Gyeongsang	24	1	23	10	13	-
S. Gyeongsang	21	1	20	10	10	-
Jeju	5	1	4	2	2	-

Source1: Kim et als., 2003: 17.

Source2: The official web site of each subnational government.

Local voters choose four groups of local officials: heads of upper- and lower-level local governments, and members of upper- and lower-level local councils. Political parties are not allowed to nominate candidates for members of assemblies in small cities and other basic units yet, because the LAA bans party nomination of such candidates so as not to over-politicize local units at the basic level (Choe 2001: 186). The organizations of local governments are divided into two systems -- executive body and legislative body. Executive bodies are composed of a chief executive who is directly elected by local residents⁶⁴; a vice executive who is responsible for assisting the chief

⁶⁴ The chief executive is called either a governor or mayor depending on the level of local government.

executive of local government, managing overall administrative affairs, supervising public employees and acting as the substitute for the chief executive in his/her absence; local administrative organizations which are established according to the bylaws within the scope proscribed in the Presidential Decree; and attached administrative organizations (Kim et als., 2003: 37-41). There is something special in vice executive chiefs. Seoul has three vice executives: while two are appointed by the President as national public officials in general service, the other is appointed by a chief executive as a local public official in political service. All upper-level local governments but Seoul have two vice executives: one is appointed by the President from among grade 1 national public officials in general service, and the other is appointed by a chief executive as a grade 1 local public official in special service. The chief executive also appoints a vice executive for each lower-level local government from among local public officials in general service.

The legislative body of the local council system consists two divisions -- upper- and lower-levels. The local council exercises its power and functions by establishing organizations, such as council chairman, standing and special committees and a secretariat. The size of each local council varies according to the size of the respective local government. For upper-level local councils, there are 625 election districts and 682 representatives (including 73 members elected by a proportional representative system), and for lower-level local councils, there are 3,462 election districts and 3,496 councilors in the whole country (cited in 2005 Statistical Yearbook of Government Administration & Home Affairs). Local councils have power to enact bylaws, manage local finance, control local administration, deal with petitions, and have rights related to the

establishment of other public organizations, such as educational committees (see Kim et als., 2003: 29).

1.4 Civil Society in Democratic Transition

It seems to be a dominant view among Korean scholars that the early emergence of civil society in Korea is to be found in the late 19th century, when there appeared several civic associations formed by reformist intellectuals.⁶⁵ Seong (2000) says that civil society,⁶⁶ conceptualized as a set of independent associations and movement organizations pursuing common interests and values vis-à-vis the state and economy, began to emerge in the late 19th century when newly formed civic associations started to suggest alternative democratic visions publicly to people to reform the then enervated Joesun Dynasty and started to mobilize popular movements.⁶⁷ Since then, civil society in Korea developed in reaction to colonial rule, the Korean War and unwanted national division, the intense Cold War environment, and the President Rhee Seung-Man

⁶⁵ Some scholars even argue that civil society had existed in Confucian Joseon all along. But, Koo (undated) points out that this argument is problematic in several aspects. First, Joseon society in the 19th century did not have a necessary economic base. Second, there was no separation of state and society in Confucian political and philosophical order. Lastly, Confucianism does not encourage an essential normative element of civil society, which is pluralism. That is, it does not stress such values as pluralism, diversity and the respect of different ideas and opinions. Koo quoted David Steinberg's statement, "Conformity, the adherence to social norms of behavior, and its intellectual corollary, orthodox, have been major social forces in Korean history, perhaps more so than in many other nations." Retrieved from <http://www.aks.ac.kr/EngHome/files/cult5.htm>.

⁶⁶ See Diamond, Larry. 1994. "Rethinking Civil Society: Toward Democratic Consolidation," *Journal of Democracy* 5: 5. According to him, civil society is defined as "the realm of organized social life that is voluntary, self-generating, (largely) self-supporting, autonomous from the state, and bound by a legal order or set of shared rules." With this definition, he emphasizes the following aspects of civil society: citizens' collective action in public sphere, intermediary role between the private sphere and the state, and restriction and legitimation of the state power (cited in Seong 2000).

⁶⁷ For instance, the Independence Association was formed in 1896 and began to mobilize people widely to protect the national integrity from next countries' interference and to push for modernization in decaying Joseon society (Koo undated; Seong 2000).

personalist rule and the military governments lacking political legitimacy (Koo undated; Seong 2000). For instance, the student uprising in 1960 toppled the Rhee regime and brought opportunity for a radical change, but again, the people's hopes were dashed only a year later by a military coup led by General Park Jung-Hee. An opportunity came in 1979, but again it was stolen away by another military coup of General Chun Doo-Hwan in 1980. All these political experiences intensified anti-state activity among Korean students and intellectuals and spurred social movements directed against state power lacking political and moral legitimacy (Koo undated). Civil society in Korea was gradually shaped by these historical experiences of political change.

Furthermore, as a result of the industrialization process that began in the 1960s, Korea has achieved remarkable economic development, which has provided a physical foundation for the advancement of civil society. Chung-Hee Lee (2004) says that rapid economic growth has bolstered the ranks of the middle class, which plays a central role in the development of civil society, and led to the advent of various groups as political forces. At the same time, sustained industrialization has resulted in a diversification of the social structure. It is generally assumed that Korea's civil society grew as a consequence of the vigorous market economy and the expansion of the middle classes, in more or less the same fashion as civil society developed in the industrialized societies in the West (Koo undated).

Sunhyuk Kim (2001) presents a widely accepted view among Korean scholars about an important role of civil society in the Korean democratic transition: "the resurrected, reactivated, and re-mobilized civil society drove the reluctant and often

recalcitrant ruling regime to initiate and pursue democratic reforms.”⁶⁸ A landmark event in the development of civil society was the massive democratic demonstrations of June 29, 1987, culminating in the June Democratic Declaration, during which students, workers, and the middle class joined hands in the struggle against the authoritarian military regime for the sake of democratization (Lee, C-H 2004). This massive mobilization of anti-government protesters forced the President Chun military regime to surrender to the people’s power and to agree to implement a direct presidential election, scheduled in December 1987 (Koo undated).⁶⁹

In the aftermath of the democratization measures adopted by the government, political institutions became democratized amid an explosion of demands from diverse interest groups, leading to a proliferation of nongovernmental movements and the development of a genuine civil society (Lee, C-H 2004). The density, scope and level of civil society after June 29, 1987 have become much thicker, wider, and better organized both vertically and horizontally than the civil society before 1987, and moreover, the role of civil society has changed in a qualitative aspect from anti-statism and democratization of the authoritarian regime toward reforming of state policies and toward the consolidation of democracy (Seong 2000). A symbolic event was the establishment of the Citizens’ Coalition for Economic Justice (CCEJ) in July 1989, which aimed to exterminate real estate speculation and to achieve economic justice. In fact, its

⁶⁸ Cited in Koo (undated).

⁶⁹ The multiplicity of civic organizations that sprouted in the wake of Korea’s democratic transition conform more closely to the established definition of civil society, in terms of their autonomy from the state, voluntary participation, and lawful actions. Whereas the previous form of civil society organizations were formed by dissident intellectuals, students, and labor activists, the post-transition type of civic activities were organized and constituted predominantly by middle-class citizens. For the majority of civic organizations that existed prior to 1987 were either outside the legal framework (*Jaeya*) or government controlled (*Öyong*) ones (Cited in Koo undated).

strategies were differentiated from those of people's movements toward democratization activated by then (Lee, C-H 2004). With the divergence of civil society, the People's Solidarity for Participatory Democracy (PSPD) showed a new form, in which civil society began to cooperate for common purposes. Since its establishment in 1994 to promote justice and human rights through the participation of people, the PSPD has been serving as a watchdog against abuse of power and has been providing alternatives.⁷⁰ After all, for the first time in the history of Korea, an opposition candidate was elected to the presidency in December 1997. Sunhyuk Kim (2001) argues that the momentum for political change in Korea has consistently emanated from oppositional civil society rather than from the state.

Civil society now includes such organizations as the Citizens' Coalition for Economic Justice, the League of Anti-pollution Movements, feminist groups, teachers' associations for educational reform, journalists' associations for press freedom, citizens' watch groups for fair elections, citizen groups to fight political corruption or to fight regionalism, pressure groups for ensuring responsive state agencies, and so forth (Koo undated). According to the Directory of Korean NGOs (2000), the number of NGOs was over four thousand, and if it includes their branches, the total number would be in excess of twenty thousand. Among them, 21 percent was established in the 1980s and 56.5 percent was founded in the 1990s.

As a result, the development of civil society and social movements provided a foundation for the emergence of a diversity of specialized social functions. However,

⁷⁰ The PSPD evokes public awareness through campaigns, watching and questioning social and political activities, filing administrative and public litigations, and petitioning legislation. The Civil Actions for 2000 General Election and the Minority Shareholders' Campaign might be said to be the most successful activities. See more in the official web site of the PSPD: <http://www.peoplepower21.org/>.

with the advancement of civic movements and development of civil society, it is inevitable for a maturing society to experience various consequences related to diversification, disunity and conflict (Lee, C-H 2004). Moreover, the growth of civil society has begun to redress the long-standing imbalance between a strong state and a weak society (Seong 2000), as well as, to change the intergovernmental relationships between central and local governments. As Steinberg (1997: 160) quoted from one Korean journalist, “It is evident that the main focus of civic groups in Korea includes public participation in policy formation, human rights, and the environment.” We can find these phenomena in both society and public policy arenas. Particularly, the deadlock of national projects, occurred since the late 1980, gives us a clear picture, showing that civic groups have a strong influence in policy-making processes, and the Korean government should take actions to respond to this change in society.

2. The Development of Local Autonomy in Korea

As reviewed above, it could be said that there are institutional systems for developing local autonomy and decentralization to some degree. Furthermore, a variety of changes in Korean society during recent decades provide good policy contexts in which local actors were stimulated to actively participate in the process of public policy. Let me now examine how these social conditions and state transitions have influenced the development of decentralization in the Korean polity. This section divides the development of local autonomy in Korea into three periods: (1) the first period: local autonomy neglected from the late 1940s to the early 1980s; (2) the second period: state transition and its impact on local autonomy from the mid 1980s to the late 1990s; and (3)

the third period: the realization of decentralization from 1999 to the present.⁷¹

2.1 Local Autonomy Neglected (the Late 1940s-the Early 1980s)

After Korea was liberated from colonial rule with the defeat of Japan in the World War II, the allied military administration introduced universal suffrage as a part of democratic reform, and general elections were held in May 1948. In fact, local autonomy in Korea has been guaranteed from the first Constitution of July 1948: “Local Governments deal with administrative matters pertaining to the welfare of local residents, manage properties, and enact provisions relating to local autonomy, within the limit of acts and regulations controlled by the central government.” This regulation provided the basis for establishing the Local Autonomy Act in July 1949 (Yuzo ed., 2002),⁷² but it was not implemented due to national interests, the lack of preparedness to take on additional functions in local government, and the Korean War in 1950 (Cho 1998).

In 1952, with the exception of Seoul, Gyeonggi and Gangwon, elections were held for local councils of provinces, cities, counties and districts. This was historically the first step toward local autonomy in Korea. In the nine years up to 1961, the LAA was revised four times and local elections were held three times in 1952, 1956, and 1960. In

⁷¹ Kim et al. (2003) divides the development of local autonomy in Korea into three periods: the first period (1936~1948); the second period (1948~1988); and the third period (1988~Present).

⁷² The 1949 LAA's major points were as follows: (i) Seoul Special City and nine provinces were set up as local self-governing bodies under the direct control of the central government, and in addition, 14 cities, 74 counties and 1,456 districts were set up under provinces, thus making local administration a two-tiered system. According to this act, with the exception of the mayor of Seoul and the governors of nine provinces, who were appointed by the president, the heads of other local units were elected by local councils; (ii) the position of local council member was an honorary one with a four-year term of office. The minimum age of eligibility for election to the council was 25; (iii) Heads of local self-governing bodies had veto power over local council decisions if it was found that the decisions had exceeded the authority of the council or illegal. A head could appeal to an upper court when the issue was put to reconsideration; and (iv) the central government control over local autonomy was limited to an *ex post facto* supervising of the Act fulfillment. But in terms of delegated functions, it had the authority to supervise suitability before the fact.

the Seoul Republic Regime created after the 4.19 Student Revolution on April 19, 1960, all heads of local self-governing bodies became directly elected, serving a four-year term of office (Yuzo ed. 2002). This interval lasted only for nine years during the rule of Rhee Seung-Man and the succeeding regime, and then degenerated into malfunction and chaos (Ahn 1999: 312, cited in Choe 2002: 184).

The Third Republic government, founded after the military coup by General Park Jung-Hee on May 16, 1961, dissolved all local councils by establishing the Provisional Act Concerning Local Autonomy (PACLA). The PACLA actually imposed a freeze on local autonomy. According to the act, the heads of local governments were appointed by the central government, and approvals from the Ministry of Home Affairs (MOHA) and the provincial governors were needed to implement decisions at local levels. More seriously, the Revised Constitution of 1972 stipulated that local councils could not be formed until the nation was reunified. At that time, the constitutional provisions and related acts on local autonomy became mere semantics. The military dictatorship under then President Park lasted eighteen years. But, the sudden death of Park in October 26, 1979 brought about a revitalization of Korean society, the so-called “Spring of Seoul.” This brief period of political chaos brought about the rise of social movements in Korea. Student activists restored the autonomous student organizations and 897 labor strikes occurred in three months, from March 1980 to May 1980 (Kim, J 2002). There were high hopes for democracy and the end of the military rule at that moment.

Unfortunately, however, such hopes were frustrated as a military general came to power through a military coup in May 17, 1980. Right after the assassination of President Park, national tragedies, such as the 1980 Gwangju Massacre, obstructed Korean

democratization. Through the military coup of 1980, General Chun Doo-Hwan took control of the government (Yuzo ed. 2002). Coming to power without political legitimacy, the Chun regime of the Fifth Republic (1980-1988) had no choice but to adopt a harsh repressive policy toward civil society. Even so, the Chun regime succeeded the President Park's *Yushin* (Renovation or revitalization)⁷³ system that had strictly limited basic human rights. Severe state suppression of civil society and local power characterized the early period of the Chun government, specifically between 1980 and 1983 (Kim, J 2002).

With this political suppression of local autonomy, the situation has worsened because the importance of conforming to conventional standards of opinion and behavior has long been emphasized in Korean society. Younger generations have been educated in the established rules and traditions of a hierarchical society. Geographical isolation and strict conformity have created a tight knit, cohesive community marked by a distinctive Korean culture. This had been fully rooted in Korean socio-political system during the period of Confucian, monarchical rule. For two thousand years, the state in Korea had held authority over its people and even held the right to intervene in private social aspects of its citizens' lives. The profound influence of orthodoxy and conformity threatens diversity, pluralism, and tolerance (Han 1997: 83). Finally, this paternal form of government is present in modern society and affects portions of the population today (Steinberg 1997: 156).

Moreover, significant spatial transformations were accompanied by profound

⁷³ President Park declared *Yushin* in 1972. According to the *Yushin* Constitution, the president had almost an absolute power through the use of discretionary emergency decrees and it also legalized temporary suppression of basic human rights. Also, it suspended the political rights of National Assembly and political parties.

social changes against the backdrop of the miraculous economic growth during that period. Massive immigration from rural to urban areas, namely the capital area, has continued. An economically dominant capital area lodges more than 45 percent of the country's population, producing nearly half of its GDP. Thus, Korea has been drastically transformed, urbanized and polarized. Due to the magnitude and the extremely short period of economic growth and urbanization, territorial polarization and regional disparities persist and non-physical aspects of the territorial policy have been relatively less developed. Over the past three decades, policy makers have developed a comprehensive spatial perspective to overcome these problems. However, these problems are still key issues in current administration notwithstanding the new relationship between central and local levels (OECD 2002).

In sum, Korean political history has experienced recurrent political strife and authoritarian rule since the mid 1940s. Even though the LAA was enacted in 1949, it was not implemented due to crucial factors, such as the Korean War, national focus on economic growth, and so forth. Furthermore, authoritarian military governments since President Park hindered the development of local autonomy in the modern Korea state. As Choe (2001) says, Korean local autonomy was burdened with constraints that had stemmed from traditional culture steeped in authoritarianism and the centralization of power by the mid of 1980s.

2.2 State Transition and Its Impacts on Local Autonomy (the mid 1980s-the late 1990s)

Throughout the 1980s, however, Koreans began to demand autonomy for localities as a way of democratizing the country. They wanted to introduce a so-called

grass-roots democracy by reviving the system of local self-government which had been abruptly terminated by the military coup in 1961 (Kim, I-S: 73). Beginning in late 1983, the Chun administration implemented a series of liberalization policies⁷⁴ in order to win public support for his power in the 1985 general election.⁷⁵ However, this liberalization gesture brought about an unexpected outcome -- the resurrection of civil society (Kim, J 2002) -- which helped the opposition political parties, middle class, labor unions, and student organizations to form a united front against the repressive government, demanding democratic reform of politics and government (Shin 1999; Oh 1999, cited in Choe 2001). The massive mobilization of anti-government protesters began to force President Chun's military regime to surrender to the people's power and to agree to implement a direct presidential election, scheduled in December 1987.

With democratic opening countries often experience far-reaching transformations (Fish 1994; Baldersheim & Illner 1995, cited in Seong 1998). In Korea, structural factors, such as the rise of the middle class, economic development, and international pressure, also contributed to a stronger civil society (Kim, J: 2002). As a result, the Chun military regime collapsed and a democratic transition began in the mid-1980s. During this time, with the demand for presidential election by popular vote, the revival of local autonomy became a symbol of democratization and a major point of political strife (Choe 2001: 184). In this way, the growth of civil society in Korea drove the reluctant and often recalcitrant ruling regime to initiate and pursue democratic reforms.

⁷⁴ Particularly, these included a lifting of the ban on political opponents -- Kim Youngsam and Kim Dae-Jung. Both became the president in 1993 and in 1998 respectively.

⁷⁵ But the outcome clearly showed the breakdown of the Chun's authoritarian regime. With a high voting rate, 85 percent, the New Korea Democratic Party (NKDP) became the main opposition party by obtaining 29.3 percent of the total votes, which was led by Kim Youngsam. Together with the Democratic Korea Party (DKP), the opposition parties obtained 48.9 percent of the total votes, and as a result, it became to limit the dominance of the ruling Democratic Justice Party (DJP) in the National Assembly.

Finally, Roh Tae-Woo, the presidential candidate of the ruling party, announced the Democratic Declaration on June 29, 1987. Among the elements of the eight-point pledge of the June Democratic Declaration, in the sixth point he promised the institution of educational autonomy and local self-government through the popular election of local councils and executive heads of local governments (Shin 1999: 3). Throughout the period of the presidential campaign, the restoration of local autonomy was one of the biggest campaign pledges of the ruling party (Kim, B-J 2002: 14). In short, Roh's June Democratic Declaration in 1987 was a pivotal moment in which organizations were coming to discuss political and social issues with the hope of influencing governmental reforms. It thus led to the revival and promotion of local autonomy in Korea. Since then, propitious conditions to realize this promise emerged in April 1988 when in the election of the National Assembly, three opposition parties formed an absolute majority (the ruling party had only 87 seats out of 224). With the thorough amendment of the LAA in 1988 and the reconstitution of local councils in 1990, Korea has undergone a remarkable decentralization process.

Even so, the unfolding of Korean decentralization has taken over a decade. As a matter of fact, the amendment on the LAA was proposed in 1986 for the nationwide implementation of the local autonomy (Cuachon 2002).⁷⁶ However, former President Roh Tae-Woo in the Sixth Republic (1988-1993) vetoed this amendment bill fearing that his administration might lose firm control over local politics (Lee, J-S 1996). Faced with the presidential veto, three opposition parties proposed a two-stage plan in which

⁷⁶ The constitutional base for local autonomy was reestablished in the Fifth Republic in the 1980s where, under Article 118, "Local Autonomy should be extended to administrative affairs pertaining to the welfare of the residents, management of property, and the management of local regulations (Ro 1993)." Also, Article 119 described local assembly. Concerning their restoration, however, the supplementary Article 10 of the constitution states: "Local assemblies shall be resumed incrementally according to the degree of financial self-sufficiency of local autonomy (Cho 2001)."

local councils and local governments would be established in 1991 and 1995 respectively. Thereby, a compromise was reached among all parties (Seong 1998). After a long tug-of-war among political elites, the election of local councils was finally held in 1991 and fully fledged local autonomy became a reality in 1995 with the first direct election of local governments' chief executives (Choe 2001; Kim, I-S 2002). Assessing the Korean experience, Cho (1998) says, the "presence of a strong opposition party in parliament is essential for an expansion of the local autonomy." He explains that the main opposition party was responsible for making possible the conduct of the local elections in 1995 by compromising with the ruling parties to promise elections in exchange for the passage of the 1991 and 1993 budgets (Cuachon 2002).

Although most politicians spoke out for local autonomy in the name of democratization in the late 1980s, in fact, their real intentions lay elsewhere. They were worried about losing their vested interests and powers that were attained easily through a system of centralization. This was true in the case of the opposition parties as well as the ruling party.⁷⁷ Even so, because a majority of the Korean people at that time regarded the revival of local autonomy as a major step toward democratization, politicians could not help feeling some obligation to support it, at least verbally (Yoo 1994, cited in Choe 2001: 184).

At any rate, the 1995 local election for governors and mayors ushered in a new stage of local autonomy in Korea (Yuzo ed., 2002), even though many problems hindered the development of decentralization. Since then, the central government has lost its almost unlimited power to control local governments unilaterally, from top down. With

⁷⁷ The then opposition parties were the Peace and Democratic Party (PDP), the New Democratic Republican Party (NDRP), and the Reunification Democratic Party (RDP), and the then ruling party was the Democratic Liberal Party (DLP).

decentralization, a new mode of cooperation and partnership, rather than domination and subordination, was required between national and local governments (Seong 1998).

Many scholars argue that it is necessary to decentralize administrative affairs as centralism is increasingly hard to justify politically (cited in Kim, S-E 2003: 22). It was true in Korea. With the June Democratic Declaration in 1987 and succeeding political events, Korean local autonomy was legitimized.

Since then, debate has centered on how this new decentralized intergovernmental relationship may improve on the past. Responding to these socio-political changes, the Korean government established the Joint Review Council on Devolution (JRCD) under the Ministry of General Administration (MOGA) in 1991.⁷⁸ The JRCD analyzed basic data and information needed for the redistribution of administrative authority between 1991 and 1998. Since 1991, the JRCD had comprehensively reviewed 3,701 administrative functions, and recommended the transfer of 2,008 of these (54 percent out of 3,701). Of these, it finalized the transfer of 1,639 administrative functions during the review period (PCDPLA 2001, cited in Kim, S-E 2002: 22).⁷⁹ In this way, the discussion of decentralization prior to 1998 in Korea usually focused on the redistribution of administrative affairs (KRILA 1995, cited in Kim, S-E 2003: 22).

Even though this achievement was substantial, scholars have noted various limitations that diminished its potential impact (Kim, S-E 2003: 22-23). Under the then

⁷⁸ In 1998, the MOGA and the MOHA were merged together, and changed to the Ministry of Government Administration and Home Affairs (MOGAHA).

⁷⁹ In 1994, the MOGA conducted a survey to find the total number of administrative functions performed by the whole machinery of government and its distribution between central and local governments. Among the total number of administrative affairs (15,744), the central government occupies 11,744 ones (75 percent), and subnational and local governments perform just 4,030 ones (25 percent). Out of 4,030 local affairs, only 2,110 ones were identified as purely local affairs for which both subnational and local governments have full discretion in performing them, while the 1,920 ones were delegated to local governments by the central government (Kim, I-S 2002: 76).

arrangement, most administrative authority transferred to local governments involved relatively insignificant affairs, involving implementing rather than policy authority. It was not accompanied by a transfer of decision making, finance, or management. Moreover, central ministries remained opposed to the devolution of centralized administrative functions, often deliberately delaying the revision of relevant legal systems or contracting the contents and ranges of the administrative functions to be transferred. While some central powers were being transferred to local governments, other types of central authority had been strengthened by the revision or enactment of national statutes. Owing to the lack of legal basis and compulsory measures, the JRCD's actions were not effective. In this limited context, the JRCD had been unable to force central ministries to transfer additional authority to local governments. As a result, decentralization efforts in the 1990s fell well short of realizing desired results.

2.3 The Realization of Decentralization (1999-Present)

Productive enhancement is so often a function of top management support and commitment. Productive relationships between central and local authorities are to be understood in this context (Kim & Cope: 5). The task of dividing functions especially between center and periphery is not a technical matter, but a political process, thereby naturally requiring top management commitment on a continuing basis (Kim, I-S 2002). In this respect, Korea's decentralization policy reached a turning point when Kim Dae-Jung took power in 1998 with a new commitment to democratic government which he described it as the "People's Government."

The President Kim Dae-Jung Administration (Feb. 1998-Feb. 2003)

In response to public criticism of the central government's reluctance to devolve authority to local governments, President Kim Dae-Jung vowed to increase the level of decentralization when he was elected in November 1997. As a result, the Kim People's Government identified government devolution as one of the hundred national issues slated for reform during his term. Among other efforts to prove its commitment for full-fledged system of local autonomy, the Kim administration enacted a special act, the Act on Devolution Promotion by Central Administrative Authorities (ADPCAA), promulgated on January 29, 1999, which accelerated the speed of devolving national functions, but also redistributed functions between the upper- and lower- levels of local government. As required by the act, the Presidential Commission on Devolution Promotion for Local Authorities (PCDPLA) that had decision-making authority for devolution, was established on August 30, 1999 (Kim, I-S 2002; Choe 2001; Kim et als., 2003). With theses efforts, the Kim administration provided a frame for decentralization by creating a team for assisting devolution administratively and financially on August 1, 2000, and by continuously extending manpower and financial support for devolution (Moodeung Ilbo, February 16, 2004). Whereas the JRCD's actions had not been effective due to the lack of legal basis and compulsory measures to force central ministries to transfer their authorities, the Kim administration finally crafted a legal and institutional base to bind upper levels of government to implement devolution (Kim, S-E 2003: 24).

The details of the PCDPLA are as follows (see more in Kim, I-S 2002: 77-78). It was composed of two chambers: a main commission and a secondary commission. The

former makes the final decision on whether a certain function should be devolved or not, while the latter makes an initial decision before reaching the main commission. At a secondary commission, three acting committees separately deal with the agenda for each of three functional areas. As one of its major functions, the PCDPLA formulates a basic devolution plan every two years and reports it to the president after the cabinet meeting. Once the president approves the plan, it sets up an implementation guideline by November 30 each year and notifies both the ministers of central ministries and chief executives of regional and local governments of these guidelines. The details stated in the guidelines include the direction of devolution and redistribution, priority subjects that should be investigated, ways and means of investigating the agenda for the PCDPLA, and so forth. Once notified by the PCDPLA, the ministers of each central department must present their implementation plan for each function within 30 days and take necessary measures for revising relevant acts and regulations. If they don't obey the follow-up procedures within the fixed time-period, the PCDPLA can request the Prime Minister to correct ministers' nonfulfillment.

The performance of the PCDPLA could be summarized as follows (Kim et als., 2003: 75-79). As of 2001, 493 units of administrative affairs were either devolved or redistributed by the PCDPLA. The total number included 23 in 1999, 244 in 2000, and 226 in 2001,⁸⁰ which was equivalent to 100 governmental functions once they were bundled by their nature. Out of 100 governmental functions, 46 functions were devolved from the central government either to upper- and lower-level local governments, while 44 functions were redistributed between upper- and lower-level local governments. The

⁸⁰ 132 unit affairs were additionally resolved by the PCDPLA in 2002. As of August 2002, totally, 625 affairs were decided to be devolved or redistributed to local governments.

central and subnational governments shared nine functions jointly. Only one function that had been previously conducted at the local level was re-centralized to the Ministry of Justice (MOJ).

Out of 100 governmental functions, 15 functions were related to the Ministry of Environment (MOE) and 13 functions to the Ministry of Commerce, Industry and Energy (MOCIE). In the MOE, eight functions were devolved to upper-level local governments and seven were redistributed between upper- and low-level local governments. In the MOCIE, eight functions were devolved to upper-level local governments, four were redistributed between upper- and low-level local governments, and one was shared in subnational and local governments.

As a result, the Kim government's decentralization efforts appeared to obtain its intended purposes. Considering both the relatively short period of time for implementing these changes and considerable resistance from central ministries, these reforms seemed to exceed their original expectations. However, the reform's actual outcomes suggested that there was still a long way to go before a desirable level of decentralization is achieved. The performance of the PCDPLA by late 2001, with a net transfer of 493 administrative functions, is equivalent to merely one percent of the total administrative functions centralized at the national level. Among the 625 affairs slated for transfer by 2002, the number of units already devolved through the revision of relevant legal systems was only 138, and most of these entailed relatively unimportant authority. Even though President Kim promised to introduce a local autonomous police system and to arrange existing special local administrative organizations, these crucial issues did not even reach the agenda of formal discussion (Ahn, S-H 2003: 43-45).

The President Roh Moo-hyun Administration (Feb. 2003-Feb. 2008)

As mentioned earlier, historical and political reasons and central-led economic development in Korea have precluded local autonomy and have contributed to serious regional disparities. There were national attempts pursued by previous political leaders, but these problems never advanced beyond the planning stage. In view of the long series of political decisions and efforts in support of greater local autonomy, the current administration confronts the challenge of promoting greater local autonomy through decentralization and balanced national development.

The election of Roh Moo-hyun to the presidency in November 2002 has raised a new set of questions concerning the future of central and local government roles in the process of policymaking. During his presidential campaign, Roh and the ruling party⁸¹ promised to intensify the transfer of public affairs to local governments, and even to support the transfer of the administrative capital city from Seoul to another place.

On assuming power, President Roh proposed major tenets which should be pursued during his term. The tenets and values that the Roh Participatory Government committed itself to pursue and uphold are: principles and trust; fairness and transparency; dialogue and compromise; and the decentralization of power and autonomy. This last commitment stemmed from Roh's recognition of the fact that dictatorship and central-led industrialization brought about a concentration of national power in the central government and the capital area. As noted earlier, this has caused serious inflexibilities in

⁸¹ Then ruling party was the Millennium Democratic Party (MDP). However, many MDP lawmakers left the party in 2003 in order to create a new party, named the Uri Party, loyal to President Roh (Korean Herald, September 20, 2004). Thus, the current ruling party is the UP.

politics, economy, society, and culture.⁸²

In order to implement promised national policies, the Roh administration established the Presidential Committee on Government Innovation & Decentralization (PCGID) on April 9, 2003. The PCGID consists of main committee, two working committees (the Working Committee for Innovation & Decentralization Planning and the Working Committee for Innovation & Decentralization Evaluation),⁸³ a special committee for e-Government, and a secretariat (or executive office) for assisting each committee. Among others, the Task Force Consultative Council for Decentralization (TFCCD) is composed of less than twenty members.⁸⁴ It mainly develops and reviews agenda related to decentralization and local autonomy. As of April 2004, the TFCCD has fourteen members, including six members from the Team for Decentralization, six local officials, one public official from the Ministry of Education (MOE), and one public official from the National Police Agency (NPA).

The TFCCD has held 27 meetings since its first session on May 9, 2003, and it has achieved meaningful results in 2004 such as: it drew up the roadmap of decentralization for the Roh administration, and it assisted with the enactment of the

⁸² Cited in the official web site of the Office of the President: <http://www.president.go.kr/>.

