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Master's Thesis of Public Administration

A Study of 'Innovation City' Project Implementation

- Focusing on Factors Affecting Policy Process -