⁸³ In 2004, working committees included the Working Committee for Administrative Reform, the Working Committee for Human Resources Management Reform, the Working Committee for Decentralization, the Working Committee for Fiscal & Tax Reform, the Working Group for Innovation Management, and the Working Group for Record Management Innovation. In addition, there was the Special Committee for e-Government. On February 20, 2005, the Working Group for Innovation Management was transferred to the authority of the MOGAHA, and on March 26, 2005, five working committees were merged into two committees, named the Working Committee for Innovation & Decentralization Planning and the Working Committee for Innovation & Decentralization Evaluation, in order to enhance the system which reviews and evaluates the implementation of decentralization (Oh, Jae-Il 2005). In fact, each of previous five working committees is now operated as a task force consultative council under the Working Committee for Innovation & Decentralization Planning. While six working committees are transferred to other ministry or merged into a new organization, the Special Committee for e-Government still remains.

⁸⁴ The TFCCD is a new name of the Working Committee for Decentralization. The name was changed by revising the detailed operating rules of the PCGID in March 2005. It is now operated under the Working Committee for Innovation & Decentralization Planning.

Special Act on Decentralization. Each central department has a team in order to promote effective TFCCD's activities. Particularly, the MOGAHA operates the Decentralization-Support Team (DST) to deal with inner matters and the Executive Office for Supporting Decentralization (EOSD) to support the Presidential Commission on Devolution Promotion for Local Authorities (PCDPLA).

In order to promote these efforts, the National Assembly finally passed three acts for local autonomy and decentralization on December 30, 2003, respectively named the Special Act on Decentralization (SAD), the Special Act on Balanced National Development (SABND), and the Special Act on Capital Relocation (SACR). These acts suggest that the Roh Participatory Government is strongly committed to localities' concerns in its policymaking. In order to quickly strengthen decentralization policy performance in a comparatively short period of time, particularly, the SAD will be effective for a limited period of time, five years, from January 16, 2004 to January 16, 2009.

Following the introduction of the SAD, President Roh made a speech on January 29, 2004, proclaiming an age of decentralization and balanced national development:

The participatory government set decentralization and balanced development as a major administrative task and has made strident efforts over the past eleven months... We have correctly sensed the changes going on now and have opted for decentralization. The pace of decentralization will speed up once the high-speed railway is launched in early April, along with a top-notch information network...(Press Release, the Office of the President: 29 January, 2004).

Indeed, local autonomy through decentralization has been a national issue since the 1940s, yet it is not settled. Unfortunately, President Roh's policy timetable was imperiled when several major opposition parties impeached him for violating the Election

Law in January 2004. The Roh administration had been diminished for a few months until the Constitutional Court decided to overturn the impeachment in May 2004. These events have complicated President Roh's national policy initiatives, including the decentralization and the relocation of capital city, which he promised in the beginning of his term. However, the National Assembly election on April 15, 2004, produced a new political variable favorable to Roh's revolution with the victory of the ruling Uri Party, even though it is still uncertain whether President Roh's aim of decentralization and balanced national development remains politically achievable.

As mentioned above, the Roh administration has been proceeding with at least one major project in this issue area, attempting to move the capital to S. Chungcheong Province.⁸⁵ President Roh pledged in the 2002 presidential election to establish an administrative capital in the southern area for the country's balanced regional development, easing acute problems arising from the overconcentration of population and national power in Seoul. Right after the National Assembly had passed a special bill in December 2003, the relocation of capital city began to work under the political compromise from the majority Grand National Party. However, a presidential commission came out with a blueprint that envisioned the move of not only most administrative institutions, but also the legislative and judiciary branches, underlining a transfer of the national capital per se (Korea Times, July 6, 2004).⁸⁶ The plan finally

⁸⁵ 47 percent of the nation's total population lives in the capital area, which accounts for about 11 percent of total national land area. Over 50 percent of all economic activities are also concentrated in the capital area. These concentrations of population and industry have brought out severe regional disparities between the capital area and others, and between urban and rural area.

⁸⁶ In Korea, construction works for a new city, comprising a government complex, started in the late 1970s in Gwachon City, on Seoul's southern fringe, to house the Finance-Economy Ministry and ten other economy-related ministries in the several ensuing years. Another complex was built in the 1990s in a suburb of Taejeon Metropolitan City to remove 11 sub-ministerial agencies ('chung'), such as the National

added fuel to protracted debate over the feasibility and validity of such a gigantic project lacking national consensus. For blocking the plan, an anti-relocation coalition filed a petition with the Constitutional Court on July 11, 2004, and asked it to review whether the Special Act on Capital Relocation is constitutionally acceptable.⁸⁷ On October 21, 2004 the Constitutional Court finally declared that the special act, enabling the government to push for the relocation of the administrative capital from Seoul, is unconstitutional.⁸⁸ Since then, however, the residents of S. and N. Chungcheong provinces have called for alternative measures to the overturned plan.

To this, the Committee for a New Administrative Capital Counterplan (CNACC) has drawn up plans for establishing an administrative metropolitan city, an administrative town or an education and science research town in S. Chungcheong Province as an alternative to relocate the Capital. During an ad hoc committee meeting in February 2005, the ruling and opposition parties ironed out differences on a special bill, and they agreed to construct an administrative town in the Yeonggi-Gongju area of S. Chungcheong Province. Bipartisan agreements are rare in Korean politics. Since then, the leadership of the major opposition GNP has been facing strong inside criticism over the compromise it made on the ruling UP's bill to relocate a number of government offices out of Seoul. Furthermore, a total of 38 GNP lawmakers who signed their names to oppose the

Railroad Administration and Customs Service, from Seoul. The headquarters of the Army, Navy and Air Force already moved in the 1980s to Kyeryong, also in South Chungcheong Province, although the Defense Ministry remains in Seoul.

⁸⁷ In the joint petition, anti-relocation groups argue that the bill, which the 16th National Assembly passed in 2003, should be invalidated as it failed to reflect people's opinions on the relocation of the Capital which is so important in that it is directly connected with their living (Korea Times, July 11, 2004).

⁸⁸ National identity is a complex mix of national history, experience, culture, politics, economy, power structure and spiritual symbols and the ruling by the Constitutional Court in favor of the 169 members of the public who petitioned to stop the capital relocation plan indicates that national identity is more than just written acts (Korea Times, October 21, 2004).

relocation plan have vowed to raise objections to the bipartisan agreement on the bill. They asked the government for delaying the bill on a new administrative town by the next parliamentary session in April 2005. By doing so, they will likely seek more support in the interim period to completely block the capital relocation. Even so, the National Assembly again passed a bill on March 1, 2005, by which the government can relocate 12 ministries and 30 other government offices out of Seoul by building an administrative town. According to the bill, however, the Office of the President, the National Assembly, the Supreme Court and six ministries will be remained in Seoul (Korea Times, March 2, 2005).

While the plan has been controversial, the GNP's Chairwoman Park Geun-hye pronounced at a special press conference on September 22, 2004 that the GNP supports a major transfer of administrative authority. In a detailed statement, Park called for changing the ratio of national taxes and local taxes from 80 percent to 20 percent to 60 percent to 40 percent by transferring national tax resources to local governments. Moreover, she proposed distributing central ministries, except Ministry of Foreign Affairs and Trade (MOFAT) or Ministry of National Defense (MOND), throughout the whole country, rather than a specific place (Donga Ilbo, September 22, 2004). This announcement seemed to be a political gesture so as not to lose support from both Chungcheong provinces. As one of the big national issues, however, it is now uncertain whether or not the capital city is really moving to another location. Even though political parties are supporting decentralization itself, it is also uncertain for now whether the Roh administration can achieve its two top national priorities, decentralization and the transfer of the capital, at the same time.

3. Formal Decentralization Efforts in Korea

As a historical analyst, I've carefully looked at the change of intergovernmental relationships and the development of local autonomy in Korea since the modern Constitution was set up in 1948. As a matter of fact, Korean political history has experienced political strife and authoritarian rule since then. Even though the LAA was enacted in 1949, it had not been implemented due to crucial reasons. However, turning points for the restructuring of local autonomy came when the Chun military regime collapsed on June 29, 1987, and when the Kim People's Government took power in 1998 with a new commitment to democratic government. Even though the achievement was substantial, however, there were various limitations that precluded its potential impact. The current Roh administration confronts the challenge of promoting greater local autonomy through decentralization and balanced national development. At this point, let me review how these changes have been formally realized in the decentralization process and assess Korean decentralization from this analysis. It examines four aspects of formal decentralization in Korea: legal-institutional frameworks; functions and affairs of local governments; personnel and financial systems enhancing local autonomy; and citizen participatory mechanisms in the process of policymaking.

3.1 Legal-Institutional Frameworks for Local Autonomy

As mentioned previously, the Korean Constitution guarantees local autonomy in Chapter VIII. Article 117 (1) prescribes that local governments shall deal with administrative matters pertaining to the welfare of local residents, manage properties, and

they may enact provisions relating to local autonomy, within the limit of acts and subordinate statutes. According to Article 118, local governments have a council, yet the organization and powers of local councils, the election of members, the election procedures for heads of local governments, and other matters pertaining to the organization and operation of local governments should be determined by acts.

According to the classification of the Statutes of Republic of Korea,⁸⁹ there are 16 acts related to local governments, but it may be possible to draw seven acts which directly stipulate the issues of decentralization, such as, the Local Autonomy Act, the Local Finance Act, the Local Grant Act, the Local Public Enterprises Act, the Local Public Officials Act, the Local Tax Act, and the Local Subsidy Act. Among others, the LAA provides the overall principles of local autonomy, including general principles of local autonomy, residents, municipal ordinance and rules, local elections, local councils, executive organs, financial affairs, relationships among local governments, the direction and supervision of the state, and the special cases of administration in large cities.

In addition to the LAA, there is another important act stipulating decentralization in Korea. As an organic law of decentralization, the Special Act on Decentralization (SAD) consists of three chapters, twenty-one articles, and addenda. Article 1 prescribes major principles and subjects of the decentralization process and clarifies its guiding purposes, those of regional development and the improvement of national competitiveness. Article 2 defines decentralization as the rational distribution of authorities and responsibilities between central and local governments, by which centralized and localized administrative functions could be harmonized. From this

⁸⁹ The Statutes of Republic of Korea, published by the Korea Legislation Research Institute, is composed of 20 volumes which contains 800 important acts and subordinate statutes in force.

definition, we can assume that the central government is no longer superior to local governments in the process of policymaking and, in the future, intergovernmental relationships are to be collegial. Following Article 3, including decentralization ideology, and Article 4, proposing the enactment or revision of relevant acts, Article 5 identifies administrative authorities between central and local governments. What most important, the SAD is different from previous acts by clearly listing national tasks which the Roh administration intends to transfer to local governments (Yang 2004). Overall, the SAD includes a large delegation of autonomous legislative power, financial authority, and personnel administration, as well as administrative affairs, to local governments.

In regard to organizational bodies for decentralization, the Presidential Commission on Government Innovation & Decentralization plays a major role in promoting local autonomy and decentralization at the national level. As required in the SAD, the PCGID is promoted to the status of a legal body empowered to chart the direction of the decentralization process, establish the driving plan of decentralization,⁹⁰ and deliberate on relevant issues. Its functions were also extended by the SAD. The PCGID can report its evaluation to the president, and also, it can propose that central ministries reflect its advice in their tasks (Yang 2004; PCGID Report 2004a). As noted above, the PCGID has several task force teams. Among others, the Task Force Consultative Council for Decentralization has mainly developed and reviewed agenda related to decentralization. The TFCCD is mainly concerned about the transfer of central authorities, financial decentralization, local capacity building, local election systems, citizen participatory mechanisms, cooperation between central and local governments,

⁹⁰ For this, the PCGID set a plan, named the Five-Year Comprehensive Implementation Plan for Decentralization (2004 to 2008). See more in the PCGID (2004b).

and so forth.⁹¹

While both handle important issues related to legal-institutional aspects or national policies to promote local autonomy and decentralization in the broad perspective, the Presidential Commission on Devolution Promotion for Local Authorities deals with some kinds of detail matters on the transfer of administrative affairs to local governments. The major roles of the PCDPLA are to publish guiding principles for the transfer of administrative affairs, to identify targets that could be transferred, to conduct a survey on these at central and local government levels, to review affairs selected as subjects, to report the final results to the National Assembly and the President, to write an executive plan for the transfer of affairs, and to organize relevant legal systems and take other measures to promote decentralization.⁹² In addition, it should be noted that the Presidential Commission on Balanced National Development (PCBND) is another example of decentralizing effort meant to contribute to local capacity building.⁹³

Besides, each central ministry has a team tasked with the effective promotion of TFCCD's and PCDPLA's activities. For instance, the MOGAHA has several teams for supporting local autonomy and decentralization, such as, the Decentralization Support Team (DST) in the Headquarter for Local Support, the Executive Office for Supporting Decentralization (EOSD) to support the PCDPLA, etc. While the DST is concerned about matters on decentralization issued within the MOGAHA, the EOSD mainly designates and supervises decentralization, analyzes the effects of decentralization, supports the study of self-governance, and manages the promotion of local relinquishment statutes. In

⁹¹ See more in the official web site of the TFCCD: http://www.innovation.go.kr/warp/app/member/home/region_home.

⁹² See more in the official web site of the PCDLPA: <http://www.dpla.go.kr/>.

⁹³ See more in the official web site of the PCBND: <http://www.pcbnd.go.kr/>.

fact, even though the EOSD is organized by the MOGAHA, it plays a role as the secretariat of the PCDPLA. In reality, both the DST and the EOSD, coordinate similar tasks.

In addition to organizations at the national level, there are several groups to promote local autonomy and decentralization at local levels. To begin with, we can consider four associations established by heads and councilors of subnational and local governments: the National Association of Governors; the Association of Metropolitan & Provincial Council Chairs; the National Association of Mayors; and the Association of Municipal & County Council Chairs. As nationwide associations, they have had strong impacts on national policies on local autonomy, decentralization, and balanced national development since the 1990s through the enhancement of mutual exchanges, cooperation and consultation on common issues. Their main functions are to submit opinions to the government or to present opinions to the National Assembly with regard to the laws and other matters related to local autonomy, to discuss common benefits and interests, and to promote regional harmony and increase of exchanges.⁹⁴ Also, each local government has an administrative unit, such as team, division or bureau, which deals with matters related to innovation and decentralization at local levels. Each of them develops agenda by themselves and proposes them to the central government.

Furthermore, Korean civil society officially initiated a nationwide citizen movement for local autonomy and decentralization on October 5, 2000. Following this, there have been various events to achieve common purpose. For example, civil groups proclaimed the Charter of Local Autonomy on March 22, 2001, and 2,757 persons made

⁹⁴ See more in the official web site of each association: <http://www.nga.or.kr/index.html>; <http://www.ampcc.go.kr/main.html>; <http://www.namk.or.kr/>; and <http://www.ncac.or.kr/>.

the declaration of nationwide intellectuals to realize decentralization on September 3, 2001. Continuous activities of civic groups eventually came to establish the National Movement for Decentralization (NMD) in October 2002. As one of the NGOs in Korea, the NMD consists of 16 regional headquarters located in seven metropolitan cities and nine provinces.⁹⁵ Civic groups from a variety of areas participate in the NMD to achieve their common interests -- bottom-up or local-led decentralization and balanced regional development. In some cases, civic groups have a subdivision for decentralization as their inner organization. For example, the Korean Government Employees' Union (KGEU) has a committee on decentralization to discuss relevant issues and to promote cooperation with the NMD.

3.2 Functions and Affairs of Local Governments⁹⁶

Local governments are responsible for representing local residents and administering local policies. As one of its primary functions, local governments serve as a representative body consisting of council members directly elected by citizens residing in a given area of jurisdiction, and also, they have authority to enact bylaws that prescribe residents' duties and local government operations (Kim et als., 2003: 29). Moreover, local government must promote the convenience and welfare of citizens in managing their affairs. For this reason, they have to rationalize their organizations and optimize their size as well. But, local government cannot conduct these affairs in the absence of relevant acts, subordinate statutes, or municipal ordinance and rules of upper-level governments

⁹⁵ See more in the official web site of Daejeon NMD: http://www.djbunkwon.or.kr/content_4.php.

⁹⁶ It refers to the Local Autonomy Act (LAA) and Kim et als., 2003. *Local Government in Korea*.

(Article 8 of the LAA). Local government must also implement administrative affairs entrusted to them by higher-level governments within relevant acts and subordinate statutes, as well as, conducting autonomous affairs within their jurisdiction (Article 9(1) of the LAA).

Generally, local affairs are allocated to upper- and lower-level local governments in a manner that seeks to avoid functional overlap. Based on this principle, lower-level local governments may take a charge of local affairs excluded from those of upper-level local governments. They may not perform functions and affairs over which the central government has exclusive responsibility -- such as diplomacy, national defense, national tax administration, and the like (Article 11 of LAA). Article 10 of the LAA provides local governments with principles and standards for allocating administrative functions and affairs according to the level of local government. According to this stipulation, the upper- and lower-level local governments shall not conflict with one another in managing their affairs. If conflicts arise, lower-level local governments have precedence in managing them (see more details of the distribution of functions and affairs between central and local governments in Appendix B).

Particularly, Articles 155 to 159 in Chapter X of the LAA, which is titled “the direction and supervision of the state,” provide a clear picture of Korea’s decentralization and intergovernmental relationships. Articles 155 and 156 prescribe that the upper levels of government can provide the lower levels of government with guidance and support for local affairs, and can supervise them in handling entrusted state affairs. Also, the upper levels of government can order the lower levels of government to collect unlawful or unreasonable order or disposition of local affairs, and can order heads of local

governments to fulfill duties (Article 157 & 157-2). According to Article 158, the upper levels of government can inspect autonomous affairs of local government by receiving a report and investigating documents and data in respect of matters which are in violation of acts and subordinate statutes. Also, the upper levels of government can request the lower levels of government to reconsider their resolution of local councils and institution of lawsuits (Article 159).

3.3 Personnel and Financial Systems Enhancing Local Autonomy

The Korean civil service system is composed of state public officials who are recruited to handle national administrative affairs and local public officials who are employed for local administrative affairs.⁹⁷ While the State Public Officials Act (SPOA) sets up the overall standards for national public officials, the Local Public Officials Act (LPOA) aims to establish standards for the personnel administration, which applies to all local public officials working in local governments, and to have them operate the administration for local autonomy democratically and efficiently. Since it was enacted in November 1963, the LPOA has provided a framework of local civil service, such as position classification, appointment and examination, promotion, transfer, remuneration, status, discipline, training, evaluation, punishment, etc. In addition to the LPOA, all local public officials in each local government are regulated by their bylaws which are made on the basis of the criteria in the Presidential Decree. In short, local governments in Korea exert a discretionary authority through their bylaws in managing

⁹⁷ State public officials can be employed in local governments according to relevant acts. While those who are of grade five or higher are appointed by the President, those who do not exceed grade six are appointed by the MOGAHA (Kim et als., 2003: 43).

their personnel, yet their power is limited in relevant acts and subordinate statutes, such as the LAA, the LPOA and the Presidential Decree, which provide them with general principles and standards of overall personnel matters.

According to Article 2 of the LPOA, the categories of public officials are divided into career service and special career service. Public officials in career service means those who are appointed in accordance with their performance and qualification and those whose legal status is guaranteed: for example, those in general government service; those in specified government service such as education or fire fighting; and those in technical skilled service. On the other hand, public officials in special career service means those other than public officials in career service: for example, political service officials who are elected by the people or who are appointed by the consent of local councils or the stipulations of acts or bylaws in order to make high-level policy decisions; public officials in extraordinary civil service who are in charge of specific administrative affairs and who are appointed according to the separate standards of qualification and designated in accordance with acts, subordinate statutes, or municipal ordinances; professional service officials who are engaged in research or technology under the contracts for specified period; and labor service officials who are engaged in simple labor activities.

With regard to personnel management, there are three types of organizations at local levels: (i) the chief executive has the rights of appointment, layoff, dismissal and reprimand of the public officials under his/her jurisdiction under the provisions of the LPOA; (ii) the personnel committee is established under each person who has appointing authority in a local government. It consists of five to seven members who are appointed or nominated by the chief executive of local government among the local public officials.

The major role of this committee is the prior consideration of overall matters related to civil service.⁹⁸ The procedure of disciplinary decision-making in the personnel committee is separately determined by Presidential Decree; and (iii) the petition review committee examines any petition regarding a disciplinary action or other unfavorable disposition or omission against a public official's will. Consisting of seven members, the local petition review committee and the education petition review committee are established for each appointing authority.

As of 2003, the total number of public officials in the executive body is about nine hundred thousand, which are composed of state public officials (64.6 percent) and local public officials (35.4 percent). Since the early 1990s, the Korean government has attempted to reduce the number of public officials at the national level, but as seen in Table 4.2, state public officials still occupy two thirds out of the total number of executive body, and this percentage has been increasing.⁹⁹

⁹⁸ Its functions are prior consideration of a recruiting plan of the public officials and the execution of various selection examinations; prior resolution of standards for management of assignment to a position and for promotion and transfer at the request of the appointing authority; prior consideration of promotion; resolution on disciplinary punishment of public officials at the request of the appointing authority; prior consideration of the bills of municipal ordinances and rules concerning personnel affairs of public officials to be submitted by the head of a local government to the local council; and prior consideration of matters falling under its jurisdiction under other acts and subordinate statutes (Article 7 & 8 of the LPOA).

⁹⁹ The Korean government will enforce the plan of public servants retirement from 2006. The plan aims at the reduction of national budget and the settlement of public servants' performance system. According to recent news, the central government has classified ten percent of the state public servants (approximately 28,000) as the targets to be retired.

Table 4.2 Distribution of Public Servants (As of 2003)

Classification	Public Servant (Persons)	Ratio (%)
Total	915,945	100.0
Legislative Body	3,086	0.3
Judicial Body	14,005	1.5
Constitutional Court	202	0.02
National Election Commission	2,073	0.2
Executive Body	896,579	97.9 (100.0)
- State	(579,448)	(64.6)
- Local	(317,131)	(35.4)

Source: The KOSIS of the Korea National Statistic Office: <http://www.kosis.nso.go.kr/>.

In terms of financial systems, local governments in Korea are limited in the types and amounts of local taxes and other revenue sources they may raise. Tax and revenue structures are segregated between central, provincial and local governments. Each has thus particular taxes that the others do not use. Even so, taxes and tax rates are controlled by the central government, and thus, provincial and local governments cannot determine their own taxes and tax rates. For this reason, the financial structure of upper- and lower-level local governments is relatively uniform (cited in Cope 2002: 59). According to Article 2 of the Local Finance Act (LFA), local government must manage finance soundly, should not violate state policy, and should not have any unreasonable effects on the finance of the state or other local governments. In order to achieve sound and efficient management of local finance, the MOGAHA has to develop regulations and insure that local governments comply with such matters as: (i) rational and efficient budget management techniques; (ii) measurement techniques of local finance management situations; and (iii) other realizable schemes for the effective support of local finance by

the State. Even the classification of revenue and expenditure by the fiscal year in local governments is determined not by their bylaws, but by Presidential Decree (Article 3(4) of the LFA).

As noted above, the structure of taxes in Korea is divided into two categories -- national and local taxes. The national tax is primarily based on income and consumption taxes, while the structure of provincial and city/county taxes (or local tax) is built by property and specific taxes. The national tax consists of internal tax, customs duties, transportation tax, education tax and special tax for rural development. It is subdivided into direct tax, indirect tax and others: the direct tax includes income tax, corporation tax and inheritance tax; the indirect tax consists of value added tax, excise tax, liquor tax and securities transaction tax; and others are stamp tax and the like. On the other hand, the structure of provincial and local taxes is composed of general tax and earmarked tax. The sources of provincial tax are four general taxes (acquisition tax, registration tax, license tax and leisure tax) and three earmarked taxes (common facilities tax, regional development tax and local education tax), and the sources of local tax are eight general taxes (resident tax, property tax, automobile tax, traveling tax, farmland income tax, tobacco consumption tax, butchery tax and aggregate land tax) and two earmarked taxes (urban planning tax and business office tax).

Like this, the sources of local tax vary with regard to the levels of government. Based on these sources, the budget system in Korea consists of revenue and expenditure. Particularly, the revenue of local governments is classified into three categories: (i) self-generated revenue, including local taxes and non-tax revenues; (ii) grants from upper-levels of governments, such as local share taxes, local transfers and subsidies; and (iii)

local borrowing. Since most of local governments' revenue comes from central grants, subsidies and allocations, and its local tax and revenue sources are prescribed by national laws, local governments can do little to change revenue structures and amounts (Cope 2002). As of 2004, the MOGAHA's statistical data show that the tax ratio between the state and local governments remains unbalanced: while the national tax absorbs about 79 percent of total taxes, local taxes comprise just 21 percent. Even though the Korean government has achieved fiscal reform to some degree,¹⁰⁰ the constraints on fiscal autonomy are still much a part of political and practical contexts (Cope 2002).

3.4 Citizen Participatory Mechanisms in the Process of Policymaking¹⁰¹

Local residents participate in the process of public policy by taking a series of actions. At large, citizen participation includes activities related to the political process such as election as well as those of the administrative process. Here, the study outlines mechanisms that guarantee citizen participation in the process of public policy, focusing on the LAA and other relevant acts. To begin with, there are two types of participation -- unofficial and official participation. The former has actively developed since local autonomy was resurrected in 1991. As civil society developed in Korea, local residents

¹⁰⁰ For example, a press release from the MOGAHA on September 8, 2005 shows an example of fiscal autonomy. The government revised stipulations related to local bonds in the LFA on August 4, 2005, by which local governments could issue local bonds without the prior approval of the central government from 2006. They could independently issues their local bonds with local council's decision (or resolution), yet their authority would be possible within the limitation of the amount of local bonds which is decided by the central government. According to the study of Ter-Minassian (1997), the case of Korea in the system of local bonds is classified into the administrative control in which the central government directly control local governments by its approval to individual local bond project. In this type, the central government use tools such as a specific index or financial management system. In addition to the administrative control, there are two types of local bonds -- the rule-based approach and the market discipline. Based on these types, the case of Korea seems to move from the administrative control to the rule-based approach.

¹⁰¹ It refers to Kim et als. (2003).

had interests in issues closely related to their life in their territory, and finally, they began to influence the process of public policy and to ask the government to modify policy decisions or other critical things. Their activities show up as group actions, such as citizen movements. According to Kim et als. (2003), these movements are various and infinite because citizens develop individual, specific or regional issues unofficially.

As an institutional device, official participation is categorized into nonparticipation, formal participation, and influential participation. Nonparticipation is the weakest level of citizen participation. By this means governments may observe public opinions on their decisions, and as a result, they could minimize conflicts and misunderstandings. Even so, citizens are unable to amend or modify policies by themselves in this type of participation. In formal participation, citizens reflect their intentions or aims on the process of public policy through a regular administrative procedure. For example, committees, discussion with citizens, or negotiation with citizen action groups are officially secured in this type of participation. Lastly, citizens have the power to manage post-policy decisions as well as policy-making processes through influential participation. Currently, the participation system in Korea may be classified as a formal participation system (Kim et als., 2003: 64).

Both formally and informally there are several channels available for citizen participation. As mentioned in Chapter 2, there is an argument that decentralization can promote democratization in especially developing countries through grass-root participations. At present, there are more channels to guarantee citizen participation, such as citizen consultative committees, administrative proceedings, civil petitions, community cooperation, public hearings, and the like. This has been reinforced by the

increase in the number of civic organizations (e.g., Young Men's Christian Association, Young Women's Christian Association, Citizen's Coalition for Economic Justice, Citizen's Coalition for the Environment, and associations of residents and youths) in Korea since the 1980s. In addition to these formal mechanisms for citizen participation, local people also can participate in the political process by voting for governors, mayors, and councilors both at the upper- and lower-level local governments.

3.5 Features of the Formal Decentralization Efforts in Korea

By now, I've described the Korean policy context that impacts the decentralization process, the change of intergovernmental relationships and the evolution of local autonomy since the 1940s, as well as, formal decentralization efforts. The preceding review shows that many political, administrative, and financial developments in Korea have already been undertaken and are underway in the general area of government decentralization, even though many constraints on local autonomy are still much a part of the present legal, political and practical policy context. In reviewing the Korean experience, Chung-Si Ahn (2002) notes such positive changes as: local governments have relatively more autonomy and discretionary power and have become less dependent on the central government; mechanisms have been established to allow people to participate in the decision-making process; and there has been an increase in the proportion of budget allocated for local governments.

Considering the various modes of decentralization, the Korean experience with intergovernmental authority reform seems to represent a mixture of delegation and devolution, even though centralization or deconcentration is still dominant in many

public policy arenas (Seong, 1998). On the one hand, it has the characteristics of delegation that involves the redistribution of administrative responsibilities to local governments within a general framework of central control. On the other hand, it has the characteristics of devolution that refers to the exercise of autonomous political authority by the elected local bodies within the constitutionally or legally guaranteed scope of responsibilities.

4. Limitations on Korean Decentralization

Although it is widely recognized that decentralization is a propitious avenue towards building a foundation for regional development, the Korean government still confronts various obstacles to effective local governance in its decentralization process. The Korean experience with the reintroduction of local autonomy has shown clearly how difficult it is to move from a highly centralized system of governance to a relatively decentralized one. We can also find some limitations in the decentralization process in personal interviews conducted in this study. Among others, first of all, the elites of the central government and politicians in the capital area have been extremely reluctant to create independent local governments and to share power with them. As Cuachon (2002) points out, central elites in Korea want to maintain and reproduce their power without being interrupted in all the localities that have been their playground up to this point.

Second, a tendency to centralism still prevails in Korea in which the institutional structures of local autonomy are founded upon a strict rule of 'ultra vires' which means local governments are not granted power of competence to provide services and to carry out functions not specifically prohibited by law (Seong 1998; Choe 2001; Yuzo ed., 2002).

In this restriction, the central government sets the basic rules for organization and personnel management at local governments, such as the total number of organizational divisions, requirement for specific division, the total number of public employees, the rules for promotion and pay raise, and the like (Lee, K-W 1996). Although the regulations have been lessened since the 1997, the basic institutional structures remain intact, suffocating local autonomy (Seong 1998). Furthermore, decentralization efforts in Korea have not had strong legal bases and compulsory tools that could force relevant governmental parties to follow intended decentralization policies. Even legal systems have not clearly stipulated proper relationships between central and local governments, or effectively distributed authorities and responsibilities between them (Kim, S-E 2003: 37).

Third, the Korean government has not pursued decentralization in the broad perspective. Rather it has simply focused on the transfer of administrative affairs to local government in the absence of any guiding ideology, including the reform of the national ruling structure and the prescribed process of decentralization in this national reform. This means that severe institutional straitjackets in which relatively unimportant administrative affairs are delegated fundamentally impair local governments. Effective decentralization should include more than that. For instance, it should include the enhancement of political sovereignty of local governments, the strengthened administrative systems for local governments, or significant local capacity building by transferring financial and personnel resources to localities (Kim, Byong-Joon 1999, cited in Kim, S-E 2003: 37).

More seriously, few administrative functions conducted by the central government have been delegated to local governments, if any. Two research institutes, the Korea Research Institute of Local Administration (KRILA) and the Korean Institute

of Public Administration (KIPA), conducted comprehensive surveys for the same purpose along with that of the MOGA in 1994 (MOGAHA Report 2002).¹⁰² As of January 2002, the total number of administrative functions was found to be 41,603.¹⁰³ Of these functions, 30,240 (72.7 percent) were performed directly by the central government, while 11,363 (27.3 percent) were conducted by upper- and lower-level local governments. Out of 11,363 functions, only 10,052 ones were local affairs, while 1,311 functions were delegated from the central government and 3,746 functions were shared among central, subnational and local governments (Kim, I-S: 76; Kim et als., 2003: 74-75; KRILA & KIPA, 2002). As Table 4.3 shows, the total number of administrative affairs has dramatically increased since 1994 in both central affairs and local affairs. Whereas delegated affairs have been reduced in large number, local affairs increased about five fold between 1994 and 2002, to 10,052 functions. Considering local affairs includes 3,746 units that are shared among central, subnational and local governments, however, the central government in Korea still holds responsibilities and authorities for most of administrative functions.

Table 4.3 Distribution of Central and Local Administrative Affairs (1994 & 2001)

Year	Total	Central Affairs	Delegated Affairs	Local Affairs
1994	15,774 (100%)	11,744 (75%)	1,920 (12%)	2,110 (13%)
Jan. 2002	41,603 (100%)	30,240 (72.7%)	1,311 (3.15%)	10,052* (24.16%)

Source: A press release of the MOGAHA. June 1, 2002.

Note : *Numbers of local affairs includes 3,746 units which were shared among central, subnational and local governments.

¹⁰² For 11 months from March 2001 to January 2002, the KRILA and the KIPA conducted surveys on the basis of the text interpretation of total 3,353 acts and regulations.

¹⁰³ Function in this study actually refers to the unit of administrative affairs which is defined as any public activity for which each level of government exercises both the power and the responsibility to execute a rule.

Fourth, local governments in Korea suffer from the lack of independent financial and personnel resources (Choe 2001; Yuzo ed., 2002). In other words, the basic components of decentralization are not granted to local governments, although authorities are constituted.¹⁰⁴ In fact, the amount of local revenue has been dramatically increased since local autonomy was reintroduced in 1991, yet the Financial Self-support Index of local governments (FSI) has decreased somewhat (see Table 3).¹⁰⁵ According to the calculation of FSIs, Seoul shows the highest FSI (94.5%), while that of Sinan County is the lowest FSI (7.1%). The results also show that the average FSI of provinces, cities and autonomous districts is distributed around 40 percent, while that of counties is about 17 percent. Thereby we can assume that urban areas are better served financially than rural areas. We may also reasonably assume that the capital area has better overall conditions than other regions. More seriously, 155 local governments cannot cover even their wages and salaries with their local taxes, and 38 local governments are also unable to meet their wages and salaries with self-generated revenue.¹⁰⁶ Consequently, local governments must depend on fiscal resources, such as local share taxes, local transfers, and subsidies.¹⁰⁷

¹⁰⁴ A survey of public opinion shows that the financial support is the most important role of the central government for regional development projects in the era of local autonomy (35.5 percent out of respondents). Retrieved from the MOCT & KRIHS. 2003. *A Survey of Public Opinion on the National Image of the Future*. Anyang: KRIHS: 45.

¹⁰⁵ The FSI is one of major indicators, which can show the local financial status. $FSI (\%) = [(Local\ Tax + Non-tax\ Revenue) / (Total\ Budget\ of\ General\ Account\ of\ Each\ Local\ Government)] * 100$.

¹⁰⁶ Retrieved from the Local Financial Open Systems in the official web site of the MOGAHA: http://lofin.mogaha.go.kr:8100/budget/jipyo/Jipyo_Jarip_02.jsp.

¹⁰⁷ The question of which tier of government controls which resources is perhaps the thorniest issue of decentralization. The ability of subnational authorities to act independently of the central government depends on whether they have access to independent tax bases and source credit. However, experience provides lessons in this area as follows. First, subnational governments need resources commensurate with

Table 4.4 Financial Self-support Index of Local Governments (1991 to 2004)

Year	Average FSI of Total LGs*	Average FSI of Metropolitan Cities	Average FSI of Provinces	Average FSI of Cities	Average FSI of Counties	Average FSI of Autonomous Districts
1991	66.4	98.3	45.1	71.5	27.3	50.0
1995	63.5	97.3	46.7	53.7	23.8	54.3
2000	59.4	84.8	37.9	50.6	22.0	46.9
2001	57.6	82.9	35.6	43.4	18.1	45.0
2002	54.8	79.8	34.6	40.2	17.4	45.1
2003	56.3	82.2	39.4	38.0	16.3	42.3
2004	57.2	81.4	41.3	38.8	16.6	42.6

Source: MOGAHA. Summary of Local Budget (Fiscal Year 1991-2004). Cited in PCGID & KRILA (2005: 158).

Note : *LGs is an abbreviation of local governments.

In addition to financial resources, the lack of personnel resources is another obstacle for effective decentralization (Hong, Joon-Hyun 2000, cited in Kim, S-E 2003). As noted above, while state public officials occupy 64.6 percent out of the total number of public officials in the executive body (about nine hundred thousands), local public officials account for 35.4 percent out of the total figure. In a personal interview, Bo-Kook Kim, who is working for the North Jeolla Development Institute, says, “In order to take administrative authority transferred from the central government, local governments have to meet requirements, such as skills, administrative ability, or infrastructure.” He emphasizes, “The most important thing is that policy makers or politicians at the central government should try to take away their old-fashioned perception which local governments cannot carry out even their administrative affairs as much as the central government can do. At the same time, local governments also should make all efforts

their responsibilities. Second, subnational authorities must operate under firm budget constraints, so that they do not spend or borrow excessively in the expectation of a central government bailout (World Development Report 2000). The report also draws some lessons for governments to consider when embarking upon decentralization. Among others, it argues that central governments need to demonstrate a commitment to the new rules of the intergovernmental relationship at the very outset, in which one of the most important precedents a central government can set for newly democratized subnational governments is to keep the central budget constraint hard.

they can do in order to obtain the necessities for effective decentralization by themselves.”¹⁰⁸

Fifth, the low level of citizen participation and the indifference of local governments to decentralization are obstacles to advancing local democracy (Choe 2001; Yuzo ed., 2002). As mentioned in Chapter 2, there is an argument that decentralization can promote democratization in especially developing countries through grass-root participations. At present, local citizens can participate in political process by voting for chief executives and local councilors. There are more channels for participation, and these are reinforced by the increase in the number of civic groups as well. In spite of formal procedures for participating in public policies and political processes, however, voter turnout in local elections has decreased: 68.4 percent in 1995; 52.7 percent in 1998; and 48.8 percent in 2002.¹⁰⁹ Moreover, many formal channels for participation, which are prescribed constitutionally or legally, are not likely to function as specified. Jae-Geun Park, in his interview, argues, “Citizen participation has not been guaranteed in Korea due to the bureaucratic culture of administration. This was evident even in the joint investigation team for the Saemangeum project, which guaranteed that local governments, citizens, and experts could participate in the process of policymaking.”¹¹⁰ Another interviewee, Dae-Ho Hwang, says, “In light of my experience, research activities of non-government persons in the joint team were limited because public officials controlled useful data. They were reluctant to provide information for non-government parties.” “Like the joint team,” he asserts, “the public hearing is just in the name. What is worse, it

¹⁰⁸ Bo-Kook Kim was personally interviewed on September 10, 2004.

¹⁰⁹ See more in the official web site of the National Election Commission: <http://www.nec.go.kr/>.

¹¹⁰ He was personally interviewed on September 8, 2004.

is a legal procedure, by which the government can cleverly frustrate non-governmental participation in decision-making processes.”¹¹¹ Thus it appears that the Korean government has used the public hearing just to obtain its legitimacy for proceeding with pre-determined public policies, rather than to gather public opinions from a variety of non-governmental parties.

Lastly, it should be noted that reckless development and destruction of environment by local governments raise a question whether more authority should be devolved or not (Choe 2001). Indeed, development projects performed by local governments have increased since full-fledged local autonomy was restored in 1995. According to YounKoung Jung, conflicts between NGOs and local governments and local residents over regional development projects dramatically increased in 1995 and 1996. “Therefore,” she asserts, “these kinds of conflict will inevitably increase over conservation and development at local levels.”¹¹²

5. Conclusions

As noted above, the Constitution guarantees local autonomy in Korea and the LAA provides local governments with a framework for implementing their power and authorities. In recent, the government has enacted the SAD which stipulates overall matters of decentralization as well. In addition, organizational bodies, such as the PCGID, the PCDPLA, administrative units, public associations, and so forth, formulate agenda over decentralization and set up relevant policies in the whole country. Based on these

¹¹¹ He was personally interviewed on September 8, 2004.

¹¹² She, former director of the Green Korea United, was personally interviewed on September 10, 2004.

institutional bases, local governments are now responsible for representing local residents and administering local policies. As one of its primary functions, local governments serve as a representative body consisting of council members directly elected by citizens residing in a given area of jurisdiction. These local councils also have the power to enact bylaws, manage local finance, control local administration, deal with petitions, and have rights related to the establishment of other public organization.

Furthermore, significant changes in the Korean social and economic patterns, as well as moves toward political liberalization, have combined to exert pressure for the decentralization of governmental functions. The Korean political history has experienced recurrent political strife and authoritarian rule since the 1940s. In spite of the enactment of the LAA in 1949, it had not been implemented due to crucial factors, such as the Korean War, national focus on economic growth, authoritarian military governments, etc. But a turning point allowing for the restructuring of local autonomy came when the Chun military regime collapsed on June 29, 1987. With the June Democratic Declaration and succeeding political events, the Korean local autonomy had been finally legitimized. After then, the Korean decentralization policy faced another turning point when the Kim People's Government took power in 1998 with a new commitment to democratic government. Thereby, the Kim administration built a legal and institutional base to bind upper levels of government to implement devolution in practical. The current Roh Participatory Government confronts the challenge of promoting greater local autonomy through decentralization and balanced national development.

However, a strong centralist tendency still prevails in Korea in which the institutional structures of local autonomy are founded upon a strict rule of 'ultra vires'

which means local governments are not granted power of competence to provide services and to carry out function not specifically prohibited by law yet. In this restriction, the central government sets the basic rules for local organization, personnel management, and so forth. Moreover, local governments suffer from the lack of necessities for effective decentralization, such as financial and personnel resources and technical tools. With these structural constraints, the Korean government cannot help taking the position of introducing local autonomy and decentralization on a gradual basis. While the changes include significant political, administrative, and financial decentralization, Korea is still one of the centralized countries in the world. Against this background of decentralizing reform, as the case studies will show, one of the public policy arenas in which the centralization is evident is environmental resources management and development.

Even so, many recent cases suggest that decentralization has already resulted in a recalculation of the local capacity to assume greater authority for functions in this policy arena. As Korea decentralizes national political and administrative authority, the impact of these reforms is felt across a number of policy areas, including environmental resources policy. But decentralized environmental resources policy has not yet emerged as a major administration priority, nor is it reflected in any formal plan to reallocate administrative functions. In fact, the impact of these decentralizing developments on the balance of power between central and local authorities in the area of environmental resources policy still remains highly uncertain. Considering this current situation, chapters 5 and 6 will conduct the case studies to examine the impacts of democratization on decentralization and the performance of decentralization in greater depth. While the issues are in some respects similar, the political patterns and degree to which each

locality has been successful in claiming greater policy authority vary considerably. The provincial and local authorities in each case have pursued a different political trajectory with very different outcomes. We shall turn first to the Yeongwol Dam project, and then look at the Saemangeum project, a tidal reclamation initiative.

CHAPTER 5

THE YEONGWOL DAM PROJECT

1. Gangwon Province: An Overview

Gangwon Province, situated on the mid-northeastern side of the Korean peninsula, extends nearly 150 kilometers (94 miles) from east and west and 243 kilometers (152 miles) from north and south. In the east it borders the East Sea, and in the south, it borders N. Gyeongsang, S. Chungcheong, and Gyeonggi in the southwestern direction. Korea's backbone, the Grand Baekdu Mountain Range ('Baekdudaegan' in Korean), runs through the province from north to south, dividing it into the eastern and western region.

The province is a home to many famous mountains and valleys, including three national parks -- Mts. Seorak, Odae and Chiak. Basically,



Figure 5.1 Location of Gangwon

the entire area is covered with mountains and forests -- fully 82 percent of the total lands in Gangwon are classified as mountainous regions. These natural features make Gangwon

a critically important source of Korea's national water resource base. The nation's three major rivers, the North Han River, the South Han River and the Nakdong River, have headwaters located in Gangwon. Many small springs rise up in the numerous high-mountain villages and gorges in this province, and their waters collect into streams. These are the origins of great rivers and the main sources of fresh water in Korea. Most importantly for Gangwon province, the twin great waterways, the North Han River ('Bukhan Gang') and the South Han River ('Namhan Gang'), gather in the Taebaek range and flow westward, uniting just before they reach Seoul. The upper basins of these rivers run through narrow scenic gorges, ideal for tourism, while their lower reaches have naturally become densely developed. The upstream watershed of the North Han River is in or near the Demilitarized Zone (DMZ) where people are forbidden to live owing to the south-north confrontation. The North Han River flows into the Peace Dam, the Hwacheon Dam, the Chuncheon Dam, the Soyang-Gang Dam and the Euiam Dam, and then down to various dams in Gyeonggi, becoming the source of drinking water for tens of millions of people, as well as a vital source of hydroelectric power.¹¹³

The province consists of seven cities and eleven counties, including Chuncheon City as the Capital. It has an area of 16,874 square kilometers (6,515 square miles), accounting for 17 percent of the national figure. But, Gangwon is Korea's least densely populated province, with a population of only 1.54 million, approximately 3.2 percent of the national total. Its industrial structure is composed of 9 percent primary sector, 42 percent secondary sector, and 49 percent tertiary sector activity. The reason that the tertiary sector occupies the highest post is due to the prominent role of tourism in Gangwon Province.

¹¹³ Among them, the Soyang-Gang Multipurpose Dam is the largest one of its kind in Asia.

As the case of N. Jeolla, however, Gangwon's economic condition is relatively weak and the region has played just a minor role in Korea's economic development. While the Capital area and Gyeongsang provinces received the bulk of the country's industrial investment, Gangwon received little support from the central government. Consequently, industry remains heavily tied to its mountain and coastal heritage. As of 2004, its local financial self-support index is 28.9 percent, placing the province fourteenth of sixteen metropolitan cities and provinces. In addition to the lack of national economic support during last few decades, the province's economic position is attributable to the lack of suitable topographical conditions for developing industrial sites as well.

2. A History of Water Resources Policy in Korea¹¹⁴

Water resources policy in Korea began in 1910 as a formal field of public administration. Since then, research and policy related to water resources has proceeded through five phases over the last ninety years. The first phase (1910 to 1940) focused on the control of water resources through small-scale channel improvement projects. The main purpose of this period was to secure food production through small irrigation systems. Thus, the activities might be called the passive village-based water resources management.

At the beginning of the second phase (1941 to 1965), World War II transformed the whole country into a production base supporting the Japanese war. As a result, the

¹¹⁴ Most information is drawn from the official web page of the Korea Water Resources Corporation: <http://www.kowaco.or.kr/>; Kim, Gwang-Mook et als., 2003. *Arrangement and Improvement of Legal Systems for Water Resources in Korea*. Gwacheon, Korea: MOCT: 40-44.

main focus of water resources policy until 1945 was hydropower generation. After World War II, the Korean War broke out in 1950 and destroyed most of Korea's social and economic infrastructure, including water resources systems. Almost nothing remained during this time. What was worse, there were no special activities focused water resources until 1965 owing to the urgency of overcoming absolute poverty at this time. The Korean government was not concerned about water resources as a policy priority for active development and management in aftermath of the Korean War. Korea's water resources policy thus appeared to stagnate by the early of 1960s.

Systematic water resources development in Korea was launched in the mid-1960s with the enactment of the Act on Specified Multipurpose Dam (ASMD)¹¹⁵ in 1966 and the establishment of the Korea Water Resources Corporation (KOWACO) in 1967. At this time, the government established an ambitious national economic development plan by introducing heavy industry and several challenging national projects. To support nationwide projects, the Korean government in the third phase (1966 and 1980) focused on construction of a number of multipurpose dams and reservoirs. Meanwhile, multi-regional water supply systems equipped with long distance pipelines and treatment facilities were developed as well. As a part of national economy development, the government also initiated the Integrated River Basin Development Plan (IRBDP), focused on the four major rivers -- the Han River, the Nakdong River, the Youngsang River and the Geum River. During that time, Korea achieved considerable success in water reclamation, to include the reduction of flood damage by 40 percent as contrasted with the annual average, 90 percent completion of channel improvements, and a doubling

¹¹⁵ The ASMD was abolished, and instead, the government enacted the Act on Dam Construction and Assistance, etc. to Their Environs on September 7, 1999.

of reclamation capacity for municipal water supply.

Upon completion of the IRBDP, the fourth phase of Korea's water resources development (1981 to 1995) focused on individual basin improvements. The main achievements during this period were the completion of additional multipurpose dams and the development of multi-regional water supply systems. The KOWACO, an affiliated public corporation of the Ministry of Construction and Transportation (MOCT), played a major role in this process. As Korea entered the 1980s, however, socio-political changes led policy makers to champion a transition in public policy based on the delegation or devolution of authority to local governments in water quality matters. Civil society has also rapidly grown as one of the main stakeholders in water policymaking. Dramatic water pollution accidents, such as the contamination of the Nakdong River in 1994, played a role as focusing events. Thereafter, the Korean public began to pay more attention to water policy.

Following these changes, the Korean government in the fifth water policy phase (1996 to the present) has suffered from a policy deadlock over large-scale dam construction projects. The government is now confronted with the need to consider a new perspective for responding to these changes. In this context, the government is preparing alternatives for managing water resources in the future through adjustment and modification of the long-term water resources master plan. Also, the government enacted the Act on Dam Construction and Assistance, etc. to Their Environs (ADCATE) in 1999, which incorporates the consideration of residents' health and property rights near dam construction sites. The government has also turned its focus to the management of water resources through the Integrated Water Resources Management (IWRM) program, which

guarantees all interested stakeholders' participation and involvement in the water resources policy process. The IWRM enables the government to consider water demand side as well as supply side issues at the same time.

In sum, the basic principles of Korean water resources policy have centered on water reclamation, insuring a sufficiency of supply and floods control through the construction of dams and impoundments. Rather than focusing on the demand for water resources, government policy since the 1960s has emphasized the development of water supply (Rhee 1999). As a result, there are fourteen multi-purpose dams in operation as of 2003, and there are thirty-four dams under construction or scheduled to be placed in service by the year 2011 (Kim, H-J 1999). Since the cancellation of the Yeongwol Dam construction in 2000, however, it is evident that the focus of Korean water policy has been moving away from the supply-oriented policy which pays attention to dam construction to a demand-oriented policy which focuses on the effective management of water resources. Moreover, the IWRM has recently emerged as a new approach to reduce conflicts in water resources policy.

3. Overview of the Yeongwol Dam Project

Natural Features of the Dong River

The Dong River, one part of the South Han River, is a 52 kilometers (32.5 miles) stretch that runs through a unique limestone karst region and is converged with the South Han River, source of drinking water for people of the Korean capital area.¹¹⁶ It has an annual water flow of 1,337 million tons, and the watershed encompasses an area of 2,267

¹¹⁶ The capital area in Korea includes Seoul, Incheon and Gyeonggi.

square kilometers (875 square miles). The Dong River's relatively small area conceals its international, ecological and cultural significance as an ecosystem, which meets several Ramsar Convention (Iran 1971) criteria. Besides, the river is the only remaining virgin territory in the Korea, having globally rare species and natural monuments such as: 300 species of plants; 30 species of mammals; 72 species of birds; 9 species of natural monuments; and 34 species of fishes including 17 indigenous species (Kim, H –J 1999). Moreover, the area contains traces of human occupation since the prehistoric age and has a culture continued by the ferrymen of the melancholic tune of Jeongsun Arari.¹¹⁷ There are also many historic remains and relics, such as stone-pile graves and mountain fortress walls scattered throughout the basin (cited in KFEM 1999).

Summary of the Yeongwol Dam Plan

The planned site of Yeongwol Dam is located in the middle of the Dong River, a tributary of the South Han River (see Figure 5.2). The Korean government had investigated dam sites in Yeongwol County in the 1950's and began to consider the Yeongwol Dam as one element of its dam-oriented water management policy by 1957. Thus the dam plan had been discussed for a long time. Meanwhile, the potential utility of Yeongwol Dam was underscored by the Great Han River Flood in September 1990, which damaged the upper and lower stream areas of several rivers. This natural disaster

¹¹⁷ Jeongsun Arari, also Known as 'Jeongsun Arirang,' is a local folk song, which has been handed down for generations. It gained popularity in Eastern Korea when it first began to be sung 600 years ago. At that time, Korea was moving from the Goryeo Dynasty to the Joseon Dynasty. Many scholars from the old Goryeo Dynasty swore their allegiance to their former King and went into hiding. At first, they hid in Song Do, then they moved to Jeongsun. While in exile they ate wild edible plants and kept reminding themselves to love their former king and remain loyal to him. Naturally, they thought about their homes and families that they had left behind. So, they began to write poetries, as a means of expressing their feelings. After then, people sung the poems and passed them on. Jeongsun Arari was one such poem.

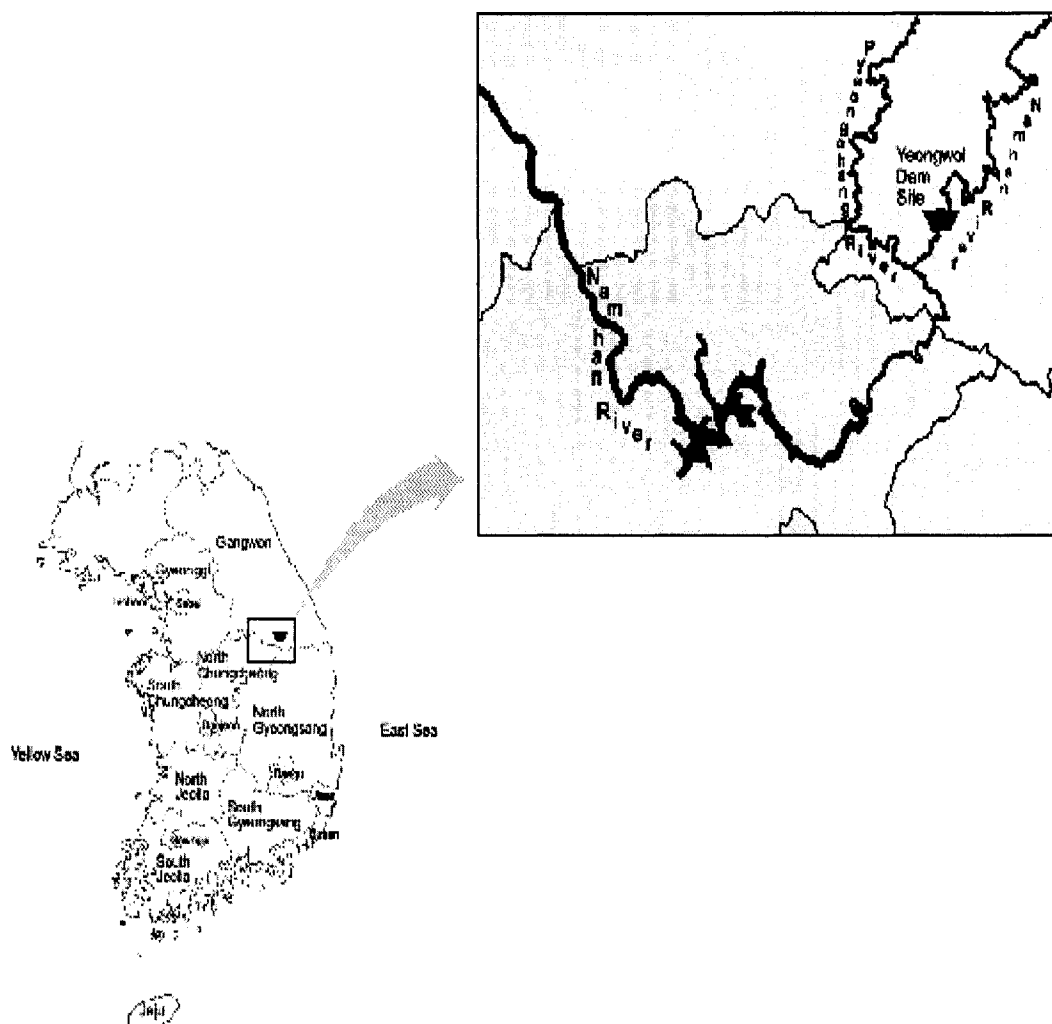


Figure 5.2 The Site of Yeongwol Dam. As a tributary of the South Han River, the Dong River runs three administrative territories -- Yeongwol County, Jeongsun County and Pyeongchang County. The proposed site of the Yeongwol Dam was located in Yeongwol County, and thus, it was named, the Yeongwol Dam (Note: the Namhan River on the upper map means the South Han River).

heightened demand for a dam to control habitual floods in the South Han River. Local residents in Yeongwol County of Gangwon Province began petitioning the MOCT and the KOWACO to construct a dam at somewhere of their region. This incident was the grounds for the government's Yeongwol Dam project.

At this time, the central agencies turned their attention to the Dong River area that was the upper stream of South Han River. They began to investigate the capability of the river in December 1990. Following this, the Yeongwol Dam was selected as one of large-scale national projects in the 3rd Comprehensive National Territorial Development Plan in 1991.¹¹⁸ The MOCT and KOWACO thus began to investigate the dam site and nearby area, and analyzed the economic feasibility of the plan in earnest. In July 1992, the government's investigators finally determined which of the Dong River area sites was most suitable for Yeongwol Dam construction. Subsequently, the Korean government began developing a framework plan for the Yeongwol Dam's construction. According to the plan, the dam was conceived as a multipurpose dam to secure water supply, to control flooding, and to generate electricity. Among other concerns, the major rationale for building the dam was to provide flood control in the lower reaches of the river, arguing that in tandem with the Chungju Dam, the Yeongwol Dam would provide an effective flood-control barrier and prevent further flooding in Icheon and other cities located in the lower reaches of the South River. Another rationale for the Yeongwol Dam construction

¹¹⁸ As a long-term plan, the Comprehensive National Territorial Development Plan (currently, the Comprehensive National Territorial Plan) mainly aims at efficient use of land resources and to restructure imbalanced spatial structures in Korea. The fields of plan usually consist of national territorial development, environment, natural resources, regional and urban development, infrastructure, land use, housing, and transportation. By now, the Korean government has set up it four times: the first one (1972-1981); the second one (1982-1991); the third one (1992-2001); and the fourth one (2000-2020). In 2005, the Korean government established the Revised 4th Comprehensive National Territorial Plan, considering a variety of socio-economic and political changes during the first period of the 4th Comprehensive National Territorial Plan.

was that it could augment water resources for 12 million people in Seoul.

According to the plan, the dam site was located at Guoun and Samok in Yeongwol County on the Dong River. The proposed watershed would cover 2,267 square kilometers (875 square miles), and the water surface area was to be 21.9 square kilometers (8.5 square miles). In terms of physical features, the dam would stand 98 meters high and 325 meters wide with 698million ton storage capacity. Also, the economic feasibility estimated that the Yeongwol Dam would provide 367.1million tons per year in water supply, and would hold 19,600Kw in generation capacity. The construction of Yeongwol Dam was scheduled from 1996 to 2001. However, the plan was cancelled in June 2000 after three years of strong opposition from the provincial and local governments, local citizens, civic groups, and even the general public in the whole country. Since the cancellation of the dam project, the Dong River area has been facing with a new confrontation between central and local governments.

Table 5.1 The Yeongwol Dam Plan

Classification	Major Features
Location:	Yeongwol County in Gangwon Province
Responsible agency:	MOCT, KOWACO
Project period:	1996-2001
Objective:	Water supply, flood control, electronic generation
Proposed cost:	510 billion won (US\$ 500 million*)
Height and length:	98m (321.5 feet) , 325m (1,066 feet)
Storage capacity:	698 million m ³
Water surface area:	21.9 square kilometers (8.5 square miles)
Watershed area:	2,267 square kilometers (875 square miles)
Water supply:	367.1 million m ³ year
Generation capacity:	19,600Kw (9,800 kW x 2 units)

Source: Park (2004: 59); Kim, H-H (1998: 75).

Note : *It applies the rate of exchange which the Bank of Korea presents at 13:00 P.M. on July 28, 2005. According to it, one US dollar (\$) is exchanged for 1,027.9 Won (₩).

4. Legal and Institutional Frameworks for Dam Projects

Water policy is usually divided into water quality and water quantity. In general, the River Act (RA) defines the basic principles on those matters in Korea. Additionally, several laws comprise general legal and regulatory frameworks for water policy: for example, the Framework Act on Environmental Policy, the Water Quality Conservation Act, the Water Supply and Waterworks Installation Act, the Sewage Act, the Small River Management Act, the Act on Drinking Water Management, the Groundwater Act, and the Act on Dams Construction and Assistance, etc. to Their Environs, the Act on Public Water Management, and the Act on Public Water Reclamation.¹¹⁹ Beyond these, Korean laws, having provisions on water development, use, conservation, disaster, conflict, investigation and research, now number 30 (Kim, Gwang-Mook et als., 2003: 50).

Among others, there are two major acts directly related to water resources: the River Act (RA) and the Act on Dams Construction and Assistance, etc. to Their Environs (ADCATE). According to Chapter I, Article 2(2) of the RA, rivers in Korea are divided into: (i) national rivers which are important for territorial integrity or national economy and are managed by the State; (ii) local first-class rivers which are connected with local public interests and managed by the governors of special and metropolitan cities, and provinces; and (iii) local second-class rivers which are flowing into or out of a national or local first-class river and managed by the governors of special and metropolitan cities, and provinces. In addition, the mayors of local governments manage small rivers within their territory. In principle, however, all rivers in Korea are owned by the state (Chapter I,

¹¹⁹ UN Department of Economic and Social Affairs. 2004. "Freshwater Country Profile: Republic of Korea." Retrieved from <http://www.un.org/esa/agenda21/natlinfo/countr/repkorea/waterKorea04f.pdf>.

Article 3 of the RA).¹²⁰

The RA also prescribes that the minister of MOCT is to set up a long-term master plan, including dam construction, every ten years to ensure the stable security and effective management of Korea's water resources. When establishing or changing the plan, the minister of MOCT must refer it to the Central River Management Committee (CRMC) for further deliberation after consultations with relevant central agencies. Also, the minister of MOCT has the authority to establish comprehensive water control plans for river basin as well (Article 11(1) & (2)).

The ADCATE, in turn, stipulates overall matters related to dam construction, operation and management. According the ADCATE, the minister of MOCT must devise a long-term plan for dam construction every ten years. In this process, he/she asks in advance that the ministers of other central agencies concerned devise and provide their respective long-term plans for dam construction (Chapter I, Article 4(1) & (2)). At this time, the minister of MOCT must submit the plan to a deliberation by the CRMC as referred to in Article 60 of the RA, after hearing the opinions of the competent subnational governors and holding a consultation with the ministers of relevant central agencies. If the minister of MOCT intends to change the plan, he/she follows the same procedure (Chapter I, Article 4(3) & (4)).

The minister of MOCT may designate a certain area as necessary for a dam's construction, including the area that would be submerged by the dam. In the case of dams to be constructed by provincial governor, however, the river management agency in charge of managing a river in which such dam is to be constructed may designate the area.

¹²⁰ But this provision shall not apply to a local second-class river except a case it is nationalized after the compensation for any land incorporated into such river due to river work, etc.

In this case, after consulting with relevant central agencies, the minister or the river management agency must submit to deliberations of the RMC at the national level and to the review of the Local River Management Committee (LRMC) at the provincial level. The provisions mentioned above apply *mutatis mutandis* to any alteration or cancellation of the area intended for dam construction (Chapter I, Article 5 (1), (2) & (5)).

At the implementation level, a person who intends to perform activities, such as new construction, reconstruction or expansion of structures or installations, the alteration of lands, the planting or transplanting of perennial trees, or grazing livestock in an area intended for dam construction must obtain permission from the mayors of local governments. The mayors also may order a person who has violated the integrity of an area to restore it to its original state. The provisions noted above apply to the permission of alteration (Chapter II, Section 1, Article 6(1), (3), (5) & (7)).

Regarding dam management, the minister of MOCT holds overall responsibility for dam management, though dams constructed by the provincial governors are be managed by the governors. The minister of MOCT or managing governor may entrust the responsibility to a person granted the right to use a dam or a government-invested institution performing the business of constructing and managing dams (Chapter II, Section 2, Article 15 (1), (2), & (3)). In addition, Article 24 of the ADCATE prescribes that, if requested by a person who intends to use the stored water in a multipurpose dam for a specific purpose, the minister of MOCT may establish a right to use such dam, and grant such permission.

With respect of administrative organizations, there are three levels of government dealing with water policy in Korea. At the highest level, there is the Office

of the Prime Minister, which embraces all responsibilities and settles national issues over water policy. Directly beneath are the central ministries, the MOCT, the Ministry of Environment (MOE), the Ministry of Agriculture and Forestry (MOAF) and the MOGAHA, which hold most of the authority for water policy at the national level. Beneath the central ministries are the regional agencies or local governments, which implement a range of administrative functions delegated from the central departments (Yun, S-Y 2003: 31). Among others, the MOCT and the MOE are charged with overall matters of fresh water management and water supply security. At the performance level, the MOCT is responsible for securing water supply, especially dams and wide-area water supply systems, while the MOE is responsible for creating nationwide policies to protect water quality and establishing local water supply systems. When the ministries' opinions differ considerably, policy coordination becomes the responsibility of the Committee on Water Management and Policy Coordination (CWMPC) under the OPM. As noted early, the CWMPC is charged with integrating and coordinating national issues or intergovernmental conflicts in water resources and water quality. In the case of Yeongwol Dam, the Task Force for Water Quality Improvement (TFWQI) under the OPM had been in charge of overall matters and coordination in the process of controversy. While the TFWQI was established for improving water quality in four major rivers, the CWMPC was created to mediate conflicts among stakeholders.

For implementing water policy in general, there are the Committees of River Management and the Committees of Water Management Countermeasures at the river basin level. At local levels, there are the offices of Regional Environment Management and Regional Land Management. These committees and offices are entrusted with

clarifying local policies related to water resources management and environmental issues, performing environmental impact assessments and operating water quality measurement network. They are also in charge of consulting on water resources management and development and water quality maintenance and management at local levels in cooperation with local governments. Here, it should be noted that these regional committees and offices are directly controlled by the central agencies, such as the MOCT and the MOE. That is to say, they should be understood as regional branches under central control.

With regard to water resources policy, the MOCT possesses senior authority and responsibility in governing rivers and dams in Korea, and private actors or local governments may exercise their rights to access the area and to use waters under the MOCT's supervision and the provisions of relevant acts. In this context, local governments are simply responsible for creating environmental protection policies and for managing water resources under their own jurisdiction. Additionally, they are obligated to implement affairs delegated to them from central agencies. As noted previously, the rationale that the central government retains overall functional control is based on the fact that water is viewed as a basic necessity for the entire country. In the matter of dams, particularly, the Korea Water Resources Corporation, one of the biggest public corporations in Korea, has nearly exclusive responsibility and authority related to large-scale dam development, including planning, construction, management, operation, evaluation, and even research under the supervision of the MOCT.¹²¹

As reviewed above, the institutional responsibility for dam development and

¹²¹ In Korea, public corporations are centralized organizations which are controlled by the relevant central ministries to some degree, rather than are thoroughly operated independently.

administration remains very centralized. Localities cannot participate in the process of policy making without approvals from the central government and relevant acts.

Considering the modes of administrative decentralization, the Korean experience with this policy arena seems to represent a mixture of deconcentration and delegation, even though centralization is much more likely explanation for the dam policy. On the one hand, it has the characteristics of deconcentration in which local governments are tasked with developing and using local rivers, for constructing irrigation reservoirs and small-sized stream banks for agriculture, and for implementing affairs delegated to them by the central government. But these responsibilities do not extend to dam construction and management. Holding all rights, the MOCT sets up standards and principles related to water distribution and water prices for all dams, including those administered by provincial governments. On the other hand, it has the characteristics of delegation that involves the redistribution of responsibility of decision-making and administration of public functions to the KOWACO, within a general framework of central control.

In recent years, however, it is evident that most dam projects cannot be implemented as planned, even if centralization is still prevails in dam development and administration. Strong opinions have surfaced from a variety of parties arguing against big dams and supply driven reclamation policy. Critics have singled out KOWACO for special condemnation, claiming its logic for dam construction is groundless and unreasonable. Anti-dam advocacy groups and individuals have aggressively and successfully intervened in national dam policies since the cancellation of Yeongwol Dam project in 2000, prevailing against most proposed dam projects since. The case of Yeongwol Dam is indicative of these contextual changes and political factors affecting

Korea's national program of dam development and administration.

5. Forming Coalitions in Controversy

Actors Involved in the Dispute

Two dominant coalitions are found in the policy dispute on the Yeongwol Dam. One may be labeled the advocacy coalition for development, and the other is the advocacy coalition for conservation. Yet this classification is somewhat problematical in the case of Yeongwol Dam Project, because some of the ACD groups later changed their attitude towards the project. At the beginning, the ACD groups mainly included the MOCT, the KOWACO, and the Ministry of Commerce, Industry & Energy (MOCIE). Although they did not make their position clear at the time, indeed, these central ministries for development could be included in this coalition, because they hated to lose their legitimacy in public policy and they were reluctant to challenges against their development goals. The National Assembly also favored the dam construction. Over the opposition of environmental NGOs, in September 1997, the Assembly passed a bill that could promote dam constructions and support areas around dam sites.¹²² While some local residents were concerned about the dam project, the Gangwon provincial and local governments paid little attention to this concern, considering only the financial benefits

¹²² The National Assembly passed the bill in 1997, named the Act on Dam Construction and Assistance, etc. to Their Environs, even though the ACC groups adamantly argued that the bill would encourage the dam construction and eventually deteriorate the environment around dam sites. NGOs argued, "According to the bill, the MOCT makes a long-term plan for dam construction every ten years, and it refers to the mediation committee for dam constructions. But we are afraid that some ministries, which support the environment, can have been a great influenced by the decision of the committee, because the president of the committee is the minister of MOCT and the vice-president of the committee is the vice-minister of Finance. Furthermore, the MOCT makes no mention of the environmental protection in the long-term plan. With these reasons, there is possibility that dam constructions will destroy nature like other dams did (The NGOs Joint Statement 1997)."

from the central government, the opportunities for regional economic development and the increase of residential income that would be accompanied with the dam construction.

However, as the environmental NGOs' became more insistent, exposing the adverse impacts of dam development, the provincial and local governments as well as most of local residents began to change their attitude toward the construction project. As a result, the ACC was formed by the environmental NGOs, the MOE, and the Gangwon provincial government, three local governments, and local communities. In particular, the movement to save the Dong River grew beyond environmental groups to encompass religious groups, academic and social groups, and international environmental groups and international communities. For example, famous international groups, such as International Rivers Network, Friends of the Earth International, Greenpeace, Worldwide Fund for Nature, the Sierra Club, Worldwatch Institute, and so forth, asked the Korean government to cancel the dam project. Even writers, artists, professors, mass media, and others petitioned for a halt to the dam project. After 33 representatives from various sectors spent 33 days and nights telling people how to fight to preserve the Dong River, the movement and its message eventually reached the whole country.

In addition to these opposed coalitions, there were a few neutral bodies involved in the controversy. For example, the TFWQI under the OPM, had been in charge of overall matters and coordination in the process of controversy. But it failed to manage the conflict. After then, the office of the president attempted to reach a reasonable compromise, but to no avail. As a result, both neutral bodies finally realized that the conflict over the Yeongwol Dam project couldn't be solved through the old-fashioned administrative mediation. In August 1999, the Korean government finally created another

neutral organization -- the Joint Information Task Force (JITF) -- in order to investigate ecological conditions of the Dong River area and evaluate the environmental impacts of the dam project.

Finally, various individuals were involved in the controversy, such as: the president having the power to make a final decision; congressmen in the National Assembly with constituencies in Gangwon; and a few individual politicians with interests in this issue. Such individuals were in a position to play a critical role when policy decisions were made. Overall, there were four different parties, each with their own interests and roles in the whole process of controversy (see Table 5.2).

Table 5.2 Contrast Coalitions and Actors Involved in the Controversy

Classification	Involved Actors and Groups
Advocacy Coalition for Conservation	▪ Environmental NGOs (Korea Federation for Environmental Movement, Green Korea United, etc.) ▪ Civic groups (the Citizens' Coalition for Economic Justice, the People's Solidarity for Participatory Democracy, YMCA, etc.) ▪ Religious groups (Buddhists, Catholic, Methodists, etc.) ▪ Cultural and artistic organizations (the Korea Cartoonists Association, the Korean Peoples' Artists Federation, Artists group, Writers group, etc.) ▪ Mass media (the Program Director Association, etc.) ▪ The Ministry of Environment ▪ The Gangwon Provincial Government ▪ Three Local governments: Pyeongchang, Jeonsun & Yeongwol counties ▪ The Gangwon and the N. Chungcheong Provincial Assemblies ▪ The large part of local residents and communities ▪ International communities (the International Rivers Network, Friends of the Earth, Green peace, Worldwide Fund for Nature, the Sierra Club, Worldwatch Institute, etc.)
Advocacy Coalition for Development	▪ Ministry of Construction and Transportation ▪ Ministry of Commerce, Industry and Energy ▪ Korea Water Resources Corporation ▪ A small groups of local residents and local communities, etc.
Neutral Bodies	▪ The Water Quality Improvement Task Force ▪ The Committee on Water Management Policy Coordination ▪ The Office of the President ▪ The Joint Task Force ▪ A variety of voluntary or sponsored research groups, etc.
Others	▪ The President ▪ Congressmen who have their political roots in Gangwon ▪ Individual politicians

Divided Arguments

The two opposing coalitions interpreted the same facts differently, resulting in intense contention. On the one hand, the political cohesion of the ACD groups was grounded a few well-established assumptions. For instance, the ACD argued that Korea would face water shortages in the near future, and the water supply-oriented policy, focusing on dam constructions, would be more effective in order to prepare for this national crisis. In addition to water supply, the ACD emphasized that the dam construction would be very useful for flood control and regional economic development. More importantly, the ACD's arguments were based on strong legislative and institutional support that was well institutionalized and vested in the MOCT and the KOWACO's legal authority for handling water resources.

On the other hand, the ACC argued that there was no reliable evidence pointing to an acute shortage of water in the future, and if shortages were to occur, these could be settled through effective water demand management. The ACC viewed the Dong River area as a rare wildlife habitat, giving high marks to the river's ecological value. Moreover, the ACC opposed the project on the basis of potential safety problems that could be caused by the dam construction. The river's nearby areas, which would be submerged after the dam construction commenced, embraced numerous caves and limestone formations that would be vulnerable to water leakage. At the onset of the dispute, the public safety problem arising from this natural hazard was not actually presented to the public, either because the MOCT and the KOWACO intentionally concealed the facts or because relevant data had not been fully developed. Finally, this fueled local residents' distrust of the central government.

Table 5.3 Major Differences Between the Two Coalitions

Items	ACD	ACC
World View	· Anthropocentrism	· Ecocentrism
Human vs. Nature	· Human is superior to nature	· Human is a part of nature
Policy Direction	· Water supply-oriented policy (ex. Dam or other facilities construction)	· Water demand-oriented policy (ex. Water conservation measures such as water-saving devices, water-saving pricing systems, etc)
Decision Subject	· Public officials and relevant experts	· Stakeholders and extensive public involvements
Understanding on Dam Constructions	· Useful tool for water supply, flood control, and regional development	· Destruction of eco-system, environment, culture, and local community · Increase of safety problems

Note: It is organized, referring to a table and data in Park, Sung-Jae (2004: 65).

6. State Transition and the Yeongwol Dam Controversy

As seen above, Korean government has pursued ambitious economic development policies by introducing heavy industry and several challenging national projects since the establishment of the First Five-Year Economic Development Plan in 1962. To support nationwide projects, the government has focused on the construction of a number of multipurpose dams and reservoirs, having a confidence that greater water storage capacity is essential for its economic development. The legitimacy of water development as a public good remained unchallenged until the late 1990's the Korean government began to be confronted by severe challenges from civil society and localities. The cancellation of Yeongwol Dam construction was a consequence of these profound changes in Korean society arising from democratization and decentralizing initiatives.

Business as Usual and Evolution of Local Concerns (the 1950s-1996)

Bureaucratic governance was a feature of the period between 1957 and 1991, and thus, national projects, such as dam constructions, were usually implemented under the central control and without significant public opposition. In this context, the potential utility of Yeongwol Dam was demonstrated in September 1990 by the Great Han River Flood, which damaged the upper and lower stream areas of several rivers in the Han River system. This natural disaster heightened demand for a dam to control habitual floods in the South Han River. Local residents in Yeongwol County and the Gangwon provincial government began petitioning the central government to construct a dam somewhere in their region. Based on the results of prior surveys, the MOCT and the KOWACO finally determined to build a multipurpose dam on the Dong River area with its completion set for 2001. They also incorporated the project in the 3rd Comprehensive National Territorial Plan in 1991.

Shortly after, the government announced its plan to build a multipurpose dam on the lower reaches of the South Han River. But, the plan immediately confronted some opposition as critics assailed it for failing to satisfy Korean environmental standards as required by the MOE. In 1995, the MOCT undertook the required Environmental Impact Assessment (EIA), an important procedure in the authorization process of large-scale development projects (Kim, H-H 1998).¹²³ Despite some criticism, at the time this did appear to be routine and not very controversial issue.

¹²³ The MOE is responsible for administrative functions of EIAs. Those who plan to carry out projects that are subject to EIA must prepare draft assessment reports. The Prior Environmental Review System (PERS), which is one of major preventive policy instruments, also aims to balance development and preservation by identifying possible environmental impacts of development plans or projects in the early stages of planning. UN/DESA. 2004. "Freshwater Country Profile: Republic of Korea." Retrieved from <http://www.un.org/esa/agenda21/natlinfo/countr/repkorea/waterKorea04f.pdf>.

The real controversy arose when the MOCT officially asked the MOE to review the dam construction plan and the EIA report in June 1996. Until then, the project moved ahead unhindered. In fact, the Yeongwol Dam plan had benefited from a central-led and closed policy system, in which many stakeholders were excluded from the process. At any rate, the plan was relatively little known to most people until when it began to gain media attention. Right after the announcement of the government's plan and the ensuing EIA report, mass media began to pay attention to the Dong River, stirring local citizens and communities to opposition. Local opinion against the dam plan was informed by adverse past experience with central government projects as well as media reports. Residents were already sensitive to the need to protect the watershed due to the adverse impacts caused by the operations of the Chuncheon Dam and the Soyang Dam, located in Gangwon. Of particular importance here was the fact that the opposition emerged after the completion of the formal plan. Strategically, this meant that the opposition had little chance to alter the proposed project design. As a result, this situation forced opponents to demand the complete cancellation of the project. As Park and Lee (2001) accurately note, once it coalesced as a movement, the ACC was faced with the formidable task of nullifying the Yeongwol Dam plan.

Growth of Local Communities Against the State Authority (June 1996-1998)

According to the plan, the areas to be submerged would displace a total of 312 households (1,105 persons) in Jeongsun County, 99 households (339 persons) in Yeongwol County, and 110 households (376 persons) in Pyeongchang County (Park, S-H 2000, cited in Jung 2003). At the outset, therefore, there were different opinions in local

communities. Local residents in Yeongwol County were in favor of the dam construction, expecting the effective control of habitual floods and a substantial compensation for submerged areas. In contrast, local residents in Jeongsun County opposed the project, fearing the degradation of their real property values and the shrinking of social infrastructure investment in their region. On the other side, local residents in Pyeongchang County seemed to be indifferent to this issue because their place of residence was located at considerable distance from the dam site.

The origin of local community opposition to the Yeongwol Dam plan was the Countermeasure Committee against the Yeongwol Dam, formed by civil groups in Jeongsun County in July 1990. Following this, twenty-four civic groups in Jeongsun County set up the Jeongsun Struggle Committee against the Yeongwol Dam in November 1996, and it submitted the list of signatures to the Office of the President, the Gangwon provincial government, the MOCT and the KOWACO in March 1997. In the other side, local residents and civic groups in Jeongsun County also began to operate the Countermeasure Committee for Supporting Submerged Areas in January 1997. These local organizations had been extended, and finally, they were merged into a large group one and half years later, in which the ACC groups in three counties were involved. As time passed, local residents in Yeongwol County, who favored the project at the outset, began to change their attitudes toward the dam construction. In October 1996, they organized the Driving Committee against the Yeongwol Dam, arguing that the government proposed them unreasonable financial compensation for their loss and that they couldn't trust the government anymore in the issue of potential risks arising from the dam construction, such as dam collapse (Jung 2003). Like this, local resident's distrust

in the government, coupled with the EIA report, accentuated public opposition to the dam project locally and nationwide.

In spite of local opposition, the MOCT completed the design of dam structure and the EIA, and it asked the MOE to review its final EIA report in June 1997. At this point, it should be noted that the MOE had generally collided with developmental ministries such as the MOCT in the past, but in Korea, the MOE had usually sympathized with national development policies, and supported the developmental ministries. For example, intergovernmental tension was rare in the case of Saemangeum, and even, the MOE had taken a noncommittal stance towards that project (Hong, S-M 2002, cited in Hwang & Lee 2004).¹²⁴ In the case of Yeongwol Dam, however, the MOE showed a little different posture from that in the case of Saemangeum project (Jung 2003). Acting in concert with public opinion, the MOE assertively challenged the MOCT's activities. In February 1998, the MOE asked the MOCT to reconsider the negative impacts of the dam on environment and eco-system and the dam safety problems. According to Jung (2003), the MOE showed relatively strong opposition of the project, because it saw the opportunity to enhance its organizational power among the central ministries. In fact, the MOE agency had been recently elevated to ministry status in 1994, and thus, it was necessary to strengthen its capacity as one of central ministries.

Disregarding the MOE's request, the MOCT announced the dam site on September 22, 1997, which drove most local people living in the dam site to accept the government's plan. In fact, this public notification in Korea means the restriction of most economic activities in that site. At this time, it looked better for local residents to give up

¹²⁴ In the Saemangeum project, the MOE never explicitly opposed the controversial project throughout the entire process. But this attitude has limited its influence as an important actor in the conflict (Cho 2003: 58).

their opposition and to passively accept the promised financial compensation for their loss. At least at the beginning of the debate, most governmental organizations, including provincial and three local governments, were not eager to engage the issue in view of the compelling arguments in favor of the dam. In fact, the ACD's arguments, which considered the dam an effective flood control tool on the main stem of the South Han River and a vital hedge against future water shortages affecting a majority of Korea's population, were certainly persuasive at this time (Kim, H-J 1999).

The Movement to Save the Dong River Spreads (June 1996-the Early of 1999)

While many people doubted that the dam would actually deliver its intended benefits, experts began to raise the specter of severe potential ecological damage. Among others, a few large, well-organized NGOs seized the opportunity to oppose the dam and joined in protest with local communities after June 1996. These NGOs subsequently played a critical role in coalition building and network formation for anti-dam movement (Kim, H-J 1999). At the beginning stage, they simply focused on raising public awareness of the Dong River's status as an unexplored region and a critical habitat for endangered species. As time went by, they strove to mobilize local residents and general public (KFEM 1999). In November 1997, civic groups and local residents finally organized a coalition, named the National Citizens' Solidarity to Preserve the Dong River, and began to launch a nationwide campaign to boycott the plan.

In the mid-1998, a wide range of actors, including religious groups, authors, artists, professors, politicians, public servants, drivers, and students, joined the movement to preserve the Dong River. A variety of opposed organizations and associations began to

speak with a single voice. These included, for example, civic groups, such as the Citizens' Coalition for Economic Justice, the People's Solidarity for Participatory Democracy and the Young Men's Christian Association; religious organizations, such as the Jogye Order of Buddhists, Catholic and Methodists; and cultural and artistic organizations, such as the Korea Cartoonists Association, the Korean Peoples' Artists Federation, Artists group and Writers Group. Mass media and the general public became increasingly critical of the dam construction in the Dong River area (Moon & Lim 2003: 61). Politicians in both the ruling and opposition parties alike demanded a resolution of the dispute, requesting the government to review the plan itself.

Responding to the anti-dam movement, the Korean government decided to extend the survey of the dam site from September 1998 to September 1999 in order to carefully investigate the wildlife and eco-system in the Dong River area. In the meantime, the TFWQI tried to settle the conflicts between the central ministries and the opposed coalitions in September 1998, but it failed. The Office of the President attempted to mediate the controversy in December 1999, but it did not reach any agreement as well. But a great flood in August 1998 provided the MOCT with a significant rationale for the dam construction. Against continuing nationwide opposition, the MOCT finally announced that it would begin to work the dam construction from October 1999, offering all its standard arguments in support.¹²⁵

The ACC reacted angrily to the MOCT's decision. It held a rally at the front gate of the Seoul Government Complex and urged the government to cancel its plan. It strenuously argued that the MOCT's action was illegal because the survey of the dam site

¹²⁵ The MOCT estimated that if current water consumption and urbanization trends continue, water supply shortages will occur in 2006. Cited in MOCT. 2001. *The Long-Term Plan of the Water Resources*.

was not yet complete. Instead of the dam-oriented policy, ecological experts suggested that the government ought to solve the problem by conserving existing water resources and reducing water leakage. Environmentalists challenged the government's rationale for building the Yeongwol Dam, noting that existing dams downstream were sufficient to prevent a repetition of the flooding. The MOCT's argument that the dam was needed to create jobs was repudiated by various economists. These scholars said that it was misguided for the ministry to apply outdated Keynesian therapy, which had been effective in the Franklin Roosevelt's New Deal Era, to economic problems emerging in recent (Korea Times, February 23, 1999). Moreover, opinion polls conducted over the Internet showed that most respondents preferred cancellation of the dam plan.¹²⁶ A group of nearly 2,500 citizens from all over the country visited the KFEM office where the campaign was carried out, and donated more than 50 million won (US\$ 49,000) to the cause.¹²⁷

In addition to domestic pressures, international organizations, including the International Rivers Network, Friends of the Earth, Greenpeace, Worldwide Fund for Nature, the Sierra Club, Worldwatch Institute and more, supported the national and local campaign, dubbed "Save the Dong River," through a joint statement on April 20, 1999 (Kim, H-J 1999). In 1999, the Ramsar "Wise Use of Wetlands" Conference in Costa Rica provided the ACC groups with a strong endorsement (cited in KFEM 1999).

Even other provincial and local governments began to shift their support toward the anti-dam coalition. Following 33 representatives' symbolic sit-down for 33 days and

¹²⁶ Two surveys were conducted on March 11 and 19, 1999: 81.8 percent and 91 percent out of respondents opposed the dam plan.

¹²⁷ Cited in the KFEM. Retrieved from <http://english.kfem.or.kr/successful/successful1.htm>.

nights in Seoul, 33 representatives in N. Chungcheung Province and Gwangju City declared their opposition to the Yeongwol Dam in March 1999. In the meantime, Kim Jin-Sun, the Gangwon provincial governor, officially embraced the opposition to the dam construction on April 8, 1999. Gangwon and N. Chungcheong provincial councils adopted a joint resolution on April 26, 1999, stating their opposition to the dam. In addition, the opposition Grand National Party took a negative stance toward the Yeongwol Dam. Opening a policy forum on the matter, Lee Hoi-chang, the GNP's president, called on the government to fully reflect the opinions of environmental organizations and local residents.

Scientific Criticism and Cancellation of the Plan (April 1999-June 2000)

On April 29, 1999, the minister of MOCT finally fell back from its long-lasting firm attitude by announcing a statement in which it would make a final decision later (it was not the outright cancellation, but the delay of the plan at that time). Taking stock of the fundamental difference between the contending parties, the TFWQI and the Office of the President realized that this issue could be not solved through old-fashioned administrative mediation. On August 26, 1999, as a result, the government commissioned a Joint Investigation Task Force (JITF), consisting of thirty-three experts who represented a variety of social, economic, and political groups, to carry out a scientific assessment of the dam's impacts.

Meanwhile, local residents and NGOs continued their campaign to halt the dam construction with undiminished vigor. In this context, the 16th General Election in April 2000 proved to be an influential event that exposed significant alterations in policy

position on the dam. Both coalitions actively campaigned to influence general election candidates for political office. On March 21, 2000, Kim Won-Gil, a head of election task force in the ruling Democratic Party, promised that the majority party would nullify the dam project prior to the Election Day. This change of stance was clearly politically motivated, driven by the ruling party's desire to win control of the National Assembly in the face of strong public opposition to the Yeongwol Dam plan.

In May 2000, after seven months, the JITF finally submitted its final report to the TFWQI. Its recommendation to the government was not to revise the plan, but to simply cancel the dam project. As an alternative, the JITF proposed to designate an ecosystem conservation zone in the Dong River area (JITF Report 2000). The JITF's findings powerfully supported the ACC's arguments. It found, for example, that the continued inflow of soil from mountainous valleys would contaminate and degrade the dam's water quality and require too high a cost in water treatment and protection measures. Moreover, the environmental damage caused by the dam would exceed 11.18 billion won (US\$ 1.09 ten million) in losses per year. Most decisively, the Yeongwol Dam was not the comprehensive answer for preventing habitual floods and for providing water resources.

President Kim Dae-Jung faced a critical dilemma: resolving the water shortage in the near future and protecting residential property from floods on the one hand, and saving the Dong River area on the other hand (Moon & Lim 2003: 62). After several months' deliberation, President Kim made the unprecedented decision to cancel the dam plan, announcing it in a speech in honor of Environment Day on June 5, 2000. In President Kim's words, "The plan to build the Yeongwol Dam would be cancelled to protect endangered species and ecosystem in the Dong River area." He promised to,

“launch a presidential advisory body, named the Committee on Sustainable Development Committee (CSD) in order to balance development and environmental preservation in national policies... the Committee would play a role to harmonize development and environment so that development could be made while minimizing environmental damage (Korea Times, June 5, 2000).” In the terminology of Hogwood and Peters’ (1983) types of policy changes, the Yeongwol Dam decision may be classified as an instance of policy termination.¹²⁸

Engaging in New Confrontations (June 2000-Present)

Since the cancellation of the Yeongwol dam plan in June 2000, the Dong River area has emerged as the Korean epicenter of another powerful conflict. The environmental consequences have not been entirely benign, nor has project abandonment meant an end of controversy over the role and practice of local government in managing the area. Ironically, the publicity arising from the anti-dam movement has inspired a substantial increase in tourism. People from all over the country have visited the Dong River for recreation, such as water rafting. As the number of visitors has grown, however, the river’s water quality has deteriorated to a substandard level due to human activities, and the ecological condition untouched for a long time began to be destroyed.

For the systematic management of the area, central and provincial governments have tried to regulate the Dong River area on the basis of the concept of sustainable development. The Gangwon Provincial government independently designated 71.5

¹²⁸ Hogwood and Peters (1983) identify four major types of policy changes: (i) *policy innovation* occurs when a novel policy or program is developed to address an emerging problem; (ii) *policy maintenance* occurs when an existing policy, program, or organization is continued with the same task definition; (iii) *policy succession* occurs when an existing policy is either partially or completely replaced by another; and (iv) *policy termination* occurs when an existing policy ended.

square kilometers (28 square miles) on the Dong River area as a natural place of rest on December 22, 2001, and it promulgated a bylaw on March 16, 2002. This measure allows the governor to collect entrance fees and to oversee developmental activities in the area. For this purpose, the Gangwon provincial government established the Dong River Management Center with four local branches. However, Ho-Jung Sohn, a director of the Environmental Policy Department in the Gangwon Provincial Government, points out that the center and branches' activities for the systematic management are severely limited because of the lack of provincial financial resources.¹²⁹

Meanwhile, the central government designated the ailing Dong River area (65 square kilometers, 46 kilometers; 25 square miles, 29 miles) as an ecosystem conservation zone on August 4, 2002.¹³⁰ The government made an exception in allowing local residents' farming and economic activities. However, activities, such as cooking, camping, gathering plants or hunting animals, are prohibited inside the zone. Cutting down trees or constructing new buildings is banned. Also, land development projects in that area requires prior authorization from the central government. Rafting along the river is restricted to a maximum 7,000 people per day. A ministry official said, "We will push for the rest of the area to be gradually designated as the conservation zone from 2003, after obtaining funds to purchase the private property and continuing discussions with local residents (Korea Times, August 6, 2002)."

Though both share the same basic purpose, the systematic management of the Dong River area, the Gangwon provincial government and the MOE have confronted

¹²⁹ He was personally interviewed on November 12, 2004.

¹³⁰ The government had initially planned to designate 111 square kilometers (43 square miles) along the river. In the consideration of the residents' livelihood and the lack of public funds, it just included only 65 square kilometers (25 square miles) in the conservation zone.

each other in designating the area to be protected. In fact, most parts of the designated area overlap in the two plans. As one of governmental observer, Ho-Jung Sohn, notes, “Instead of an ecosystem conservation zone, the Gangwon provincial government has been continuously asking the MOE to approve the provincial designation of a natural place of rest, because the redundancy of designation would heavily burden on local residents and because the designation of an ecosystem conservation zone would much more regulate residents’ economic activities than a natural place of rest would.”¹³¹ In this struggle, local residents whose livelihoods are situated in the designated areas argue that the designation and regulation have limited their property rights, while environmental NGOs assert that the Dong River’s ecological value should be protected from human impact as a national priority.

7. Conclusions

The Korean government has pursued ambitious economic development policies by introducing heavy industry and several challenging national projects since the establishment of the First Five-Year Economic Development Plan in 1962. To support nationwide projects, the government has focused on the construction of a number of dams and reservoirs, believing that such facilities are useful tools for augmenting national water supply. As water is considered a national resource essential for the common good, the central government has retained overall authority in water policy. In the past decade, however, the Korean government has been confronted by challenges from a variety of stakeholders. The Yeongwol Dam project is the first case in Korea in which local

¹³¹ He was personally interviewed on November 12, 2004.

communities and civil society gained a victory over the central authority in an environmental resources policy domain.

As noted above, the institutional responsibility for dam development and administration remains very centralized. Water reclamation policy in Korea has seen just modest decentralizing initiative either in the area of water supply administration and development. Where hints of decentralization are found it seems to represent a mixture of deconcentration and delegation, even though centralization strongly prevails. On the one hand, it has the characteristics of deconcentration in which local governments are limited to developing and using local rivers, constructing irrigation reservoirs and small-sized stream banks for agriculture and for implementing affairs delegated from the central government. But even at this level they do not cover the responsibilities for dam construction and management. In this restriction, the MOCT sets up standards and principles related to all matters in large-scale dams. On the other hand, it has the characteristics of delegation that involves the redistribution of responsibility of decision-making and administration of public functions to the KOWACO, within a general framework of central control.

Even though centralization remains dominant with central agencies still reluctant to share their administrative and policy authority, local communities and civil society in the controversy of Yeongwol Dam plan were able to nonviolently prevail over the government. After a prolonged struggle, public opinion and international pressure succeeded in blocking implementation of the government's plan. Interestingly, it was local residents in the affected area who initiated the fight to protect the Dong River. Provincial and local governments and councils participated in the anti-dam movement.

At the end, the environmental movement had grown from a local environmental issue into a national and international one through the efforts of local residents and environmentalists. The ACC, consisted of various actors or organizations, finally forced the government to give up. Its remarkable success has had the further affect of reshaping the paradigm of water policy in Korea. The Korean government is now seriously considering shifting its water reclamation approach towards a demand-oriented policy, focusing on the effective management of water resources.

What, then, made this possible? As in the Saemangeum case, we may find feasible clues in Korea's state transition after 1987. Since the mid of 1980s, socio-political changes led policy makers to champion a transition in public policy based on the delegation or devolution of authority to local governments in water quality matters. Civil society has also rapidly developed as one of the main stakeholders in water policymaking since the occurrence of Nakdong River pollution in 1994. The dispute over the Yeongwol Dam shows us how democratization and the growth of civil society are combined into local communities, creating the potential power to affect the process of public policy. This ability of civil society to influence local government differs substantially from the case of Saemangeum where local support for the project was led by a provincial government that was linked closely to the national ministries.

At any rate, the reversal of Dong River and the Yeongwol Dam represents a major turning point in the history of the environmental movement in Korea. The government is now confronted with the need to consider a new approach in responding to these changes. In this context, the government is preparing alternatives for managing water resources in the future through adjustment and modification of the long-term water

resources master plan. The government has also turned its focus to the management of water resources through the Integrated Water Resources Management program which guarantees all stakeholders' participation and involvement in the process of water policy.

Table 5.4 The Process of Controversy in the Yeongwol Dam Project

Since 1950s:	The government surveyed Yeongwol County for finding proper dam sites and analyzed the feasibility of dam
July 1990:	Local civic groups in Jeonsun County began to form a committee against the Yeongwol Dam construction
September 1990:	The Great Flood in the Han River Local residents in Yeongwol County and the Gangwon provincial government asked the MOCT to build a dam in order to control habitual floods in the downstream areas To this, the MOCT reflected the dam plan to the 3rd Comprehensive National Territorial Development Plan in 1991
March 26, 1991:	Local Council Election Day
June 20, 1991:	Metropolitan and Provincial Assembly Election Day
Dec.1990- July 1992:	The MOCT investigated the economic feasibility of the dam
June 27, 1995:	The 1st Local Election Day (governor, mayor and councilor) As a governor, Choi Gak-gyu was elected by popular vote
Oct.1996-Dec.1997:	The government set up the dam plan and designed the physical structure of the dam
April 1996:	The MOCT conducted the EIA
Oct. 21, 1996:	When local residents in Yeongwol County realized the danger of dam construction, they formed a committee against the Yeongwol Dam construction
Nov. 5, 1996:	Representatives from 24 social groups initiated the Jeonsun struggle committee against the Yeongwol Dam construction
Jan. 13, 1997:	Local residents and social groups in Jeonsun County formed a committee for the submerged areas
Jan. 16, 1997:	The committee for submerged areas asked the MOCT to revise the plan which could guarantee their safety
March 1997:	The Jeonsun struggle committee against the Yeongwol Dam construction submitted the list of signatures to the Office of President, the MOCT, the KOWACO and the Gangwon provincial government
March 31, 1997:	The MOCT completed the framework plan
April 1997:	The MOCT finished the final EIA report
June 9, 1997:	The MOCT asked the MOE to review the final EIA report
September 22, 1997:	The government officially announced the dam site

October 1997:	To this, NGOs began to be involved in anti-dam demonstration
November 6, 1997:	Civic groups, NGOs and local resident organized the National Citizens' Solidarity to preserve the Dong River
February 12, 1998:	The MOCT submitted the revised EIA report to the MOE. To this, the MOE asked the MOCT to re-complement the safety issue and the ecological or environmental impacts of the dam construction on March 30
April 14, 1998:	The KFEM became closely connected with local communities to take actions together
April 1998:	The MOE conducted a field survey from April 15 to April 18 by itself. Based on this, the MOE asked the MOCT to complement the EIA report on April 29, July and September
June 4, 1998:	The 2nd Local Election Day (governor, mayor and councilor) As a governor, Kim Jin-Sun was elected by popular vote
July 22, 1998:	The hundred notable seniors representing all walks of life signed the opposition of the dam construction
July 23, 1998:	The committee for submerged area covered three counties. After the announcement of dam site in September 1997, it began to change its attitude to the anti-dam construction
August 23, 1998:	Local residents from three counties built a committee against the Yeongwol Dam construction
Sep. 1-12, 1998:	A signature movement for saving the Dong River in Seoul
September 25, 1998:	The Water Quality Improvement Task Force mediated conflicts, but it failed to get a consensus
October 28, 1998:	The large-scale performance, named "the Dong Rive should flow"
December 17, 1998:	Civic groups held a citizens' rally to urged the government to cancel the dam plan, and visited the Office of the President
December 18, 1998:	The Office of the President tried to mediate the conflict, but failed
January 1999:	Campaign to save the Dong River
February 18, 1999:	The Great Flood in August 1998 This natural disaster forced the government to build dams To this, the MOCT announced that it would start to work on October 1999
February 19, 1999:	Civic groups denounced the MOCT The opposite GNP finally announced its anti-dam opinion
March 1, 1999:	The second movement, named "the Dong River should flow"

March 1999:	Two Internet Surveys showed the strong opposition of the dam: (Opponents: 81.8 percent and 91 percent out of respondents)
March 23, 1999:	33 representatives from various sectors spent 33 days and nights (from March 23 to April 26) telling people how to fight to preserve the Dong River in the front yard of KFEM headquarters office
March 1999:	Following this, 33 representatives in N. Chungcheung and Gwangju declared the anti-dam construction respectively
April 1999	The radio advertisement for saving the Dong River Social groups such as the Cartoonists Association, the Jogye Buddists, the Jogye Order of Korean Buddhism, movie stars and more, supported the anti-dam movement
April 8, 1999:	Kim Jin-Sun, the Gangwon governor, had a press interview in which he threw his opposite opinion of the dam construction
April 20, 1999:	International communities, including the International Rivers Network, Friends of the Earth, Green peace, Worldwide Fund for Nature, the Sierra Club, Worldwatch Institute and more, supported the national campaign, dubbed "Save the Dong River," through a joint statement
April 26, 1999:	The Gangwon and N. Chungcheong provincial assemblies adopted a resolution against the dam construction
April 29, 1999:	Finally, the MOCT announced that it would make a final decision after the thorough investigation
May 3, 1999:	President Kim said that the government' final decision would be based on the results drawn from an authoritative organization
August 6, 1999:	President Kim said that there is no necessity for doing national project causing many concerns from people
August 26, 1999:	The government initiated the JITF, consisted of 33 persons, in order to conduct a thorough investigation of the dam plan
November 6, 1999:	A Pan-County People Rally for nullifying the dam plan
Nov. 6-18, 1999:	Civic groups in three counties were on a hunger strike
Nov. 29-30, 1999:	KFEM held an international symposium on dam
December 1, 1999:	KFEM adopted a joint statement of anti-dam construction with participants in the symposium ("Seoul Declaration: For Alternative Water Management in the 21st Century")
March 14, 2000:	The International Rally for Anti-Dams was held in front of the Topgol Park in Seoul ("Remove the Dam, Save the River!") In it, local residents and communities all over the country adopted a joint resolution statement

March 21, 2000:	Kim Won-Gil, a head of the general election task force in the ruling Democratic Party, expressed that he was in favor of anti-dam coalition, and he promised to cancel the plan before the election day
April 15, 2000:	The 16th General Election Day
May 19, 2000:	The JITF submitted the final report to the TFWQI
June 2, 2000:	The JITF announced its final decision, in which it recommended the government to cancel the dam plan, and proposed to designate the Dong River area as an ecosystem conservation zone
June 5, 2000:	Finally, President Kim announced the cancellation of the Yeongwol Dam plan at a ceremony of the Environment Day
December 22, 2001:	The Gangwon provincial government designated the Dong River area as a natural place of rest.
March 14, 2002:	The MOE announced its plan in which the MOE designates a part of the Dong River area as an ecosystem conservation zone
March 21, 2002:	A committee against the ecosystem conservation zone issued a statement
April 17, 2002:	The pre-presentation of the ecosystem conservation zone designation was boycotted by local residents
June 13, 2002:	The 3rd Local Election Day (governor, mayor and councilor) As a governor, Kim Jin-Sun was elected by popular vote
August 2002:	To the boycott, the Gangwon provincial government argued that both the ecosystem conservation zone and the natural place of rest were overlapped. In order to avoid severe oppositions from local residents who asked for their property right, the provincial government asked the MOE to redesignate the zone in the natural place of rest Since then, the Ministry of Planning and Budget (MOPB) and the Gangwon provincial government have prepared for measures for local residents
August 22, 2002:	Considering local residents' livelihood and the lack of public funds, the MOE designated 65 square kilometers (46 kilometers) on the Dong River area as the ecosystem conservation zone

Source 1: Hwang and Lee (2004).

Source 2: Jung, Jin-sool (2003).

Source 3: Korea Federation for Environmental Movement: <http://www.kfem.or.kr>.

Source 4: MOCT. 1997. *The EIA Report of the Yeongwol Dam Construction Project*.

Source 5: Moon & Lim (2003).

CHAPTER 6

THE SAEMANGEUM TIDAL LAND RECLAMATION PROJECT

1. North Jeolla Province: An Overview

N. Jeolla, in which the Saemangeum project is located, is a province in the southwest of Korea. The province was formed in 1896 from the northern half of what was formerly known as Jeolla Province and remained one of Korea's provinces until the country's division in 1945. It then became part of South Korea. The province is part of the Honam Region, and is bounded on the west by the Yellow Sea, on the north by S.

Chungchong province, on the south by S. Jeolla, and on the east by N. and S. Gyeongsang provinces. The eastern half is a plateau and the western half is a plain in which are found four important rivers, the Seomjin, Mangyeong, Dongjin, and Geum. The province consists of six cities and eight counties, including Jeonju City,

which has been the provincial capital city for a long time. With a population of 1.9 million (four percent of the national total population),



Figure 6.1 Location of N. Jeolla

N. Jeolla spreads over 8,051 square kilometers (3,108 square miles), covering eight percent of the national total area. With regard to its regional economy, primary industry exceeds three times the national average while secondary industry is at 78 percent of the national average. This shows that N. Jeolla has a strong base in agriculture. The Honam Plains produce the best rice in Korea with an annual level of rice production of about 817 tons (15.5 percent of the national figure). Breeding cattle is also important on the eastern plateau. Overall, a total of 277,347 people are engaged in agriculture, forestry and fishery (13.6 percent of the national figure).

Since the 1960s, the Honam Highway has created an industrial belt, connecting Iksan and Gunsan cities with the provincial capital of Jeonju City. In October 2000, the central government designated part of the Gun-Jang National Industrial Zone as the Korea's first class comprehensive free trade zone. Located on the heart of the Yellow Sea Rim, the Gunsan Free Trade Zone provides the shortest sea route from Korea to major port cities of eastern China. Additionally, Jeonju Scientific Research & Industry Complex is currently available as well.

Although many opportunities for revitalizing the regional economy exist, N. Jeolla's economic condition has been relatively weak, and it has played only a minor role in Korea's modern development. While Seoul and Gyeongsang provinces received the bulk of the country's assistance for industrialization, N. and S. Jeolla provinces received little support and thus still retain much of their agricultural heritage. As of 2004, the FSI of N. Jeolla is 25.9 percent, which places it fifteenth out of sixteen subnational governments in Korea.¹³² What is worse, the Jeollas were given cold political treatment from the central government for a long time. Even in the period of the modern state,

¹³² See more in the Local Financial Open Systems in the MOGAHA: http://ofin.mogaha.go.kr:8100/budget/jipyo/Jipyo_Jaip_02.jsp.

military governments disliked those regions and their people because Kim Dae-Jung, the most famous democratic activist in Korea, was born in Jeolla.¹³³ Due to its historical background and political circumstances, both Jeollas have lagged behind other places in regional development. As a result, many people in Jeolla provinces have developed a sense of regional political inferiority.

2. A History of Tidal Land Reclamation Policy in Korea

Korea has large coastal wetlands that rival those of the Wadden Sea countries. The high tidal range of up to nine meters and the gentle bottom slope has produced broad tidal flats in particular along the west coast of the Korean peninsula. Here, tidal flats are developed to about 10 kilometers (6.3 miles) wide in many places, and the total area had been estimated at about 2,850 square kilometers (1,100 square miles) before intensive land reclamation began (Koh 2003: 5). Korea has a long history of reclamation beginning in the 13th century (Park 2003: 38). Historical evidence shows that up to the 1900s, reclamation was carried out mainly in the form of coastal dikes for defending foreign military attacks and for gaining provisions during wartime, rather than serving the expansion of farmlands and the development of water resources.¹³⁴

Beginning with the establishment of the Okgu Western Irrigation Association, created in 1908 as the first instance of an irrigation association in Korea, tidal land reclamation projects were implemented on a relatively small scale. But with the enactment of the Public Waters Reclamation Act (PWRA) in January 1962, the

¹³³ The Chun military government made the Massacre of Gwangju, which was a hometown of Kim Dae-Jung, on May 18, 1980 in order to suppress the Korean democratic movement.

¹³⁴ Cited in the official web site of the KARICO: <http://www.karico.co.kr/>.

government began to implement projects on a large scale.¹³⁵ Since then, tidal land reclamation projects have been facilitated by the development of relevant technology, the introduction of foreign capital, and increased land demand driven by the development of industrial and urban sites as the national economy grew. Large-scale reclamation projects exceeding 1,000 ha were initiated between 1963 and 1967 with the first case being the Dongjin River Basin Reclamation Project.

Korea experienced an extreme drought in 1968 and 1969 that resulted in a food crisis in the early 1970s. Reacting to this crisis, the government conducted a survey to identify land that could be reclaimed for food security. On the basis of the survey's results, it established the Southwestern Coastal Agricultural Land Reclamation Plan (Hwang & Lee 2004). Since then, reclamation projects have been implemented as a part of the Large-Scale Comprehensive Agricultural Development Plan.¹³⁶ Beginning with the development of the Geum River Basin, a total of 22 areas have been set aside for construction since the 1970s. Due to this reclamation policy, there has been an increased yield of rice up to 667 thousand tons annually.¹³⁷ By constructing freshwater lakes, it is also possible to meet the increasing needs of water for household, agricultural and industrial uses through the development of 3,064 million tons of water resources annually. In addition, reclamation projects are benefited for preventing the recurrence of flood.

As tidal land reclamation grew in scale and purpose, and as it gained additional

¹³⁵ According to Chapter I, Article 2 of the PWMA, public waters includes: seas or seashores; and rivers, lakes, ditches, or water surfaces or water streams used for public use, which are state-owned. It also defines reclamation as any creation of land by dumping earth and sands, earth and rocks or other things artificially on public waters. Hereafter, reclamation showed in this dissertation will follows this meaning.

¹³⁶ It mainly includes three specific programs, such as: the development of water resources; the farmland consolidation; and the reclamation of tide lands for specific areas centered upon river basin in order to effectively increase agricultural productivity and improve rural welfare and environment.

¹³⁷ Op. cit., KARICO: <http://www.karico.co.kr/>.

support during the era of industrialization, related institutional systems have been developed. For example, the government inaugurated the Agricultural Development Corporation, which merged the previous Union of the Land Improvement Association and the Groundwater Development Corporation in 1970. It also promulgated the Rural Development Corporation Act and the Farmland Management Fund Act in April 1990. Following these two acts, the government established the Rural Development Corporation, which merged with the Agricultural Development Corporation. In 2000, the government finally established the Korea Agricultural & Rural Infrastructure Corporation (KARICO) by integrating public agencies related to tidal land reclamation. Currently, KARICO, which is one of Korea's strongest public enterprises, has the authority to plan and implement reclamation projects under the supervision of the Ministry of Agriculture and Forestry (MOAF).¹³⁸

Overall, the area targeted for reclamation in the southwestern coastal amounts to 157,000 ha,¹³⁹ of which 76,000 ha has been reclaimed by 2002.¹⁴⁰ As a densely populated country, tidal land reclamation in Korea has been publicly regarded favorably for a long time. It symbolizes the development and power of modern science and technology as well (Cho 2003). In spite of its economic benefits, however, tidal land reclamation has more recently become a national controversy and a crucible of conflict among diverse interested parties. The reasons for this debate, its results, and the role of government decentralization in the affair will be examined.

¹³⁸ The KARICO was renamed as the Korea Rural Community & Agriculture Corporation (KRC) in December 2005.

¹³⁹ The land area targeted is 283,000 ha from the whole country.

¹⁴⁰ Op. cit., KARICO: <http://www.karico.co.kr/>.

Table 6.1 A History of the Tidal Land Reclamation in Korea

Year	Major Features
-1910	• Protection against foreign attacks, military provisions, etc. • Establishment of the Okgu West Irrigation Association (1908) • Examples: Hwado, Ganghwa, Jepo, Wapo, etc.
1910-1945	• Reclamation of 178 small sites in order to product military provisions for the World War II
1946-1960	• Farmland enlargement, famine relief, etc. • Reclamation of small scale projects • Examples: Daechun, Gwangyang, etc.
1961-1972	• Farmland enlargement, rural development, etc. • Enactment of the Public Waters Reclamation Act (1962) • Inauguration of the Agricultural Development Corporation (1970) • Began to reclaim in the large scale • Examples: Dongjin, Mimyuen, Daechun expansion, etc.
1972-1990	• Farmland enlargement, water resources development, land demands for industrial, urban and other sites, etc. • Promulgation of two related acts, the Rural Development Corporation Act and the Farmland Management Fund Act (April 1990) • Establishment of the Rural Development Corporation (July 1990) • Private companies begin to participate in land reclamation projects (for example, Kimpo, Seosan A, B sites) • Begin to reclaim in the large scale as a part of rural comprehensive developments • Examples: Namyang, Asan, Sapkyuchun, Youngsan River II, Geum, Daeho, etc.
1991-Present	• Farmland enlargement, water resources development, land demands for industrial, urban and tourist sites, etc. • Establishment of the Korea Agricultural & Rural Infrastructure Corporation by merging a few agencies, such as the Farmland Improvement Associations, the Rural Development Corporation, etc. • Projects are implemented in the Large-Scale Comprehensive Agricultural Development Project • Examples: Youngsan River III, Sihwa, Saemangeum, etc.

Note: It is reorganized with data drawn from the KARICO: <http://www.karico.co.kr/>.

3. Overview of the Saemangeum Project

Natural Features of the Saemangeum Estuary

As a part of the Yellow Sea coastal wetlands, the Saemangeum is located in the western part of N. Jeolla Province. With 40,100 ha it is one of Korea's five largest bays. The Saemangeum Estuary is a wide, multi-funnel shaped coastal estuarine zone formed by the merging of two river mouths, named the Mangyeung River and the Dongjin River. It has a maximum width of 28 kilometers (17.5 miles), and is 33 kilometers (20.6 miles) in length. The coast of Saemangeum Estuary is a typical ria-type coast formed during Holocene sea-level rise. The land adjacent to it consists of various rocks from Precambrian metamorphic rocks to Cretaceous volcanics including some sedimentary rocks. In Buan County nearby the southern part of Dongjin River, volcaniclastics and volcanics are broadly distributed to provide excellent scenery with some exposures of sedimentary rocks (Chun 2003).¹⁴¹ At the mouth where the two rivers merge a large number of giant sand bars have formed, which have played important roles in the bio- and geo-diversification of the Saemangeum Estuary (see Figure 6.2).

¹⁴¹ This place is one of national parks in Korea, 'ByunSanBanDo.'

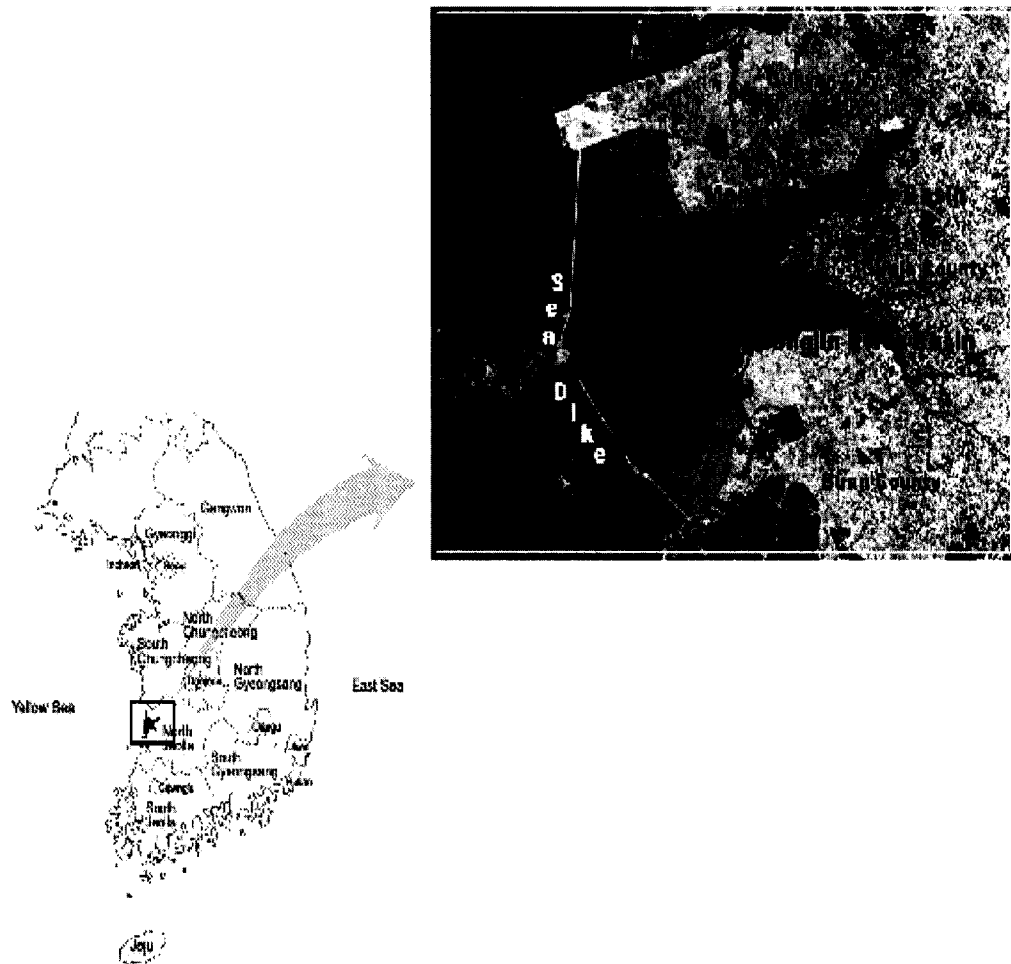


Figure 6.2 The Site of Saemangeum Project. The image on the right is the satellite view of the site, in which upper area is the Mangyeong River Basin, and below one is the Dongjin River Basin. The site is also surrounded by three local governments -- Gunsan City, Gimje County and Buan County.

Reclamation Experience in the Surrounding Areas of the Saemangeum

This area has a long history of reclamation extending over one thousand years. Most salt marsh and uppermost intertidal flats have been converted already into rice farmlands. Rice is a vital staple for Koreans, and thus, reclamation has been important for providing new farmlands. The community of Gimje, located 8 kilometers (5 miles) landward far from the coast, was built on reclaimed tidal flat nearly 1,000 years ago. The area, including the Saemangeum tidal flat, has been changed rapidly during the 20th century rapidly.

In the northern part, near Gunsan City and along the Mangyeong River, about 45 square kilometers (17.4 square miles) of intertidal flat had been reclaimed by 1919. About 20 square kilometers (7.7 square miles) had been reclaimed further in the northern intertidal flat of the Dongjin River Estuary by 1930. Between 1964 and 1979, about 40 square kilometers (15.4 square miles) of the southern intertidal flat along Dongjin River had been converted to rice farms. As a result, a total of 105 square kilometers (40.5 square miles) of the intertidal area in that area has been destroyed in order to enlarge farmlands over the last 80 years. Fortunately, a new intertidal flat of about 55 square kilometers (21.2 square miles) has been formed onshore during the same time. Thus, the net decrease in the tidal flat area is about 50 square kilometers (19.3 square miles) (Chun 2003: 79-80).

Summary of the Original Saemangeum Plan

Due to its natural features, the Saemangeum area has been designated as the most suitable area for reclamation since the government began its land reclamation program in

the early 1970s. Its original aims were to meet the demand for farmland and water resources, and to protect against the recurrent floods in the upper basins of the Geum, Mangyeong, and Dongjin rivers. The Saemangeum plan was officially inaugurated on May 12, 1987 as a part of the Western Reclamation Project (Hwang & Lee 2004).

The government originally planned to add 28,300 ha of farmland and a freshwater lake of 11,800 ha for irrigation supply. The original plan proposed to construct the world's largest sea dike, as long as 33 kilometers (21 miles) across the bay, by sealing off the mouths of the Mangyeong River and the Dongjin River, connecting Gunsan City to Buan County. The Korean government finally broke ground on the sea dike in November 1991. According to the original plan, the project was scheduled for completion by 2004. For this large-scale project, the government appropriated 3.3666 trillion won (US\$ 3.3 billion). The total budget consists of 2.0514 trillion won (US\$ 2 billion) for constructing the sea dike and two water control gates (in technical parlance, 'hydraulic radial gate'), and 1.3152 trillion won (US\$ 1.3 billion) for developing inner land and the artificial freshwater lake.¹⁴² In fact, the Saemangeum plan was a distinguished case, both for its rank as the world's largest known coastal wetland reclamation project and as the climax of Korean land reclamation history (Cho 2003).

¹⁴² It applies the rate of exchange which the Bank of Korea presents at 13:00 P.M. on July 28, 2005. According to it, one US dollar (\$) is exchanged for 1,027.9 Won (₩).

Table 6.2 Summary of the Saemangeum Plan

Classification		Major Contents of the Plan
Project Period		1991 to 2011 (originally 1991-2004)
Major Facilities	Sea Dike	· Total length: 4 lines 33 kilometers (21 miles) · Maximum height: 36m (118 feet) · Volume: 73 million tons
	Hydraulic Radial Gate	· Total length: 2 places, 656m (2,152.3 feet) for each one · Gate height: 15m (49.2 feet) · Gate width: 30m (98.4 feet) · Navigation lock cum fish way: 2 places
Development Area		· Reclamation land (farmland): 28,300 ha · Freshwater lake: 11,800 ha
Project Cost		- Total 3.3666 trillion won (US\$ 3.3 billion) · 2.0514 trillion won (US\$ 2 billion): sea dike and two gates · 1.3152 trillion won (US\$ 1.3 billion): Inner land and fresh lake development
Major Purposes		· To enlarge farmlands · To meet the demand of water resources · To protect against the recurrent floods in 12,000 ha of Geum, Mangyeong and Dongjin river basins

Note: It is reorganized, referring to data in the Saemangeum Project Office of the KARICO:
<http://www.karico.co.kr/saemangeum/>.

The Current Status of the Saemangeum Project

As of 2005, the Korean government has invested 1.9186 trillion won (US\$ 1.8665 billion), which occupied 88.8 percent out of total 2.1604 trillion won (US\$ 2.1018 billion) for outer facilities and compensation. As a result, 30.3 kilometers (18.9 miles) of 33 kilometer (20.6 miles) sea dike has been built. The government plans to finish construction of the outer facilities, such as a sea dike and two water gates, by 2006, and then to develop the inner lands and a freshwater lake by 2011.

Table 6.3 Amount Invested and Investment Plan (As of 2005)

(Unit: Hundred Million Won, %)

Classification	Total Cost	By 2005	2006	2007-2011
Total Cost	34,756	19,186	2,200	13,152
Outer Facilities (Sea Dike & Two Gates)	16,988	14,551	2,180	-
Compensation	4,616	4,635	20	-
Inner Land & Freshwater Lake	13,152	-	-	13,152

Source: The Rural Research Institute (RRI) under the KARICO.

Note1 : The total cost of outer facilities and compensation has been increased from 33,666 hundred million won to 34,756 hundred million won.

Note2 : It is reorganized, referring to data in the Saemangeum Project Office of the KARICO.

Even though the construction of sea dike and two gates are almost completed, however, the Saemangeum project is enmeshed in controversy as one of Korea's most visible national development issues. Both sides -- plaintiff (the government) and defendant (environmentalists and some local residents) -- have brought appeals for the last few years. For now, two contrast coalitions and Koreans are paying attention to the Supreme Court's final decision. Furthermore, the Saemangeum project is involved in another controversy between central and local governments as well. As noted above, the Saemangeum project originally aimed to enlarge farmland, to develop water resources and to prevent habitual flood problems in nearby basins. Even so, N. Jeolla has aggressively sought to designate the reclaimed land for multipurpose development, such as large-scale industrial and tourist complexes or golf courses. However, the KARICO and central ministries, holding responsibilities and authorities in that project, have managed to resist these efforts and has maintained the reclaimed land's original purpose. Therefore, whether or not the reclaimed land should be used strictly for agriculture is

becoming a major intergovernmental debate.

4. The Legal and Institutional Bases of the Saemangeum Project

When the Saemangeum project was planned in the 1970s, it was on the legal basis of Article 92, 93 and 96 of the Act for Promoting Rural Modernization (APRM) and Article 4 of the Public Waters Reclamation Act (PWRA). At present, all public waters reclamation projects are based on the PWRA. Thus some discussion of this legislation is necessary in order to understand the political and administrative authority behind the Saemangeum project.

The PWRA applies to tidal land reclamation in the following manner. First, Chapter II, Article 4(1) of the PWRA prescribes that the minister of Maritime Affairs and Fisheries (MOMAF) has the authority to establish a basic plan on reclamation decennially to advance the development and utilization of reclaimed lands. This is done through the review and deliberation of the National Coastal Management Council (NCMC), referred to in Article 22 of the Coastal Management Act (CMA). In the process of establishing the basic plan, the minister should consult with the head of the central administrative agency related to those affairs and solicit opinions from governors of special and metropolitan cities, or provinces at which the targeted site is located (Chapter II, Article 4(2) of the PWRA). At this stage, governors should submit their assessments, with mayors' and local assemblies' opinion attached, to the minister of the MOMAF. The process of establishing the basic plan may briefly be outlined as follows (Ryu & Sung 2000: 607):

■ First Stage

- *The minister of MOMAF deliberates and discusses on the plan with ministers of relevant central ministries*
- *The minister of MOMAF collects subnational governors' opinion. In this time, governors submit their papers to the minister of MOMAF, which attach mayors and local assemblies' opinions*

■ Second stage

- *The minister of MOMAF establishes the basic plan on public waters reclamation*

■ Third stage

- *The minister of MOMAF announces the plan in the official gazette, and notifies it to ministers of relevant central ministries or governors of relevant subnational governments*

In addition, the PWRA stipulates that the head of any administrative agency or any person who intends to reclaim public waters must request the minister of MOMAF to review the status of these public waters, if such an assessment is not contained in the basic plan (Chapter II, Article 5(1)). Once the basic plan is announced, the minister of MOMAF has a right to use the scheduled areas; yet there are some exceptions, such as rights fixed prior to the plan, exceptional circumstances, and the like.

It is also stipulated in the PWRA that the minister of MOMAF has the authority to issue a license to any person who intends to reclaim public waters for a special purposes (Chapter III, Article 9(1)). If the minister of MOMAF intends to grant a license, he/she must consult with the head of the related central administrative agency and seek opinions from the governor of the related special and metropolitan cities, or province (Chapter III, Article 9(2)). The minister of MOMAF must publish a public notice of this license in the official gazette (Chapter III, Article 13), and then, supervise all resulting activities as well. Before starting reclamation work, Chapter IV, Article 15 stipulates the

minister of MOMAF has authority to approve an implementation plan made by those receiving a reclamation license. The same condition applies to public actors. If the central government, local governments or public corporations intend to reclaim public waters, they must confer with the minister of MOMAF and obtain the ministry's approval. In the case of Saemangeum project, the minister of MOAF obtained an approval of Saemangeum tidal land from the minister of the MOMAF.

In short, this is a highly centralized policy area. Only one provision in the PWRA reflects the government's interest in political and administrative decentralization. This particular provision provides for partial 'delegation' or 'entrustment' of MOAF's authority. According to the PWRA, Chapter VI, Article 40, a portion of the MOMAF minister's originally authority may be delegated to agencies under its jurisdiction or to metropolitan and provincial governors or entrusted to agencies under the MOAF and the Minister of Construction & Transportation (MOCT). In this case, the metropolitan or provincial governors may re-delegate a part of these delegated functions to local governments with the approval of the minister of MOMAF. The Presidential Decree may prescribe functions delegated and entrusted in detail.

Under Article 40's authority, the minister of MOAF has supervised the Saemangeum project, delegating fairly significant authority to its subsidiary agencies and only modest power to subnational government. The KARICO, a public corporation controlled by the MOAF, has been assigned to develop and implement a detailed reclamation plan, including the design of sea dike, water control gates, inner land, a freshwater lake, and so forth. Beyond this, the minister of MOAF has delegated just one function to the governor of N. Jeolla at the subnational level -- that of administering

compensation of losses associated with sea dike construction for affected fishermen under the supervision of the central government. For this purpose N. Jeolla established the Office for Supporting the Saemangeum Project (OSSP) as one of its inner organizations. However, the function does not confer local autonomy, but is entrusted to the province and supervised by the central agency. In short, the province is merely a surrogate for the central government.

By now, I've reviewed the legal and institutional framework for tidal land reclamation policies. Based on this review, it is obvious that centralization prevails in this policy arena. Localities cannot participate in the process of policy making without approvals from the central government and relevant acts. Considering the various modes of decentralization, the Korean experience with this policy arena seems to represent a mixture of deconcentration and delegation, even though central authority predominates. On the one hand, it has the characteristics of deconcentration that merely shifts compensation affairs from the central government to N. Jeolla Province and that creates a strong field administration under the supervision of the central government. In the weakest form of administrative decentralization, the province was just a substitute for the effective implementation of the project. On the other hand, it has the characteristics of delegation that involves the redistribution of responsibility of decision-making and administration of public functions to the Korea Agricultural & Rural Infrastructure Corporation (KARICO) within a general framework of central control.

Even though the central government still dominates in tidal land reclamation policy, however, national projects such as the Saemangeum have been politically obstructed in recent years, contributing to government failure in promoting development

projects and in gaining compromise from various stakeholders. The following sections will carefully review the reasons for these difficulties.

5. Forming Coalitions in Controversy

Actors Involved in the Dispute

The policy dispute over the Saemangeum project is a struggle between two contrasting coalitions. Drawing on Sabatier and Jenkins-Smith (1993)'s ACF,¹⁴³ the study borrows the term 'coalition' in order to explain the formation of two contesting parties in the controversy over the Saemangeum project. Actors involved in this persistent conflict have formed two distinctive and opposed coalitions: one is the advocacy coalition for development (ACD), and another is the advocacy coalition for conservation (ACC).¹⁴⁴ On the one hand, the ACD is largely formed by the MOAF, the KARICO, the provincial government, and three local governments. A large number of local residents and communities also support the reclamation of the Saemangeum area, because they believe that it would revitalize the regional economy. On the other hand, the ACC is formed by NGOs, civic and religious groups, the Ministry of Environment (MOE) and

¹⁴³ This framework shows how public policy can be changed over time. According to the ACF, there exist sets of core ideas about causation and value in public policy. There are several such ideas, which create about two to four coalitions, and it is possible to map these networks of actors within a policy sector. Around coalitions form because certain interests link to them. These coalitions, which may be tightly or loosely coupled, are comprised of government agencies, interest groups, associations, think tanks, academics, university research centers, journalists, and prominent individuals who more or less share common world views and generally agree on policy solutions. Policy change comes from the ability of these ideas to adapt -- in their non-core aspect -- ranging around a whole series of operational questions and what works in any one time or place. Partly in response to wider social and economic changes, or from political events, and from policy learning, the balance of power in these networks changes and the structure and memberships of the coalitions alter. See more details in Sabatier, Paul A., and Hank C. Jenkins-Smith. 1993. *Policy Change and Learning: An Advocacy Coalition Approach*. Boulder: Westview Press.

¹⁴⁴ It refers to Seoyong Kim (2003).

the MOMAF at the national level, and some local residents and communities. Experts, mass media, writers, and artists favor the project's suspension as well.

In addition to these contrasting coalitions, several neutral parties are involved in the controversy. For example, the Task Force for Water Quality Improvement Task Force (TFWQI), established under the Office of Prime Minister (OPM) in January 1997, coordinated a variety of conflicts in environmental and water management and promotes important national issues such as the Saemangeum project.¹⁴⁵ The Committee on the Saemangeum Environment (CSE), created in July 2001, has checked environmental conditions and has evaluated measures for improving water and environmental quality in the Saemangeum area. As a temporary organization, both operate under the Office for Government Policy Coordination (OGPC).¹⁴⁶ In June 1999, the government formed another neutral body -- the Civilian-Governmental Joint Task Force (CGJTF) -- in order to investigate the entire process of the Saemangeum project and to examine crucial controversies, such as the economic feasibility and environmental impacts, the prediction of water quality in the freshwater lake and the coast, and so forth.

In addition, it should be noted that individual actors have played an important role in the process of controversy. The President, for example, has the power to make a final decision, and congressmen with a political base in N. Jeolla can exert their legislative authority in the National Assembly. Both play a crucial role when public policy decisions must be made. In short, there are four different bodies, each with their own interests and roles in the policy controversy (see Table 6.4).

¹⁴⁵ The TFWQI was abolished in September 2004 and its authorities and responsibilities were later transferred to the Consultant for Agriculture and Fisheries under the Assistant Minister for Economic Policy Coordination in the Office of the Prime Minister.

¹⁴⁶ As one of main bodies in the OPM, the OGPC assists the Prime Minister in supervising, commanding and directing each administrative department.

Table 6.4 Contrast Coalitions and Actors Involved in the Controversy

Classification	Involved Actors and Groups
Advocacy Coalition for Conservation	▪ NGOs (the Korea Federation for Environmental Movement, Green Korea United, etc.) ▪ Civic and religious groups (the Korean Federation of Farmers, the Korean Confederation of Trade Union, the Korean Teachers and Educational Workers' Union, and Christian, Buddhist, Catholic and Won Buddhist religious groups, etc.) ▪ The Ministry of Environment ▪ The Ministry of Maritime Affairs and Fisheries ▪ Minor local residents and communities ▪ International environmentalists and environmental organizations ▪ Experts, artists, general publics, etc.
Advocacy Coalition for Development	▪ The Ministry of Agriculture & Forestry ▪ The Korea Agricultural & Rural Infrastructure Corporation ▪ N. Jeolla provincial government & provincial Assembly ▪ Local Governments (Gunsan City, Gimje and Buan Counties) & local assemblies ▪ A large part of local residents and communities
Neutral Bodies	▪ The Board of Audit and Inspection and the Courts ▪ The Task Force for Water Quality Improvement ▪ The Committee on Saemangeum Environment ▪ The Civilian-Governmental Joint Task Force (21 vs. 9) ▪ A variety of voluntary or sponsored research groups, etc.
Others	▪ The President ▪ Congressmen having their political roots in N. Jeolla

Divided Arguments

The resolution of policy conflicts usually imposes a social cost and thus represents a social dilemma (Kim, S 2003: 125). In considering the conflict over the Saemangeum tidal land reclamation, it is evident that the two opposed coalitions interpret the same facts differently in line with their economic interests, cultural backgrounds, and environmental values. The complexity of the environmental considerations related to the Saemangeum project insures the likelihood and reality of conflict among the competing coalitions. For this reason, there are many issues that seem to be irresolvable in this case. The principal unsettled issues contributing to the ACC-ACD dispute are the following.

In regards to the environmental impacts of the sea dike construction, the ACC argues that it has already destroyed eco-system in the coastal area, and that, as a consequence, the ecosystem's condition will continue to degrade over time.¹⁴⁷ On the other hand, the ACD predicts that the coastal environment will benefit from the sea dike, and that a different environment from the old one would eventually develop around the impacted area. Secondly, the ACC emphasizes that water quality of the freshwater lake will never meet appropriate agricultural water standards, in spite of efforts to improve water quality.¹⁴⁸ The ACD, in response, points to the governmental measures and

¹⁴⁷ From 1999 to June 2005, the MOMAF conducted a survey on the ecological conditions of six hundred places in the whole country. According to the survey, the total tideland area is 2,550 square kilometers (985 square miles), and it occupies 2.5 percent out of the total national figure. Comparing with that of 1998, 25 percent of the total tideland area has been reduced since then. Even worse, there is little tideland area, maintaining its natural and ecological condition in the first grade. The survey emphasized the importance of tideland, arguing that ten square kilometer (3.9 square miles) tideland could purify pollutions discharged from a city having ten thousand populations in the 25 square kilometers (9.7 square miles) (Cited in Gwangju Ilbo, July 28, 2005).

¹⁴⁸ In regards of water quality, major issue has been brought into the Mangyeong River and chemical compound phosphorous. As the sea dike is constructed, the most devastating environmental disaster would be eutrophication, nutrients enrichment state that cause an accelerated growth of algae by the lack of oxygen. In the Mangyeong River, the limiting factor of eutrophication was found to be phosphorous. Thus,

technological methods aimed at improving water quality for agricultural purposes. The ACC even dispute the ACD over the assessment methods used to examine water quality and the models that predict water quality in the freshwater lake. With respect to economic benefits, thirdly, the ACC asserts that the value of the tidal flat exceeds that of new farmland, while the ACD argues that the value of farmland is greater than that of tidal flat. Both coalitions dispute which items should be factored into the project's benefit-cost analysis. For example, while the ACD emphasizes the expansion of national territory and the increase of rice productivity, the ACC places an exceptionally high value on the ecological attributes of tidal land.¹⁴⁹

For purposes of analyzing the project's economic feasibility, the Civilian-Governmental Joint Task Force (CGJTF) identified twenty items which represented benefits and costs of the project, and then developed ten scenarios that varied according

the hottest concern of the debate was how to alleviate phosphorous input. The 1999 MOE Report predicted the Total Phosphorus (T-P) of the Mangyeong River in 2012 as 0.12 mg/l, which exceeded the proper standard 0.100 mg/l for using freshwater in the artificial lake as agricultural water. The ACD argues that the recovery rate of phosphorous effluents could be raised up to 95 percent by spreading waste treatment and composing systems. On the contrary, the ACC refutes the arguments from the past records of low treatment rates, mainly arising from the flooding effects. Following the first prediction, the MOE conducted the second prediction through using computer modeling program WASP 4 (Water Quality Analysis Simulation Program developed by the US EPA) in 2001 by adopting more radical measures such as bypassing all the water of the Mangyeong River to the Sea through a separate waterway all the year round except the flooding period. The result was T-P, 0.103 mg/l, much close to the standard, yet exceeded (cited in Cho 2003). To this, the ACD has argued that the exceeded amount 0.003 mg/l is insignificant, and thus, it could be ignored. Moreover, it has exemplified that other countries do not include T-P in standards of agricultural water quality, while the ACC has emphasized that the legal standard should be obeyed, even though it is unreasonable. For now, the MOE is conducting a study on the revision of the water quality standards (cited in the unpublished report of the OPM).

¹⁴⁹ Items used in the analysis of economic feasibility were as follows: the expansion of national territory; the increase of crops production; the development of freshwater resource; the prevention of habitual floods; the protection against tidal waves; the formation of new tidal flats; the valuation of a rice paddy as a public good; the effect of tourist development; the improvement of inner-land transportation; the costs for sea dike, two water control gates, etc.; the effect of marine products in coastal areas; the economical valuation of tidal flats (marine products, functions as a public good, recreation, beauty, etc.); the cost for improving environmental condition and water quality; and so forth.

to which of these items were included or not. Based on the analysis, the CGJTF drew B/C ratios between 1.25 and 3.81, resulting in that the project was economically feasible. Contesting this claim, Jeong-jeon Rhee, one of CGJTF's members, drew a different conclusion, finding that the project, with B/C Ratios of 0.22 and 0.25, was not economically viable. At any rate, the CGJTF's members failed to draw agreement with each other in the final voting which was asking whether or not the government could continue the Saemangeum project.

Even worse, N. Jeolla has continuously asked the central government to alter the original land use plan which includes only agricultural use to a new one which envisions other uses such as industrial and tourist complexes, urban sites, and the like. It vigorously argues that the reclaimed land would have greater economic benefit converted to multiple land use than it remained a single-use area. In contrast, the ACC asserts that the multiple uses are likely to adversely impact environmental conditions in the Saemangeum area much more than agricultural use. N. Jeolla's request has sparked a new controversy among interested parties, especially between central and provincial governments. Responding to this debate, the OPM has recently taken action to prepare an alternative plan which may include multiple uses of the reclaimed land in the Saemangeum.¹⁵⁰

¹⁵⁰ Yet the government cannot publish any one of the alternative plan, because it believes that the plan could impact on the courts' decision.

Table 6.5 Major Arguments on Each Issue

Critical Issues	ACC	ACD
Circulation of seawater	·Seawater should be circulated for keeping and improving water quality in the Mangyeong River	·The Mangyeong River Basin should be formed as inner land and freshwater lake.
Ecological condition and water quality in the coast	·Ecological condition has already changed, and thus, it cannot be recovered like the original tidal land ·As inner land is developed, water quality in the coastal area will be deteriorated	·The change of eco-system is a just matter of the process, but a new condition must be developed around the area. ·Water quality in the coast will be improved after the construction of the sea dike
Prediction of water quality in the freshwater lake	·Water quality won't be achieved to the appropriate legal standards at any measurement to purify ·The sea dike construction is seriously polluted enough to induce eutrophication ·The result predicted by the modeling in 2000 (T-P: 0.103 mg/L) should be authorized, and thus, the government must halt the construction of the sea dike	·Water quality will be improved when all of governmental measures and plans to purify water is implemented ·The result of predicted by the modeling in 2000 is just insignificant, and thus, it can be neglected (that is, it is acceptable as irrigation purpose)
Method for measuring water quality in the freshwater lake	·Governmental countermeasures for improving water quality in the Mangyeong River are practically impossible and extravagant ·National standard should be kept ·Modeling results of water quality are too optimistic ·T-P as a standard of water quality should be included in standards for measuring the quality of agricultural water	·Measures to reduce pollutants are feasible ·Modeling results of water quality are too conservative ·T-P should be excluded from standards of agricultural water quality (many countries do not consider T-P as an important standard for agricultural water)
Benefit of farmland & tidal flat	·The value of tidal flat is higher than that of farmland. ·Tidal flats are essential for marine ecosystem ·New tidal flats are limited and inferior ·The sea dike will act like a huge sewage disposal facility	·The value of farmland is higher than that of tidal flat. ·There are no grounds that tidal flats are more valuable than rice fields ·New tidal flats with similar functions are being created

Note: It is reorganized with the unpublished report of the OPM and Cho (2003: 50).

6. State Transition and the Saemangeum Controversy

Historical data have shown that tidal land reclamation in Korea began in the 13th century. Since then, tidal land reclamation has been embraced as one of Korea's principal developmental strategies, because Korea is one of the world's very densely populated countries with an acute need for arable lands to produce rice. As a vital instrument for the expansion of farmlands and national territory, tidal land reclamation policy has been regarded as a natural and good thing for a long time. However, public attitudes toward reclamation projects dramatically began to change in recent, and the Saemangeum project is evidence of that.

Business as Usual and the Latency Period (the 1980s-1995)

The Chun military government first initiated the Saemangeum plan as a kind of political gift. In fact, the Chun regime did not have any political roots in N. and S. Jeolla provinces. Even worse, then President Chun ordered the 1980 Gwangju Massacre in S. Jeolla right after the assassination of President Park, and thereby took control of the government.¹⁵¹ After his inauguration, President Chun needed to appease the people in Jeolla provinces. The first phase of the controversy surrounding the project proceeded among politicians and economic bureaucrats with little consideration for its environmental impacts. Economic departments in the central government were skeptical about it because they believed that "importing food is more economical than investing huge money to create rice fields" (Mood 2000: 58, cited in Cho 2003: 33). However,

¹⁵¹ Kim Dae-Jung, one of the most famous democrats in the world, was born in Gwangju, and he was the most dangerous person to then existing military regime. The Chun regime wanted to ostracize Kim through the deadly event.

the plan was rescued due to the Korean political situation. The then ruling party once again needed a political gift to bestow upon under-privileged N. Jeolla in the campaign of 1987 presidential election. Although the ruling party won the election, however, the plan remained unimplemented owing to the persistent opposition of economic departments.

The turning point arrived when then President Roh Tae-Woo negotiated with the largest opposition party's leader Kim Dae-Jung in July 16, 1991. At the outbreak of the Gulf War in 1991, President Roh needed the National Assembly's approval in order to dispatch medical troops to the Gulf.¹⁵² In this negotiation, Kim asked the President to implement the Saemangeum project which was one of Roh's major pledges in the campaign of 1987 presidential election, and the President Roh accepted Kim's request. With the president's support, the sea dike construction finally began to work in November 1991 (Jung, J-s 2003).

In this way large-scale tidal land reclamation projects had been business as usual up until 1991, and even, opposition against the government's plans stemmed from economic reasons rather than negative environmental impacts. Also, the case of Saemangeum shows that policy makers and politicians in Korea have usually decided large-scale development projects not on the basis of compelling social or economic considerations but as a tool or strategy to obtain political support in a specific locality. Politics was thus a crucial reason in deciding whether or not the government could continue to implement the Saemangeum project in the planned way.

During the time that the Saemangeum project was under consideration, Korea was extremely experiencing a variety of state transitions, to include democratization, the

¹⁵² The motion of the National Assembly could be adopted by more than half out of more than half attendance. At that time, the National Assembly consisted of the ruling Democratic Justice Party (125 seats), the Peace and Democratic Party (70 seats), the Republic Party (35 seats), and others (2 seats).

growth of civil society, nationwide social movements and the reintroduction of local autonomy that followed the Democratic Declaration in June 1987. Although Korean civil society did not actively participate in the process of policy making, since the mid-1980's it has increased its social and political power to impact policy makers and politicians. This growing power of civil society meant that the underlying momentum was available to be harnessed to an effective focusing event, demonstrating these new civic groups' potential power.¹⁵³ On the other side, the government began to reintroduce local autonomy during that time. This process accelerated with sequential political events, such as the thorough amendment of the LAA in 1988, the reconstitution of local assemblies in 1990, and the election of local governors and councilors in 1995. In this context, local governments in Korea increasingly began to acquire political power and administrative authority in their territory. These contextual changes make this time an interval that might be called 'the latency period' in the Saemangeum controversy.

The Development and Growth of Civic Opposition (1996-1998)

After five years of sea dike construction, fierce controversy erupted around the Saemangeum project, thus initiating the controversy's second phase. When serious water quality problems in the Sihwa Lake, an artificial lake, emerged as a national issue in 1996, the Saemangeum project began to face intense opposition from environmental NGOs.¹⁵⁴ The "Tragedy of the Sihwa," as it became known, triggered an environmental demonstration against the Saemangeum project. After the Saemangeum project's negative

¹⁵³ The term, focusing event, is quoted in Kingdon (1984; 1995) and Birkland (1995).

¹⁵⁴ The Sihwa Project was one of large-scale tideland reclamation projects. Through the sea dike construction, the project made the Sihwa Lake, an artificial freshwater lake, as well as, a huge reclaimed land.

environmental impacts erupted in 1997, environmentalists began calling for suspension of the reclamation plan in the Saemangeum, claiming it would result in destroying one of the five largest tidal flats in the world. According to environmentalists, the Saemangeum is home to about 370 species of marine life and serves as the largest stopover for migratory birds in Korea.

Since the outbreak of the Sihwa water pollution, the Saemangeum has become the subject of national debate and influenced an active environmental movement, generating substantial public opposition to the large-scale national development project. Green Korea United (GKU), one of representative Korean environmental NGOs, proposed the establishment of a civil committee for the cancellation of the project.¹⁵⁵ Over 40 environmental and social organizations took part. Since then, the civil committee has actively conducted a variety of activities such as, demonstrations and regular meetings. Moreover, the GKU has recruited 100 children throughout the country to file a lawsuit, claiming their right to an untouched environment. The children argued that tidal lands should be left intact and must be handed down to future generations. This was the first lawsuit filed by children to protect an eco-system and the environment in the Korean history.

Responding to this opposition, the Board of Audit and Inspection (BAI) initiated a special investigation as to whether or not the Saemangeum project had been implemented in a proper way. On September 22, 1998, the BAI ordered the MOAF to downsize a huge land reclamation project off the southwestern coast near Saemangeum. It noted that the cost of the project had snowballed to 11 trillion won (US\$ 10.7 billion), more than five times as high as its initial estimate of 2.0514 trillion won (US\$ 2 billion)

¹⁵⁵ It is one of the biggest environmental NGOs, having many regional branches in the whole country.

for the construction of the outer facilities. The BAI pointed out that the MOAF had violated 74 rules. Seven ministry officials were referred to the disciplinary committee for punitive action. The BAI finally called into question the safety of the sea dike, and noted that the plan to convert the coastal area into a huge farmland might pollute the area and change the ecological environment.

Besides, international environmental activists joined this movement to preserve this tidal land under reclamation.¹⁵⁶ For example, in San Francisco, recipients of the Goldman Environmental Prize, an international prize honoring environmentalists, called for a halt to the project. Lester R. Brown, the head of Worldwatch Institute, at the invitation of the Korean Federation for Environmental Movement (KFEM),¹⁵⁷ said, “the plan was based on a set of very narrow economic calculations, argued he, If the wetlands are destroyed, the negative effects must be greater than the positive ones on fishermen, the migratory birds and all sea life...Therefore, the value of the wetlands must be reconsidered.” Later, Ricardo Navarro, chairman of a renowned environmental group, Friends of the Earth International, called on the government to revoke its decision to complete the Saemangeum project during his one-man demonstration in front of the central government building.

Suspension of the Construction and Scientific Approach (Feb. 1999-June 2000)

After facing strong opposition by environmental groups who claimed the Saemangeum project would destroy precious tidal flats and cause an ecological disaster,

¹⁵⁶ Cited in Korea Times, July 18, 2000; November 15, 2000; and June 21, 2001.

¹⁵⁷ Founded in April 1993, the KFEM is one of the biggest NGOs in Korea, having many regional branches in the whole country.

the construction of sea dike was suspended in April 1999. The government had no other choice but to halt construction and launch a thorough review. Faced with acrimonious opposition, Ryu Jong-Keun, N. Jeolla governor, proposed to form a joint task force in February 1999, and finally, the Office of Prime Minister constituted the Civilian-Governmental Joint Task Force in May 1999. The CGJTF mainly analyzed the economic feasibility of the project, examined the environmental impacts of sea dike construction, and predicted the water quality in the planned artificial freshwater lake. As a consequence, the environmental movement scaled back protests while the investigation continued over the period from May 1999 to June 2000 (Cho 2003: 35). During this time, there were many informational activities and scholarly studies that examined aspects of the Saemangeum project in depth at significant cost to both government and social groups. However, critical controversy arose even among members of the task force. As a result, the CGJTF's members failed to reach a consensus on critical matters, and thus, it did not arrive at a conclusive decision as to whether or not the project should be resumed.¹⁵⁸ Instead, it referred the decision to the President.

The CGJTF submitted a final report to the OPM in August 2000. According to the report, the ACD groups emphasized that the project would expand national land by 40,100 ha, and by doing so, increase farmland production by 140,000 tons of rice, amounting to 2.7 percent of Korea's annual rice production. They also claimed that the construction of sea dike would protect neighboring regions, 12,000 ha in all, from habitual floods caused by adverse tides as well as supply 1,000 million ton of water resource a year by developing the freshwater lake. In addition, they emphasized that the

¹⁵⁸ The final decision among members in the CGJTF was come to the vote. The voting result was tied, but later, the Korean government interpreted it as the approval from the CGJTF.

project would provide local people with opportunities to augment regional income by facilitating tourism using a 33 kilometer road (a 21 miles road) along the sea dike and increase employment as many as 13,390 persons a year during the construction. The principal reason that they favored the project, however, may be related to its sunk cost. As of 2000, a whopping 1.7 trillion won (US\$ 1.65 billion) had already been poured into the project. Project cancellation would constitute a severe loss or squandering of tax generated public funds. Furthermore, they estimated nearly the same investment would be required to remove the sea dike. Indeed, the overall results of the report, submitted by the CGJTF, favored the Saemangeum project.

Deepening Conflicts between the Two Coalitions (August 2000-May 2001)

In response, environmental groups held a press conference urging the correction of the unreliable report in August 2000. The controversy flared when it became known that the region's water quality might deteriorate once the project is completed. Submitting its opinion of the 2000 CGJTF Report, the MOE officially worried that the water quality of the Mangeyong River would be difficult to maintain after the sea dike construction is completed in 2011. According to the report which forecast the water quality of freshwater lake for 2012, the phosphorus levels of the Mangeyong River area would stand at an annual average of 0.103 parts per million (ppm), rendering even agriculture infeasible. The report echoed the environmentalists' concern that the freshwater lake formed through reclamation would become like the Sihwa Lake. The government recently scrapped a plan to change the Sihwa Lake in Gyeonggi Province into a freshwater reservoir after the lake's pollution levels climbed to an alarming level.

In January 2001, the MOMAF disclosed a report maintaining that the tidal flats, an important habitat for migratory birds in the region, could disappear due to the project. The two central ministries' reports thus provided the ACC groups with a strong support.

Furthermore, civic and religious groups began to stage sit-in protests in October 2000. Two thousand citizens from religious organizations subsequently pronounced the Declaration of Peace, praying for the cancellation of the project, and five hundred nuns joined at the Myungdong Cathedral to implore politicians not to allocate money for the project in the 2001 national budget. At least 200 civic and religious groups staged rallies in an effort to launch an all-out struggle against the Saemangeum project in March 2001, which was called "the Life and Peace Coalition for Saemangeum Tidal Flat." Even priests, nuns and monks marched in Seoul, after holding a rally at Jogye-sa, which is a famous temple in Korea, to halt the project. In this protest, religious leaders and civic group representatives launched a hunger strike to protest the government's move to press ahead with the project. A variety of civic groups nationwide urged the government to terminate the controversial project, asserting the project would destroy the ecosystem along the western coast.

In contrast, the MOAF pressed the government to proceed with the project, claiming that the lake's water quality could be secured through effective countermeasures. The N. Jeolla provincial government also reaffirmed their intention of going ahead with the project as well. "At the risk of my position, I will boldly face all conspiracies aimed at suspending the project," said Ryu Jong-Keun, then governor (Korea Times, March 25, 2001). Responding to the severe opposition, about 70 civic groups in N. Jeolla formed the Association of Pan-Provincial People in September 2000, and together with the

Provincial Assembly and the Regional Chamber of Commerce, it spearheaded a campaign to collect one million signatures in support of the Saemangeum project. This local association independently held a press conference in the main office of the Democratic Party in Seoul, and visited individual members of the Budget Committee in the National Assembly to persuade them to support and appropriation for the project in the national budget. Local communities and local governments strongly claimed that the project would provide considerable economic benefits for N. Jeolla.

In the meantime, the central government established the Presidential Commission on Sustainable Development (PCSD) in September 2000, which has mediated severe conflicts between ACC and ACD in subsequent national development programs since then. The Commission is composed of 77 members, all appointed by the President. Of these, 48 members are appointed at the recommendation of local governments and local communities, and 27 members come from civic groups, academia and business sectors. Indeed, the creation of the PCSD was evidence that Korean government began to listen to local voice and pay greater attention to civil society. The PCSD also organized a team to comprehensively review the Saemangeum project in January 2001. At this time, the government's position on the project seemed less tenable. It did not seem to have any clear theoretical foundation to justify the destruction of the tidal flats for the creation of farmland. Solid evidence indicating that farmland was economically more important than tidal flats could be a decisive factor in earning the people's support for the project. But the government was unable to supply such proof. Actually, what matters was that neither

the government nor the environmentalists could accurately predict the long-term effects of the reclamation plan. This remains even now a serious dilemma for the government.¹⁵⁹

Responding to the severe contention over the project's supposed benefits, the PCSD on March 21, 2001 advised the government to reexamine the project, focusing on negative environmental impacts. "The government should delay its final decision set for the end of this month in order to conduct further examination of the project," said the head of the PCSD.¹⁶⁰ He continued, "To settle the controversial issues surrounding the plan, such as securing farmland, protecting tidal flats and facilitating regional development, the government should thoroughly assess the value of tidal flats as well as that of farmlands." On April 12, 2001, the government decided to form a review committee to deliberate on project continuation, once again prolonging the government's decision the matter.

While the government's position on the project appeared to be less tenable after the PCSD assessment, a critical event was pending that influenced the government's final decision -- the local re- and by-election in April 2001. The ruling Millennium Democratic

¹⁵⁹ One thing that embarrassed the government was the failure to turn the Sihwa Lake into a freshwater reservoir. The government ceased its attempt to turn the Sihwa Lake into a reservoir after the water pollution that reached an alarming level following the construction of a dike in 1994. The lake would consequently become part of the sea again, contrary to an earlier promise by the government. The failure of the national project caused the government to lose credibility among the people and made it more difficult for the government to make a final decision on the Saemangum project (cited in Korea Times, February 25, 2001).

¹⁶⁰ The PCSD was established under the Office of the President. Since then the Presidential Decree, which provided a legal basis for the establishment of the Commission, has revised it three times, focusing on the expansion of its membership and responsibilities, while taking into account the outcomes of the World Summit on Sustainable Development (WSSD). Composed of 77 members, the PCSD, as an advisory organization to the President, is responsible for addressing the following: matters relating to establishing direction and planning of major policy for conservation and development; matters relating to the formulation and implementation of the plans related to Agenda 21 and WSSD Plan of Implementation; matters relating to corresponding strategies to major international conventions on the environment including UNFCCC; and other matters relating to environmentally friendly and sustainable development (Cited in UN/DESA. 2004. "Freshwater Country Profile: Republic of Korea." Retrieved from <http://www.un.org/esa/agenda21/natlinfo/countr/repkorea/waterKorea04f.pdf>.)

Party (MDP) was at pains to find measures to win over the hearts and minds of the public in the N. and S. Jeolla provinces, its traditional stronghold. A sense of crisis began to grip the ruling party following its humiliating defeats in the local elections, in which it lost all four races where its candidates competed. Its candidates even failed to win on its home turf of N. Jeolla, where two independents were elected in two counties. The election results changed the widely held political supposition that the Jeolla provinces were the MDP's political turf. In the past, it was almost certain that candidates who ran on the ruling MDP's ticket won the elections. These results diminished the ruling party's prospects in the 2002 presidential election. The fear of a strong backlash from the people of N. Jeolla, which could be caused when the project would be scrapped in advance of the following year's presidential elections, strongly influenced the government to lean in favor of the project. As a result, the Korean government made a determination to support the Saemangeum project.

Conflicting Decisions, Endless Debates (May 2001-Present)

After a two-year standoff, during which the final decision on resumption was delayed four times, the conflicts had spread across intergovernmental and interregional boundaries. Despite fierce protests from environmentalists, the Committee on Water Management and Policy Coordination (CWMPC) under the OPM decided to go ahead with the controversial project, putting an end to over two years of heated debate over the plan's continuation.¹⁶¹ The sea dike construction, suspended since May 1999, was

¹⁶¹ The CWMPC was established on January 18, 1997 in order to promote the effective use of water resources, to coordinate national policies related to the improvement of water quality, to mediate relevant functions between the levels of government, and to settle intergovernmental conflicts in water policies.

reauthorized by the Governmental Measures Plan on May 25, 2001. According to the plan which aimed at 'the sustainable and stepwise development,' the government would complete the sea dike first. After the sea dike construction, it would start to work in the Dongjin River area, which has relatively better water quality than the Mangyeong River area. At the same time, the government would implement various measures to improve water quality in the Mangyeong River Basin. If water quality would be improved and sustained, then the government would continue to develop the Mangyeong River area.

Civic and religious groups reacted furiously to the decision, vowing to engage in an all-out struggle. With their foreheads glistening with sweat and knees drenched, four religious leaders on ecological crusade to save the Saemangeum, catholic priest Kyu-hyun Mun, buddhist leader Sukyung, Won-buddhist Kyeung-il Kim, and pastor Heewoon Lee, led the people through a ritual called "Sam-Bo-Il-Bae" along the busy streets.¹⁶² Their varied, but shared conviction was to atone for destructive acts against the nature. This protest continued 65 days, drawing solid support and considerable attention throughout the nation (Cho 2003: 36). In June 2003, a group of 45 legislators urged an immediate halting of the project, demanding a body be formed to discuss the controversial issue.

Furthermore, when contractors sped up the sea dike construction despite mounting opposition, a group of 3,538 people from local residents and environmental activists joined in a lawsuit filed against the minister of MOAF and the Prime Minister in August 2001, demanding that the Seoul Administrative Court nullify the 1991

¹⁶² They conducted a 320 kilometers walk (a 200 mile walk) from the Saemangeum to Seoul between March and May 2003, on which after every three steps, they lower themselves to their knees in a full bow to the ground. It was an enlightenment movement as taught by the Buddha. "Three steps, one bow" made many Korean people awaken to modern society's materialistic setting, and it was a peaceful movement to educate people about the value of nature conservation and environmental protection.

Saemangeum reclamation permit and the license of project enforcement, and scrap the Governmental Measures Plan of May 2001. They also submitted a petition, asking the Seoul Administrative Court to temporarily suspend the construction until a court decision was reached on its continuation. Accepting their petition, the court ordered the temporary suspension of the project. In its decision, the court said that it recognized the need to urgently suspend the project in light of the potentially massive environment destruction it might produce.

Responding to this decision, the MOAF said that it would immediately bring an intermediate appeal to the Seoul higher court. Moreover, Kim Young-Jin, then minister of MOAF, finally resigned in protest over the Seoul Administrative Court's order to suspend the Saemangeum project. The court's decision triggered a new round of debates as supporters of the project vowed to continue it at all costs. Groups of local residents in N. Jeolla reacted furiously to the suspension order, saying that they would wage an all-out battle against the government if the project would be stopped. Buan County said that it would withdraw its offer to house a nuclear waste storage site if the Saemangeum project would be suspended, while sports representatives in N. Jeolla said that they would boycott a national athletes meeting scheduled in N. Jeolla. Leaders of local civic groups in the province called for the resumption of the project, vowing to overthrow the government as well. They have already begun a signature drive to collect two million signatures. As noted early, N. Jeolla's resolve to complete the project, even in the face of fierce criticism, stems from its desire to develop the region, which has long been shunned by the central government's investment.

Accepting an appeal filed by the MOAF, the Seoul High Court (appellate court) overruled a lower court's ruling made in July 2003 to suspend the project on January 29, 2004, in which it said that the suspension order went against the public interest. The court said that it made a decision in light of the fact that it is difficult to determine the extent of environmental damage to the wetlands caused by the project and that there is no imminent and compelling reason for suspension of the project at that point. With the court's decision, the MOAF and the KARICO immediately resumed the sea dike construction. The ACC groups opposing the project responded that they would bring a final appeal to the Supreme Court.

The Saemangeum project was scheduled for completion by 2011 at what the government estimates would cost some 3.3666 trillion won (US\$ 3.3 billion). But many critics of the project contend that the total expenses would reach more than 6 to 11 trillion won (US\$ 5.8 billion to 10.7 billion). In the end of 2004, what was worse, the N. Jeolla provincial government was set to start building the world's largest golf complex with 540 hole as soon as the entire dike is constructed in 2011, and thereby it intends to increase tourism revenues. In addition, it is now seeking to build a business town which is stipulated in the special act. The provincial government, which has already forwarded the plan to the central government, is confident in its ability to increase its wealth with the 2008 Beijing Summer Olympics and the 2010 Shanghai Expo in China. The Saemangeum is located nearby the northeastern area of China, in which a few metropolitan cities, such as Shanghai, are developed. Therefore, the N. Jeolla government

and local peoples argued that the Saemangeum has a strong potential to cover a lot of Chinese tourists, trade with China and the quantity of goods transported.¹⁶³

Moreover, as circumstances have changed since the start of the project, the central government is considering using the reclaimed land for purposes. For instance, it could plan to build an environmentally friendly high-tech industrial estate that generates additional income opportunities for people in and around the region. In line with the central government's recent designation of N. Jeolla as a hub cluster region for the renewable energy industry, the provincial government is forming a strategic base for the first five-year development plan, and for the required investment, it plans to utilize the regional renovation and strategic industry development fund. Based on this plan, the N. Jeolla government is seeking to make part of the reclaimed land a wind power complex for environment-friendly electricity generation and the most efficient fuel-cell industrial cluster for hybrid automobile manufacturing.

At this point, it should be noted that all rights over the reclaimed land and water resources in the Saemangeum area have reverted to the central government. The KARICO has complete responsibility to manage those resources and authority to use them. If the N. Jeolla government hopes to own or to use any land or water in the Saemangeum, they must petition the KARICO to sell or to lease it to them. Even so, the provincial and local governments seem to consider the reclaimed land and water resources as their own estate. They have recently asked the central government to transfer

¹⁶³ Some domestic and foreign scholars have been supporting their argument as well (see more in Jin Feng-Jun. 2005. "Role and Function of the Saemangeum Reclaimed Area in the Yellow Sea Rim." Paper presented to the International Seminar on the Long-Term Land Use of Large-Scale Reclaimed Areas, held in Seoul by KRIHS·RRI·JDI·KMI·KEI on April 1, 2005).

all rights and to guarantee local discretion in that area.¹⁶⁴ Furthermore, the central government has just begun to carefully listen to local voices and requests. In the end of 2003, the OPM combined four national research institutions and one local research institution into a joint team in order to develop the multiple land use plan of the Saemenguem reclaimed area.

But the construction of golf complex is certain to invite strong resistance from not merely environmental activists but also from an increasing number of the general populace as the entire reclaimed area can be polluted from toxic chemicals used to protect the golf course lawns. Environmental activists remain angry at the government's stance on such controversial development plans. They say that they can no longer wait for the government to change its position and pursue more environment-friendly and sustainable development policies.

On November 12, 2004, the Seoul Administration Court held a final public hearing on another cancellation suit, in which it heard final opinions on the project from the plaintiffs and defendants. On January 17, 2005, the court recommended both sides to mediate their differences and reach an agreement. In its mediation, the court called on the government to review the project from the start. It said that the government should clarify the project's purpose in order to carry out it, disregarding its repeated promises that the reclaimed land would be mainly used for farming. For this purpose, the court proposed a joint committee to be formed, which is composed of the government and environmental groups, under the oversight of the National Assembly or the Office of the President. To this, the plaintiffs, the government, did not accept, and finally, the Seoul Administrative

¹⁶⁴ In my experience in the joint research team, most people from N. Jeolla looked like very stubborn in this issue, endless claiming that the N. Jeolla government should set up land use plan by itself, rather than by the central government.

Court made a legal order on February 4, 2005, in which its decision was given in favor of the defendants, environmentalists and local residents (Korea times, January 17, 2005; Maeil Business Newspaper, February 4, 2005). In response to the court's decision, the government brought an intermediate appeal to the Seoul High Court (appellate court) against the Seoul Administrative Court's decision in March, 2005. Even defendants did not welcome its decision because they had expected to cancel the project itself, and finally, they filed an appeal in April, 2005. In short, the required agreement between the opposing parties did not materialize. On December 21, 2005, the Seoul High Court overruled the lower court's order in favor of the plaintiffs. To this, the defendants brought a final appeal to the Supreme Court against the Seoul High Court's decision.

7. Conclusions

As noted earlier, historical data show that tidal land reclamation in Korea has been embraced as one of principal developmental strategies, because Korea is one of the world's very densely populated countries, having an acute need for arable lands to produce rice. As a vital instrument for the expansion of farmlands and national territory, tidal land reclamation policy has been regarded as a natural and good thing for a long time. The central government has retained overall functional control, because its resources have been considered as a basic necessity for the whole country. However, public attitudes and localities are changing in recent. In spite of its contribution, tidal land reclamation has become a national issue, bringing out crucial conflicts among interest parties. The Saemangeum project is evidence of that.

Indeed, this review of the Saemangeum project shows that centralization still

dominates tidal land reclamation policies. Localities cannot participate in the process of policy making without approvals from the central agencies and relevant acts. Considering the various modes of decentralization, however, the Korean experience with this policy arena represents a mixture of deconcentration and delegation, even though centralization is much more likely explanation for tidal land reclamation policies. On the one hand, it has the characteristics of deconcentration that merely shifts compensation affairs from the central government to the province under the central supervision, in which the N. Jeolla provincial government is just a substitute for the effective implementation of the project. On the other hand, it has the characteristics of delegation that involves the redistribution of responsibility of decision-making and administration of public functions to the KOWACO, within a general framework of central control.

Even though centralization still dominates tidal land reclamation policies, the case of Saemangeum is obvious that the Korean government has experienced difficulties in implementing national projects in recent years. In fact, the complications Korea has experienced in development projects are attributable, in part, to a variety of state transitions, including democratization, the growth of civil society, nationwide social movements, and the reintroduction of local autonomy since the June Democratic Declaration in 1987. Owing to these socio-political changes as well as economic growth, civil society in Korea began to actively participate in the process of public policy. It seems more obvious in governing environmental resources, such as land development. On the other side, local governments have increasingly acquired greater political power and administrative authority in their territory as local autonomy has been accelerated.

As noted earlier, the Saemangeum project is still enmeshed in controversy as one of Korea's most visible national development issues. Both sides -- the government and environmentalists and some local residents -- have brought several appeals for the last few years. The Supreme Court will make a final decision on March 16, 2006. Furthermore, the Saemangeum project is an emotional issue for N. Jeolla and local residents, hoping that the project can revitalize regional economy. With this reason, N. Jeolla has aggressively sought to designate the reclaimed land for multipurpose development. In other words, the N. Jeolla provincial government tries to obtain a right to control the reclaimed land. Yet the KARICO and central ministries have maintained the reclaimed land's original purpose. Therefore, the issue of land use will be a major intergovernmental debate sooner or later.

Not surprisingly, the centralization in policymaking and the central government's reluctance in sharing authority with low-level local governments and civic groups have intensified disputes among different groups. At this point, the acute tension among groups dealing with these issues has led to the need for management alternatives that can substitute for existing central control. The case of Saemangeum project suggests the need to consider multiple stakeholders, such as local governments, local residents, NGOs, experts, scholars, or private sectors as legitimate actors in the process of policymaking.

Table 6.6 The Process of Controversy in the Saemangeum Project

1986:	The Saemangeum project was first initiated in the Buan Comprehensive Development Plan on the Welfare of Fishing and Agrarian Villages first included Gimje, Okgu and Buan
May 12, 1987:	The government announced the Western Coast Reclamation Plan, including the Saemangeum area
July-October 1987:	The MOAF reviewed the economic feasibility of the Saemangeum plan, and finally, proved that it was feasible
November 4, 1987:	Even so, economic departments at the national level were not favor of the plan because of the lack of financial resources
December 10, 1987:	In the campaign of presidential election, Kim Youngsam candidate made a pledge to develop the Saemangeum area as much as Busan Metropolitan City. Right after, Roh Tae-Woo candidate also committed the implementation of the plan
Dec. 1990, 1991:	While the Committee on Agriculture, Forestry & Fishery appropriated the plan (20 billion won) in the national budget, the Special Committee on the Budget cut the amount. In 1991, President Roh attempted to submit the second proposal, appropriated 20 billion won in the supplementary budget bill again. However, the Ministry of Economy and Planning cut the whole amount
Jan. 1986-June 1991:	The government designed the sea dike and set up the plan
1991:	When the Gulf War broke out in 1991, the government needed to gain the agreement of the National Assembly to dispatch the medical troops. President Roh made a compromise with Kim Dae-Jung, an opposite party's leader, over the Saemangeum plan
March 26, 1991:	Local Council Election Day
June 20, 1991:	Metropolitan and Provincial Assembly Election Day
July 1991:	Kim Dae-Jung, the leader of the largest opposition party, strongly asked President Roh to implement the Saemangeum project as soon as possible in the political leaders' talk on July 16, 1991, and President accepted his request. Following this, the government appropriated the project in the general budget on July 23, 1991
August 1991:	The government announced the implementation plan of the Saemangeum project
November 28, 1991:	The groundbreaking of No.1 tide embankment construction
June 10, 1992:	The groundbreaking of No.2,3,4 tide embankment construction
June 27, 1995:	The 1st Local Election Day (governor, mayor and councilors)
	As a governor, Ryu Jong-Keun was elected by popular vote
June 1996:	The Sihwa Lake, a former mud flat, was blocked, and eventually, destroyed all aquatic life. In response, the government spent 5 billion won to improve water quality in Sihwa Lake and to rectify damages the project caused
October 14, 1997:	The groundbreaking of Garyeok water control gate

1997:	Right after the water pollution accident in the Sihwa Lake, activities began to ask the government to re-examine the project
April -June 1998:	In response, the Board of Audit and Inspection conducted a special inspection, in which it reviewed all matters
April 22, 1998:	N. Jeolla announced a land use proposal, by which the reclaimed land would be used as a multi-purposed complex, including tourist, industrial site, etc.
June 4, 1998:	The 2nd Local Election Day (governor, mayor and councilors) As a governor, Ryu Jong-Keun was elected by popular vote
July 1998:	Civic groups formed a committee, claiming the thorough review and the cancellation of the project
September 22, 1998:	The BAI reported the results of its special inspection (It urged the MOAF and the KARICO to readjust their land use plan effectively and to establish measures for protecting water quality in the lake)
December 1998:	The MOAF rejected the proposal which was suggested by N. Jeolla in April 22, 1998
December 30, 1998:	Completion of No.1 tide embankment construction
February 1999:	Ryu Jong-Keun, N. Jeolla provincial governor, proposed to form a civil-governmental joint task force
May 1999:	The 7th Ramsar Convention was held in Costa Rica. International NGOs criticized the Korean government for its lack of a strong environmental policy and how the Saemangeum Project damaged the ecology of the coastal wetlands.
May 1999 -June 2000:	The government formed the Civilian-Governmental Joint Task Force to investigate all matters. The investigation focused on three fields: the economic feasibility of the project, the environmental impacts of the sea dike, and the prediction of water quality in the planned freshwater lake and countermeasures for improving
August 18 2000:	The CGJTF submitted the final report to the Office of Prime Minister. Members of the CGJTF had different opinions of critical issues, and they failed to come to the consensus. After all, the joint task force recommended the President to make a final decision
August 29, 2000:	To this, civic groups held a press conference, urging a correction of the report. Also, they announced that the report was not reliable
September 2000:	Responding to these oppositions, about 70 civic groups in N. Jeolla formed the Association of Pan-Provincial People, and together with the Provincial Assembly and the Regional Chamber of Commerce, it drove to collect one million signatures. Also, it had a press conference in the Office of Democratic Party in Seoul and visited members of the Budget Committee in order to force them to appropriate the Saemangeum project in the budget
September 2000:	The Government established the Presidential Commission on Sustainable Development to settle and mediate conflicts in national development projects such as the Saemangeum project
October 16, 2000:	Civic and religious groups started to stage sit-in protests (the Korean

	Federation of Farmers, the Korean Confederation of Trade Union, the Korean Teachers and Educational Workers' Union, and Christian, Buddhist, Catholic, and Won Buddhist religious groups participated in the protest)
November 14, 2000:	Two thousand people from religious organizations pronounced the Declaration of Peace to ask the halt of the project
December 2000:	Five hundred nuns met at Myungdong Cathedral to call on politicians not to allocate money for the Saemangeum project in the nation's 2001 budget.
January 30, 2001:	The PCSD organized a team to review the Saemangeum project.
February 19, 2001:	Based on the MOMAF's report, the PCSD advised the government to postpone the final decision for one month. According to the MOMAF's report on the Saemangeum project, 1. 8 percent of the whole tidal flat of the country, on which most local people and ocean creatures rely, will disappear. 2. Spawning and breeding places for birds and ocean creatures accounting for over 50 percent of the habitat of special products from this area will be lost 3. The last unique ecosystem of river mouth, joining fresh water and salty water and providing abundant minerals and much organic matter to ocean creatures, will be lost. 4. The excellent natural purification function for pollutants compared with artificial sewage disposal plants at Jeonju and Iksan near by the tidal flat will be lost Later, this report provided the Life and Peace Coalition for the Saemangeum Tidal Flat with strong grounds for the opposition
March 5, 2001:	200 civic and religious groups organized the Life and Peace Coalition for the Saemangeum Tidal Flat
March 21, 2001:	The PCSD finally proposed the government to withhold the final decision until it gets to the social consensus
March 23, 2001:	The Association of Pan-Provincial People in N. Jeolla held a province-wide rally to win its request for the project
April 26, 2001:	Local Re- and By-Election
May 2001:	Under the auspices of the OPM and the PCSD, open forums and assessment meetings were held in order to discuss major issues and problems, but they did not come to any agreement Finally, the government had to make a final decision by itself
May 25, 2001:	The Committee on Water Management and Policy Coordination under the OPM announced the resumption of the project, within the Governmental Measures Plan. This plan included several points: after the completion of sea dike, the government will develop the reclaimed area in the sustainable and stepwise way; the government will first start to work in Dongjin River reclaimed area which met

	the legal water quality standards; and the government will implement a variety of measures in order to improve the water quality in the Mangyeong River Basin. If the water quality meets the standards, then the government will develop the Mangyeong River reclaimed area as well
August 2001:	But NGOs and citizens took a legal action, in which they asked the court to cancel the 2001 Governmental Measures Plan and to invalidate the 1991 reclamation permission in the Saemangeum area
March 13, 2002:	The groundbreaking of Sinsi water control gate
June 13, 2002:	The 3rd Local Election Day (governor, mayor and councilors)
March-May 2003:	As a governor, Kang Hyon-Wook was elected by popular vote Large-scale demonstration calling for the stop of the project, named "Sam-Bo-Il-Bae" for 65 days
May 31, 2003:	The team of Sam-Bo-Il-Bae encountered with the Association of Pan-Provincial People of N. Jeolla in Seoul
June 2003:	Three people sued the Prime Minister and the minister of MOAF, and asked for the invalidation of the Governmental Measures Plan and the 1991 reclamation permission
July 15, 2003:	The Seoul Administrative Court ordered the government to halt the project, but the defendants (the government) brought an immediate appeal
July 18, 2003:	The minister of MOAF resigned
December 30, 2003:	Completion of the Garyeok water control gate
January 29, 2004:	The Seoul High Court overruled the Seoul Administrative Court's decision. The construction of sea dike could be resumed
February 5, 2004:	To this, the plaintiffs (three environmental activists) brought a final appeal to the Supreme Court
November 12, 2004:	To another lawsuit, the Seoul Administrative Court took a final hearing from the defendants and the plaintiffs
January 17, 2005:	The court suspended the project, saying the government should re-examine the original purpose. The court recommended both parties to make a joint committee in order to come to the consensus
February 4, 2005:	But the defendants (the government) rejected the court's recommendation. After all, the Seoul Administrative Court made a legal order in favor of the plaintiffs (environmentalists and local residents), ordering the defendants to follow its recommendation
March & April 2005:	The defendants and the plaintiffs both brought an intermediate appeal to the Seoul High Court respectively
December 21, 2005:	The Seoul High Court overruled the lower court's ruling, and finally, it made a decision in favor of the defendants (the government)
Present:	The plaintiffs (environmentalists and local residents) brought a final appeal to the Supreme Court

Source 1: Jung, Jin-sool (2003).

Source 2: The Korea Agricultural and Rural Infrastructure Cooperation: <http://www.karico.co.kr/>.

Source 3: The Korea Federation for Environmental Movement: <http://english.kfem.or.kr/hot/press.htm>.

Source 4: The Saemangeum Economy Information System: <http://www.smgeco.net/english/intro.html?fid=1>.

Source 5: The Office of Prime Minister. Unpublished Report.

CHAPTER 7

CONCLUSION:

FINDINGS AND LESSONS FROM THE KOREAN DECENTRALIZATION OF ENVIRONMENTAL RESOURCES POLICY

It should be noted that this study is inconclusive in some of its results regarding the causes, process and quality of the Korean decentralization and the decentralization of environmental resources governance. Nevertheless, certain lessons can be drawn from Korea's experience in general as described in chapter 4 and from the environmental resources case studies found in chapters 5 and 6.

In general, it is apparent that the evidence from Korea presented here is consistent with the prevailing view in the literature that decentralization of government is a significant trend rather than a passing fad. Since 1987, Korea has taken significant steps towards government decentralization even as it remains a highly centralized political system. Korea's decentralization process has been influenced by multiple factors such as economic development, social change, and political crisis. Korea's transition to democracy in particular has strengthened the trend towards policy decentralization. Political considerations explain much of the fact that central government and national politicians have and continue to play a powerful role in efforts to strengthen local government capacity. Decentralization in Korea is thus a multifaceted and dynamic

process among diverse stakeholders, including the central government, local governments, and civil society.

The central argument of this study is that government decentralization in Korea, particularly since democratization in 1987, provides important opportunities for localities to better influence environmental resources governance and to become more involved in the policy making process, but that formal decentralization does not automatically build local capacity for governing environmental resources in their territory, nor does it necessarily yield successful policy outcomes for local governments. In other words, the success of local-based environmental resources governance is based on a complex collective process that requires much more than just a legal reform and transfer of functions or resources.

Bearing in mind that decentralization is usually considered as a dynamic policy experiment, having a feedback mechanism in political process, this study set out to identify and study the various factors accelerating the trend towards government decentralization in Korea. Such factors as democratization and formal initiatives to strengthen subnational governments by redistributing government powers and functions have been in play now nearly two decades since the shift towards democratization in 1987. This study reviewed this government decentralization process in general and examined its effects on the decentralization of environmental resources policy in two critical resource areas, tidal land reclamation and water reclamation and flood control.

The primary questions addressed in this study are whether, given the state transition since 1987, Korean local governments are now more motivated to engage in environmental resources policy-making and whether they are adequately supported by the

Korean central government and the local institutions in place. The process and progress of decentralization in Korea and its impacts on environmental resources policy were assessed empirically in preceding chapters with an overview of Korean decentralization in chapter 4 and case studies from two selected national projects -- the Yeongwol Dam project and the Saemangeum project in chapters 5 and 6 respectively.

Korean Decentralization in Theory and Practice

The assumptions, purposes, and analytical approach used in this dissertation are based on general theory and propositions related to decentralization found in the scholarly literature. As seen in chapters 2 and 3, decentralization is a complex process in which a variety of factors, such as socio-economic conditions, political system, historical contexts, environmental constraints or international pressure, coexist and dynamically interact with each other as a combination of social, political and administrative forces.

Due to the complex process of decentralization, decentralization in practice appears in a variety of types and combinations. That is to say, the various forms and dimensions of decentralization are not as easy to distinguish as their definitions suggest. They may occur simultaneously, follow one upon another, or be intertwined. In any country where decentralization is pursued one is apt to find a mixture of political, administrative, fiscal and economic functions and mingled interrelationships between levels of government that overlap or coexist with centralization. Regarding administrative decentralization, for instance, most institutional arrangements are a hybrid, characterized by a combination of elements of the four types and three dimensions of decentralization described in Chapter 2. Such hybrid institutional restructurings are common and are

likely to be found across a range of substantive policy domains such as political-legal reform, fiscal, administrative and civil service reforms, public participation, strengthening local governance, natural resources management, social services planning, and the like.

This study follows the leading paradigm in decentralization studies by focusing on the linked dimensions of political and administrative decentralization. As seen above, political decentralization is usually taken to refer to a redistribution of actual power while administrative decentralization centers on a transfer of functions among units and levels of government. This distinction is often blurred in practice because political decentralization, as seen in the case of Korean democratization, tends to generate demand for greater administrative responsiveness to public concerns which, in turn, strengthens public support for administrative decentralization.

As Chapter 4 reveals, Korea's formal decentralization initiative is very broad in scope. It includes a vertical division of powers and functions between central and local governments as well as a horizontal redistribution of functions among governments at each level. These formal revisions of government functions have gone forward in the context of greater political contestation at all levels of government and it is clear that political considerations have played an important role in shaping the reallocation of administrative functions. Yet debates about centralization and decentralization in Korea have largely focused on the transfer of administrative affairs and functions between central and local governments. The result of this debate, as seen in Chapter 4, has been a fairly sustained effort since 1987 to redistribute administrative functions without fundamentally devolving either political or administrative power or transferring

administrative power to such a degree that it would fundamentally alter the historic asymmetry of government in favor of central authority. The case studies examined here, however, show that a narrow focus on vertical reallocation of administrative functions fails to capture the complexity of the decentralization process in the area of environmental resources. This is apt to be true of other substantive policy areas as well.

What is remarkable is that Korea's experience with decentralization is occurring in what was just two and half decades ago one of the most centralized administrative and political systems on the globe. Government centralism remains very well entrenched, politically and administratively. This strong tendency to centralism is reinforced by a legal-administrative practice in which the institutional structure of local autonomy is founded upon the strict rule of 'ultra vires.' Local governments are not granted competencies to provide services or carry out functions not specifically prohibited by laws. In essence, they lack effective reserved powers. With local governments thus restricted, the central government sets the basic rules for local organization or personnel management. What is worse, most local governments depend on the central government for the basic necessities of effective decentralization, such as financial and personnel resources, and technical know-how. Yet it is evident that recent decentralizing changes in Korea have resulted in a recalculation of local capacity to assume greater authorities. The impact of these reforms is felt broadly across a number of public policy areas.

While much of Korea's recent progress in decentralization remains formal and honored often in the breach the present analysis finds a good deal of progress as well. As seen above, Korean decentralization has largely proceeded as an interplay of deconcentration, which entails bringing central government administration closer to its

service community; delegation, which involves the redistribution of administrative authority among local governments within a general framework of central control; and devolution, which refers to the exercise of autonomous political authority by the elected local bodies within the legally guaranteed scope of responsibilities. From a strictly administrative perspective, deconcentration and delegation have dominated Korea's decentralization initiatives. However, democratization and the strengthening of Korea's civil society have enlivened electoral competition and invigorated local participation, and are associated with a certain degree of political decentralization and devolution. Even though centralizing constraints on local autonomy are still very much a part of the political, legal and practical context, the Korean experience shows that progress in political and administrative decentralization is occurring.

Decentralization and Environmental Resources Governance in Korea

The case of environmental resources management in Korea is instructive both for what it reveals of the complexity of Korea's decentralizing reforms as well as the substance of these reforms. As seen previously, environmental resources management has been targets for advocates of decentralization who tout the value of local involvement in environmental stewardship and public health. Today, at least 60 countries are decentralizing some aspects of their natural resources management system (Agrawal 2002, cited in Ribot 2002).

Yet the evidence from the case studies presented here certainly raises questions concerning the competence of local governments in this policy area. The administrative capacity of local governments is both internally and externally determined and in Korea

external constraints have been highly influential in limiting local authority. As described in earlier chapters, provincial, county, and municipal governments prior to 1987 functioned with very little practical autonomy, their revenues and policy authority tightly circumscribed by the government in Seoul. Moreover, historically, Korea favored big development projects pushed by the central government and national politicians. It has a rich history of solutions to environmental resources policy problems being mostly dictated by the central government. Despite growing attention to decentralization, the Korean government has remained reluctant to allow the increased policy involvement of local governments, arguing environmental resources deserve the highest priority as basic necessities for the whole country. Thus, centralization still prevails in which the role of local governments in environmental resources governance has been substantially neglected in legal and institutional frames.

But change is in the air. As political decentralization and civil society have gained momentum since 1987, local governments have gained a modest degree of influence in governing environmental resources. The case studies show that recently central initiatives in this policy arena have met with strong criticism for failing to take local interests into account or adequately respond to local needs. As a result, the central government has been plagued with deadlocks in national environmental resources projects.

What the case studies clearly reveal is that despite a rather limited commitment to political and administrative decentralization of environmental resources at the national level, political pressure at the level of civil society and local government is compelling the Korean central government to gradually continue its decentralizing in planning,

development and managerial efforts of this policy arena.

In the two cases under review, the Yeongwol Dam project and the Saemangeum project, less of the variation in the project outcomes is attributable to overt, formal political or administrative decentralization measures undertaken since 1987, though such initiatives are not immaterial to understanding the role and importance of local government in the policy process on each of these projects. Much more of the variation in the two projects' eventual outcomes is attributable to the political mobilization against the projects and the interplay of political and institutional interests engaged in the advocacy process.

With respect to the formal measures for political and administrative decentralization it is evident that a considerable number of formal responsibilities have been transferred to local government over the past decade and a half. In this context some deconcentration and delegation of central authority has been modestly influential in shaping policy development. In the Saemangeum project, for instance, Korea's Ministry of Agriculture and Forestry, acting under the authority of the Public Waters Reclamation Act, allows for some deconcentration of central authority to local governments via a limited concession process, engaged the government of N. Jeolla province to implement compensation policy for affected interests through its provincial Office for Supporting the Saemangeum project even though the N. Jeolla government lacked any real discretion in implementing this policy. This is clearly a case of administrative deconcentration in which the provincial government was asked to function as an agent of central authority. This change, however modest, represents a significant departure from tight central control over tidal land reclamation policy in Korea. The central government's concession

of decision-making responsibility and administrative control to the Korea Agriculture and Rural Infrastructure Corporation also represents a significant degree of horizontal delegation to an independent public corporation.

Similar dynamics are seen in the Yeongwol Dam project. In the case of water development and flood control projects, provincial and local governments have a delimited role in managing rivers of less than national significance within their jurisdictions but have largely been excluded from policy implementation and administration of major projects, though national policy now requires consultation with relevant provincial and local authorities. In this scheme, provincial and local governments may be delegated functions by national authorities but the degree of autonomy they enjoy is entirely contingent on the will of central government. Other related agencies for water quality management, regional environment and land management committees, for example, operate as deconcentrated dependencies of central government and work under strict supervision of national ministries.

At the national level, some further horizontal delegation/devolution, however, is evident at the level of the Korea Water Resources Corporation an affiliated public corporation of the Ministry of Construction and Transport which has been entrusted with primary oversight of the design and implementation of national water reclamation projects like the Yeongwol Dam. In sum, the similarities and differences in these two cases makes clear that provinces and localities in Korea still lack real autonomy in the environmental resources governance, but have gained some functional administrative competencies, owing to democratization and administrative decentralization.

The primary decentralizing influence on these two projects, however, has been

political, driven by Korea's democratization and the greater importance of local representative bodies coupled to rising political participation at all levels of the political system. Since the 1987 June Democratic Declaration the furthering of local autonomy and decentralization in Korea has become a vital and enduring public issue.

First of all, with respect to structural change related to political and administrative decentralization, local autonomy and decentralization were advanced by sequential political events and political decentralization efforts, such as the thorough amendment of the Local Autonomy Act in 1988, the reconstitution of local assemblies in 1990, the formation of President Kim Youngsam's Civilian Government in 1993, and the election of local governments' governors and legislators in 1995. The greater local autonomy granted since the early 1990s in Korea has incrementally strengthened the influence of localities in developing and conserving their territory, even though they still lack predominant authority in most policy areas. The case studies show that local actors have increasingly engaged in the controversies even within the limitations of administrative and functional authorities in environmental resources policy. As noted, central ministries and their public corporations have predominant authority for governing water resources and large-scale reclaimed lands. As civil society has developed in Korea, however, local residents have increasingly expressed interest in issues closely related to life in their territory. The result is that local governments have become more assertive in trying to influence national and subnational policy making and increasingly demand that central government modifying policy decisions affecting their localities. Sometimes their activity is manifest in concerted actions, such as the three local governments' association in the case of Yeongwol Dam project. At other times, local influence has originated with local

agencies or provincial governors.

For instance, Ryu Jong-Keun, the N. Jeolla governor, pledged the quick completion of the Saemangeum project in the local election, going as far as to petition the central government to transfer authority over the Saemangeum area to the N. Jeolla government. He was attracted to the project for its potential role in regional economic revitalization as well as its political appeal.¹⁶⁵ Shortly after he became the provincial governor, Ryu began to crafting a provincial inner-land use plan, by which the reclaimed area would be developed not just for agriculture, but for multipurpose uses benefiting tourism, industry, and other economic sectors. N. Jeolla's efforts were sufficiently challenging to weaken the existing relationship among central ministries and local governments. Its plan provoked a serious conflict with both MOAF and KARICO, which have a strong imperative to defend and retain their authority over the reclaimed land, but finally led to change the original governmental plan. Moreover, it should be noted that Governor Ryu proposed the composition of a joint task force before anyone in order to relieve the tension (Jung, J 2003). In addition to the provincial government's unprecedented effort to assert an administrative prerogative, the increasing influence of local residents complements the shift towards greater local assertion in this policy area.

Second, democratization has strongly impacted the growth of civil society in Korea, resulting in the emergence of various civic and advocacy groups. The two cases reviewed here are projects where NGOs played influential roles in each controversy.

¹⁶⁵ YounKoung Jung, the former director of GKU, says, "The mixed land use plan proposed by the N. Jeolla provincial government shows well how much the Saemangeum area is important to N. Jeolla for revitalizing the regional economy. The N. Jeolla provincial government and local residents have historically felt that the central government ignored their region in the process of economic development. *The White Paper of Jeonbuk (N. Jeolla)'s Backwardness*, published by the N. Jeolla provincial government, shows very well how much the central government has excluded N. Jeolla from national supports for regional economic development (She was personally Interviewed on September 10, 2004)."

The Yeongwol Dam project, in particular, was affected by NGO activity, in which Seoul based environmental NGOs informed local governments and local residents of safety issue and environmental problems that would result from the dam's construction. Their intervention eventually mobilized considerable local opposition to the project, catapulting the controversy onto the national stage and transforming it into a national policy dispute that gained the attention of the entire country.

While it is clear that advocacy group activity increased remarkably after 1987, the extent of their influence is debatable. The two case studies reveal that advocacy coalitions opposed to the projects did modestly influence the actual policy process. These opposition movements were able to persuade relevant central and subnational authorities to enhance procedures for mitigating and reducing environmental degradation from development projects. Their advocacy efforts strengthened the measures for prior consultation, and helped better institutionalize participation mechanisms that strengthened the participation of diverse stakeholders at national and local levels in environmental resources governance. In this process, institutions to include various sectors in environmental policy making have been developed. Despite these developments, the specific impact of advocacy groups has been limited, particularly at the local level as the cases show. It remains the case that local actors and civic groups in Korea are still not effectively involved in governing environmental resources, at least at the local level. While local advocacy organization is certainly greater than in the past, the modest authority of local governments limits their usefulness to advocacy groups. With the most vital policy leverage points situated at the national level, effective opposition must still concentrate on influencing national level institutions in efforts to shape regional

and local policy. Reflecting on this situation, Hoon Park says, “There isn’t any route in Korea to guarantee that provincial and local governments can participate in the process of policy making.”¹⁶⁶

Despite a certain degree of political decentralization and consistent with the pattern outlined above, the case studies also confirm that critical policy decisions on these projects were formed largely through a centrally-led and closed-door process. Final decisions on each case were determined by national politicians’ political considerations, rather than by a mutual agreement or on the basis of objective criteria like economic feasibility (Jung 2000). In particular, the case studies demonstrate that the president’s influence prevailed over other influences on decision making. But the two cases also show that the Korean government sought to mediate disputes through joint investigation task forces which were composed of persons from central and local governments, NGOs at national and local levels, universities and scholarly communities, and the like.¹⁶⁷ To this, Dae-Ho Hwang says,

“The Joint Investigation Task Force for the Yeongwol Dam project was the first case in which the government and civilians co-worked. As that much, there is no system, which guarantees civilians’ participation in the process of public policy. Within this institutional system, we have only one channel for guaranteeing civil participation, and this is the public hearing. But, this has been used as a legal tool which excludes stakeholders’ participation, because it has many problems in its implementation (Interview on September 8, 2004).”

¹⁶⁶ Cited in Park’s interview on October 20, 2004.

¹⁶⁷ From the different point of view, what should be emphasized from the findings, the Korean society has begun to utilize and apply scientific approaches in evaluating policy options and advancing policy preferences. Particularly, the case of Yeongwol Dam shows that well-informed logic and thoughtful persuasion based on a scientific approach could win over public authorities and even change final decisions. As Jung (2000) observes, decisions resulted from scientific investigation and objective assessment, rather than the government or a few groups’ own wills and interests, are both more reasonable and legitimate. In reviewing the case of Saemangeum project, Cho (2003: 38) asserts, “[i]t should be noted that there were significant positive aspects of establishing the Review Panel (named task force) for investigating the Saemangeum project... It... meant for the first time environmental groups were on an equal footing with the government, at least nominally... it provided valuable resources and opportunity for environmental groups to gain scientific knowledge.”

Apart from these patterns associated with Korea's gradual and limited administrative and political decentralization, other factors certainly influenced the different outcomes found in the two cases. First of all, the different modes of project initiation appear to lead to different policy outcomes in the two cases. While the Saemangeum project was promoted for political purposes by which then President Chun sought to appease local people in N. Jeolla just before the 13th presidential election,¹⁶⁸ the Yeungwol Dam plan was planned on the basis of a locally recognized need to protect against habitual floods downstream on the Han River, responding to popular concern with this problem at the local level. To this, YounKoung Jung asserts, "The Saemangeum plan was initiated as a political compromise. It was thus ridiculous that we hoped to get scientific and reasonable resolution in the controversy."¹⁶⁹ Hoon Park says, "It was not an issue of power or authority between the levels of government, because the initiation of the Saemangeum plan was political and the controversy has been politically motivated."¹⁷⁰

Second, the two cases demonstrate that local opinion was occasionally influential in decision making related to the projects, and at least, partly helped shape the outcomes. Then ruling party wanted to gain popularity in N. Jeolla because it had been defeated in

¹⁶⁸ In 1987, the government had almost given up this plan due to the lack of financial resources, but it showed up on national policy agenda when Roh, then president candidate, pledged to promote the plan as one of regional development policies. Later, Kim Dae-Jung, then opposite party's leader, asked to start a work in the Saemangeum as planned, and then President Roh compromised with the opposite party's leader in order to gain the agreement of the National Assembly on the issue to dispatch medical troops to the Gulf in 1991. The Party of Peace and Democracy (PPD), then opposite party, had its power-base in N. and S. Jeollas. At that time, PPD occupied 70 ones out of 299 seats in the National Assembly, while the Party of Democracy and Justice (PDJ), then ruling party, occupied 125 seats. In order to dispatch troops overseas, the government has to get the majority of two-thirds in the quorum of the National Assembly. Due to this unique circumstance, Kim Dae-Jung, who later became the president, could not actively involved in the controversy of Saemangeum during his term of office.

¹⁶⁹ Cited in interview on September 10, 2004.

¹⁷⁰ Cited in interview on September 10, 2004.

earlier by- and re-election campaigns. It also hoped to hold and consolidate a majority in the election of 16th national assembly and it used the initially appealing Yeongwol Dam project as a political vehicle for this purpose. For political reasons the Korean government decided to resume the Saemangeum project which most local people favor, while it eventually cancelled the Yeongwol Dam project after local communities disapproved. This is certainly a contributing reason two cases generated different outcome as well. Yet, the picture is certainly mixed in the two cases. The lack of local involvements has been identified as the single important cause of the failure of the advocacy campaign against the Saemangeum project in which few local people participated in grassroots organizations, the Buan Peoples being a case in point. On the other side, the N. Jeolla provincial government encouraged local people to favor the plan and nine local media promoted the project's positive aspects (Cited in Hwang & Park's interview on September 8, 2004).¹⁷¹ The N. Jeolla provincial government aggressively appealed to the local community's civic pride and spirit in advancing the project's socio-economic benefits (Cited in Kim's interview on September 10, 2004; Park's interview on October 20, 2004). In contrast, as the adverse impacts of the Yeongwol Dam project became better known, the anti-dam advocacy movement of local residents and communities was consolidated and became more influential, leading the government to finally abandon the project.

¹⁷¹ In recent, the ACC groups and individuals met to discuss on the lawsuit of Saemangeum at 'Gre' in N. Jeolla. In this meeting, they emphasized that the most important thing was to make a public opinion against the Samangeum project in N. Jeolla. However, argued they, the Growth Coalition, consisted of provincial and local governments, local media and local civic groups, has already led public opinion on the project in N. Jeolla (cited in Ohmynews. Retrieved June 20, 2005 from, <http://kr.news.yahoo.com/service/news/shellview.htm?linkid=33&newssetid=470&articleid=2005062014294714224>).; According to the GKU, local media, such as Jeonbukdomin Ilbo, have even distorted the facts in making news of the Saemangeum project and its impacts (the GKU. April 2000. Retrieved from http://www.greenkorea.org/old_data/news/release/20000425_2.htm).

Third, the case studies show that the joint investigation task forces contributed to the different policy outcomes. Whereas Korean society did not oppose the task force's recommendation in favor of canceling the Yeongwol Dam project, in the case of Saemangeum where the task force remained divided it distrusted and resisted the results of investigation; even the members of the task force were unable to come to a mutual agreement over critical issues.¹⁷² In particular, the case study of Saemangeum project stresses that public discussion was fundamentally blocked because the process of review was not open to the public; that local communities, including traditional 'bare-handed' fishermen, were totally excluded from the review; and political power controlled the scientific analysis and its determinations (Cho 2003: 38). Worse still, the task force for the Saemangeum began its work with a set of organizational limitations restricting its objectivity and fairness (Cho, Joon-Ik 2000, cited in Hwang & Lee).¹⁷³

Overall, what is evident through the case studies is that democratization and political decentralization for the last two decades are critical elements at the moment in advancing local opposition to the state in environmental resources policy as well as environmental value in national developments in Korea. The two case studies, despite their different outcomes, clearly show that national authorities, both elected officials and

¹⁷² In the final stage, the task force put to the vote over whether or not they would decide to resume the project. According to the result, ten voted for the resumption among members of the task force, nine voted for the cancellation, and one voted for a conditional agreement to resume the project (Jung, J 2003).

¹⁷³ The task force in the case of Saemangeum was financed by the KOWACO which administers the project, while that in the case of Yeongwol Dam was operated by the central government's financial support. Thus, it was doubtful whether the task force's activities in the case of Saemangeum could be truly independent of the KOWACO. This issue was supported by its composition as well. In the case of Saemangeum, civilians recommended by NGOs took ten seats out of 30 members, while in the case of Yeongwol Dam, they occupied a half of the 33 task force seats. To this, Hwang and Park point out, "In the task force in the case of Saemangeum, public officials played a critical role in the process of decision making, even if their roles should have been limited just in providing data and information and supporting members' review. As a result, their abuse of power led the lack of information civil actors needed and the distortion of investigation results they drew (Interviews on September 8, 2004)."

central ministries or agencies, were compelled to respond by nationwide political mobilization that was not so very much dependent on the administrative deconcentration or delegation associated with the policy area. In fact, administrative deconcentration and delegation did slightly alter the venues for and the focus of the anti-development coalition, but not much. In other words, this Korea's limited administrative decentralization has modestly helped in advancing environmental values, as local governments now have greater authority than in the past, but the overarching importance of central government means that civil society and advocacy organization advancing conservation values still focus mainly on national institutions for policy change, and only modestly on local governments. The case studies also show that local opposition in Gangwon and N. Jeolla helped originate and legitimize opposition efforts but much of the focus and the composition of anti-development coalition were national and were not focused on local administrative venues. In short, the primary locus of policy decision was in Seoul, not the provinces or local places.

What the case studies show, then, is that the decentralization of environmental resources policy is still in its infancy in Korea. Local governments lack much administrative autonomy and are not very important venues for policy change, although they cannot be ignored either. Conservation efforts of civil society and local confrontation with the central authority have been mainly benefited from the growth of civil society along with the advance of democratic values and political decentralization. Through democratization and political decentralization that the Korean civil society and localities have been able to challenge the historic development coalition and realize important conservation gains. The change in national water resources policy as a consequence of

the Yeongwol Dam project is an example of that. Since the cancellation of the dam, the Korean government has faced with obstacles to implemented 34 dams planned. To this, the Korean government realized that it would need to switch water resource policy.¹⁷⁴ Jae-Geun Park says, “The case of Yeongwol Dam was a turning point to shift a supply-oriented system policy into demand-management in national water resources policy.”¹⁷⁵ Also, the case of Saemangeum changed the pre-existing political agenda, in which NGOs pushed the government to incorporate the concept and measure of environmental and ecological value as major factors in the analysis of economic feasibility.

Implications of the Study

This study leads me to conclude that decentralization may indeed be a proper way to promote national development as Korea’s political transition and socio-economic development unfold. Owing to these changes, the relationship between central and local governments is now being pressed to change from the vertical arrangement of authority to a more horizontal arrangement, under which they can work in close cooperation for the people. Korea’s vertical policy making, a longstanding characteristic, appears to be weakening in even the very centralized environmental resources policy domain. While government concentration remains entrenched in Korea and should still be viewed as a dominant influence on policy outcomes over and above subnational impact on policy, significant changes to enhance the power of civil society and localities have made their appearance in Korea.

¹⁷⁴ Comprehensive water conservation measures, such as the installation of water-saving devices and intermediate water supply, the introduction of a water-saving pricing system, the replacement of old pipes, and the like, have just begun to be implemented in Korea.

¹⁷⁵ Cited in interview on September 8, 2004.

At this point, it is useful to turn again to the case studies to identify certain factors that might facilitate further decentralization in policy and in practice and in heavily centralized and governmentally concentrated countries like Korea.

This review of Korea's progress in decentralizing environmental resources policy tends to substantiate findings of other scholars of decentralization related to the range of useful prerequisites for strengthening the role of subnational governments through decentralizing reforms. A number of barriers that are common to other developing countries are found in Korea and they typically impede decentralization progress in environmental resources governance. These include the absence of strong legal bases and compulsory tools to decentralize; the insufficiency of the number of administrative functions delegated to local governments; the lack of financial and personnel resources; the persistence of formalism and other barriers to public participation at all levels of government; and the reluctance of central politicians and elites to share power with local people. The findings of this study suggest that formal government decentralization does not automatically build local capacity for governing environmental resources, nor does it necessarily yield successful policy outcomes for local governments. In other words, the success of decentralized environmental resources governance is based on a complex collective and political process that requires much more than just a legal reform and transfer of functions.

To this, some of the respondents interviewed in this study argue that the transfer of political power and administrative responsibility should be necessarily accompanied by an enhancement of local capacity in technical know-how to promote programs, financial and personnel resources, or social infrastructure. That is to say, decentralization

should be involved in the development of local capacities as well as structural and institutional transformation. Additionally, this study points to the fact that subnational and local governance could be improved by using participatory mechanisms. Indeed, the two case studies both show that a closed planning process served the opposite purpose, generating suspicion and conflict among stakeholders. A more open process of policy making would lend itself to reducing uncertainties, identifying and preempting potential problems before they erupted, and improve the prospects for resolving conflicts. The case studies presented here also suggest that the Korean government in the future had better provide a mechanism for incorporating changes in social values into the policy-making process.

In sum, the case studies in this dissertation clearly show that current government is symbolically committed to decentralization, but its efforts toward decentralization are often expressed in rhetoric and not always backed up full commitment. The central government remains overburdened and the political influence and implementation capacity at the local level remains low. Even provincial governments often approach sub-local bodies with centralized attitudes. To this, Bo-Kook Kim argues that as one of the prerequisites for successful decentralization, the central government should not abuse its privilege and power to control local governments, and should realize that it often has little understanding of localities.¹⁷⁶ In short, the gaps between the goals of decentralization and actual results still remain wide in Korea. This trait suggests that decentralization is a long-term learning process involving various stakeholders and a process of trial and error in various aspects and that policy change should be examined through the wider lens of the political activity of advocacy coalitions. For now, the

¹⁷⁶ Cited in interview on September 10, 2004.

Korean situation is a mix of some improvements and new challenges.

Also, the study makes clear that decentralization is not a panacea to problems of development. As a matter of fact, the consideration of decentralization stems from that many developing countries regard administrative decentralization as a highly promising means of solving their problems and using available potential in response to the failings of centralized government. This is certainly true in the Korean case. The rationale for seeking the decentralization of environmental resources policy was largely based on the assumption that the central government's performance deficient rather than arising from the view that local-based resources governance could fulfill the use of scarce resources more effectively through the mechanisms of greater local voice in and control of significant decision-making. At this point, it should be noted that the findings from the analysis does not prove that decentralization is a desirable approach to all public policies. It means that the issue in this study is not simply one of centralization versus decentralization.

In conclusion, it is worthwhile raising a particular and enduring question related to decentralization in general and in Korea. Where should the power balance between the central government and local units be located? As Scheberle (1997) mentions, no one form fitting all situations seems to exist that could be used for arranging (or rearranging) the central and local government's working relationship. Therefore, this study encourages us to seek out multiple alternatives that may be appropriate to individual policy problems in a variety of intergovernmental situations. Although the case studies identify some of the important common obstacles affecting decentralization, we also find that the particular combination and significance of factors in influencing the policy outcomes

varies across policy domains. Governmental systems consist of several levels, and it is obvious that there are important roles for nearly all levels of government in public policy. Accordingly, the issue is one of aligning specific responsibilities with the different levels of government so as best to achieve public policy objectives. Therefore, it is most important to explore ways to encourage central government and localities to work cooperatively, especially on common resources problems, and in doing so, to find creative solutions to pressing problems.

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The Blue House (named the Chungwa Dae in Korean): <http://www.president.go.kr/>.
The Daejeon National Movement for Decentralization: <http://www.djbunkwon.or.kr/>.
The Gangwon Province: <http://www.provin.gangwon.kr/>.
The Green Korea United: <http://www.greenkorea.org/>.
The Korea Agricultural and Rural Infrastructure Corporation: <http://www.karico.co.kr/>.
The Korean Federation for Environmental Movements: <http://www.kfem.or.kr/>.
The Korea Legislation Research Institute: <http://www.klri.re.kr/>.
The Korea Water Resources Corporation: <http://www.kowaco.or.kr/>.
The Ministry of Agriculture and Forestry: <http://www.maf.go.kr/>.
The Ministry of Construction and Transportation: <http://www.moct.go.kr/>.
The Ministry of Government Administration and Home Affairs: <http://www.mogaha.go.kr/>.
The National Assembly: <http://www.assembly.go.kr/>.
The National Election Commission: <http://www.nec.go.kr/>.
The Nongbalge (the Community for Keeping Lives and Peace in the Saemangeum
Tidal Land in the different name): <http://www.nongbalge.or.kr/>.
The North Jeolla Province: <http://www.jeonbuk.go.kr/>.
The Office of the Prime Minister: http://www.opm.go.kr/warp/webapp/home/kr_home.
The People's Solidarity for Participatory Democracy: <http://www.peoplepower21.org/>.
The Presidential Commission on Balanced National Development:
<http://www.pcbnd.go.kr/>.
The Presidential Commission on Devolution Promotion for Local Authorities:
<http://www.dpla.go.kr>.
The Presidential Committee on Government Innovation & Decentralization:
http://www.innovation.go.kr/warp/app/home/kr_home.
The Saemangeum Ecology Information System:
<http://www.smgeco.net/korean/intro.html?sid=402&fid=7>.
The Saemangeum Project Office in the KARICO:
<http://www.karico.co.kr/saemangeum/>.
The Supreme Court: <http://www.scourt.go.kr/>.

APPENDIX A:

Interviewees

Cho, Tae-Kyeong. Secretary-General of the Nongbalge at Buan County in N. Jeolla. As one of the most powerful local communities against the Saemangeum project, the Nongbalge has consistently pursued the keeping of lives and peace in the Saemangeum tidal land. He was personally interviewed by an email in October 2004.

Choi, Kang-Won. Research Associate at the Saemangeum Research Division in the Rural Research Institute (RRI), which is controlled by the Korea Agricultural and Rural Infrastructure Corporation. He was personally interviewed by an email in October 2004.

Hwang, Dae-Ho. Research Fellow in the Korea Environment Institute (KEI). He was personally interviewed by a face-to-face method on September 8, 2004.

Hong, Wuk-Hee. Director of the Research Institute for Sustainable Environment. He was personally interviewed by an email in October-November 2004.

Jung, YounKoung. Former Director of the Green Korea United. She was personally interviewed by a telephone on September 10, 2004.

Kim, Bo-Guk, Research Fellow of the Jeonbuk Development Institute (JDI, N. Jeolla Development Institute). He was personally interviewed by a telephone on September 10, 2004. As one of members for the joint research team which has established the Saemangeum Land Use Plan, Dr. Kim has also spoken by a proxy for N. Jeolla Province at official meetings and workshops, and he has discussed on strong local roles in managing and using the reclaimed land at informal meetings several times as well.

Kim, Wan-Gi. Subsection Chief of the Head of Office for Supporting the Saemangeum Project in N. Jeolla. He was personally interviewed by a telephone on October 20, 2004.

Lim, Jong-Wan. Director of the Saemangeum Research Division in the Rural Research Institute (RRI), which is controlled by the Korea Agricultural and Rural Infrastructure Corporation. He was personally interviewed by an email in October 2004.

Park, Hoon. Vice Secretary-General of the Jeonbuk Agenda 21 (N. Jeolla Agenda 21). He was personally interviewed by a telephone on October 20, 2004.

Park, Jae-Geun. Researcher in the Korea Environment Institute (KEI). He was personally interviewed by a face-to-face method on September 8, 2004.

Park, Sang-Heon. Research Fellow in the Gangwon Development Research Institute (GDRI). He was personally interviewed by an email in October 2004.

Sohn, Ho-Jung. Director of the Environmental Policy Department in Gangwon Provincial Government. He was personally interviewed by a telephone on November 12, 2004.

Um, Sam-Yoong, Manager of the Headquarter of Dong River Conservation. He was personally interviewed by a face-to-face method on November 1, 2004.

APPENDIX B:

Administrative Functions and Affairs of Local Governments in Korea

□ Distribution of Administrative Functions between Central and Local Governments

1. Administrative Functions of the Central Government

- a. Those that are necessary for the existence of the state (diplomacy, defense, judicature, tax administration, etc.);
- b. Those that demand nationally-uniformed conduct (price-, finance-, export- policy, etc.);
- c. Those that are performed on a national-scale (supply control of agriculture, import-export control, etc.);
- d. Those that are of national-scale or equivalent (national economic development planning, big rivers, national forests, national physical development planning, large ports, highways, national parks, etc.);
- e. Those that require national standard and coordination (labor standard, weight and measurement system, etc.);
- f. Those that are of national-scale or equivalent (postal service, railway, etc.); and
- g. Those that are beyond the capacity of the local government (sophisticated test and experimentation, research and development, aviation management, weather service, nuclear development, etc.).

2. Responsibilities of the Upper-Level Local Government

Generally, local affairs are allocated to upper-level local governments and lower-level local governments in a manner consistent with avoiding functional overlap. Accordingly, the upper-level local government must take charge of the following affairs:

- a. Metropolitan administrative affairs which could affect more than two lower-level local governments;
- b. Affairs requiring uniformity by each unit of the upper-level local government;
- c. Affairs regarding local peculiarities which must be consistent with some unit of the upper-level local government;
- d. Affairs related to communication and coordination between the central government and the lower-level local governments;
- e. Affairs which are inappropriate for lower-level local governments to manage independently;
- f. Affairs concerning the installation and management of public facilities whose scale is considered to be appropriate for joint installation by more than two lower-level local governments

3. Responsibilities of the Lower-Level Local Government

Lower-level local governments take charge of all the local affairs excluding those dealt with by the upper-level local governments. However, cities with a population of 500,000 or more can manage a portion of provincial affairs such as health care, local public enterprise, housing and zoning. The Local Autonomy Act prescribes that the upper- and the lower-level local governments should not conflict with each other in the course of managing local affairs. If conflicts occur, lower-level local governments have precedence.

Source : Kim, Sung-Ho et als., 2003. *Local Government in Korea*. Seoul: KRILG: 67-69.

Note : Local governments must not manage their affairs in violation of acts, subordinate statutes or Municipal Ordinances of upper-level local governments. The Local Autonomy Act stipulates that both upper- and lower-level local governments should not perform the functions for which only the central government has responsibility.

□ Administrative Functions and Affairs of Local Governments

The local government manages most of the administrative affairs which are closely related to the daily life of local residents. The Local Autonomy Act prescribes that the following affairs must be seen to by local governments:

A. Affairs concerning the Jurisdiction, Organization and Administrative Management of Local Governments:

- a. Coordination of the denomination, location and size of the administrative area within the jurisdiction;
- b. Enactment, revision, annulment, management and administration of bylaws and rules;
- c. Organization and administration of subordinate administrative organs;
- d. Direction and control of subordinate administrative agencies and organizations;
- e. Management of personnel matters, welfare and education of public officials under its jurisdiction;
- f. Imposition and collection of local taxes and revenues other than local taxes;
- g. Formation and execution of a budget, audit, and management of properties;
- h. Management of administrative equipment, computerization of administration and improvement of administrative management;
- i. Management of public properties;
- j. Management of census registration and resident registration;
- k. Execution of various kinds of inspections and preparation of statistics necessary for local governments

B. Affairs to Improve the Welfare of Local Residents:

- a. Activities concerning the welfare of local residents;
- b. Establishment, management and operation of facilities for social welfare;
- c. Protection and assistance of the poor;
- d. Protection and promotion of the welfare of old people, infants, mentally and physically handicapped persons, the young and women;
- e. Establishment and management of medical treatment institutions;
- f. Prevention of epidemics and other diseases;
- g. Management and operation of cemeteries, crematories, and burial vaults;
- h. Guidance for the improvement of the sanitary conditions of public entertainment businesses;
- i. Cleaning, removal and disposal of sewerage;
- j. Establishment and operation of local public enterprises

C. Affairs concerning the Development of Industries including Agriculture, Forestry and Trade:

- a. Installation and management of agricultural irrigation facilities such as small water pools, reservoirs, etc.;
- b. Assistance in production and circulation of agricultural, forest, livestock and marine products;
- c. Management of agricultural materials;
- d. Management and guidance of complex agriculture;
- e. Support and guidance of non-agricultural, profitable businesses;
- f. Encouragement of agricultural side businesses;
- g. Management of public forests

D. Projects for development of small-scale livestock raising, and for promotion of dairy

farming

- a. Prevention of livestock epidemics;
- b. Support and assistance of local industries;
- c. Protection of consumers and encouragement of savings;
- d. Support of small and medium enterprises;
- e. Development, promotion and assistance of local specialized industries;
- f. Development of superior local products and folk art products for tourism

E. Affairs related to the Local Development, Establishment and Management of Living Environment Facilities for Local Residents:

- a. Local development projects;
- b. Execution of local public works and construction projects;
- c. Execution of urban planning projects;
- d. Construction, repair, and maintenance of local roads;
- e. Encouragement and assistance in the improvement of residential environments;
- f. Improvement of rural houses and community structure;
- g. Activities for protection of nature;
- h. Management of local rivers and streams;
- i. Installation and management of water supply and sewage facilities;
- j. Installation and management of simplified water supply facilities;
- k. Installation and management of sightseeing and resort facilities such as parks, and green zones established by provinces, counties and cities;
- l. Operation of local railroad projects;
- m. Installation and management of traffic facilities such as parking lots, traffic signs, etc.;
- n. Formulation and execution of precautionary measures against calamities;
- o. Support and assistance of the local economy

F. Affairs concerning the Promotion of Education, Athletics, Culture and Art:

- a. Establishment, operation, and guidance of day-care centers, preschools, primary schools, middle schools, high schools and other kinds of schools of similar levels;
- b. Construction and management of public educational, athletic and cultural facilities such as libraries, playgrounds, public squares, gymnasiums, museums, performance centers, galleries, concert halls, etc.;
- c. Designation, preservation and management of local cultural properties;
- d. Promotion of local culture and art;
- e. Support of local cultural and art organizations

G. Affairs related to Regional Civil Defense and Fire Fighting:

- a. Organization, operation, guidance and supervision of regional and workplace civil defense forces including a voluntary fire brigade;
- b. Fire prevention and fire fighting

Source: Kim, Sung-Ho et als., 2003. *Local Government in Korea*. Seoul: KRILA: 69-73.

APPENDIX C:

Financial Self-support Index of Local Governments in Korea (As of 2004)

	Total (Million Won)	Local Taxes (Million Won)	Non-Tax Revenues (Million Won)	FSI of SGs ¹⁾ (%)	FSI of Cities ²⁾ (%)	FSI of Counties ³⁾ (%)	FSI of Autonomous Districts ⁴⁾ (%)
Total	84,381,209	31,983,411	8,771,733	57.2	38.8	16.6	42.6
Seoul	14,160,129	9,600,865	1,927,836	95.5	-	-	50.3
Busan	4,330,609	2,097,304	614,428	75.6	-	42.5	36.8
Daegu	2,814,623	1,341,924	353,355	73.2	-	33.0	34.0
Incheon	3,143,310	1,556,292	311,133	75.9	-	20.8	38.3
Gwangju	1,804,996	673,664	193,945	59.8	-	-	26.8
Daejeon	1,689,139	799,760	204,061	74.4	-	-	34.4
Ulsan	1,385,038	680,394	85,089	69.6	-	48.6	38.1
Gyeonggi	16,300,725	8,402,175	2,030,698	78.8	52.0	21.3	-
Gangwon	4,525,811	720,089	386,040	28.9	26.7	17.3	-
North Chungcheong	3,249,086	642,406	255,248	31.3	35.3	18.1	-
South Chungcheong	4,967,368	881,411	437,691	30.5	29.2	18.4	-
North Jeolla	4,639,132	703,840	328,901	25.9	26.8	14.3	-
South Jeolla	6,307,549	723,367	400,164	21.1	29.6	11.4	-
North Gyeongsang	6,533,698	1,189,102	484,128	29.4	30.5	15.0	-
South Gyeongsang	6,731,650	1,577,319	634,921	38.3	36.2	14.4	-
Jeju	1,798,346	393,499	124,095	34.7	30.2	17.7	-

Source : Korea Statistical Information System of the Korea National Statistical Office. Retrieved from <http://kosis.nso.go.kr/>; MOGAHA. Retrieved from <http://www.mogaha.go.kr/>.

Note : Figures of 1) column are the average FSIs of city and provincial governments at the high-level local government; figures of 2), 3), 4) column mean the average FSIs of each low-level local government (city, county and autonomous district).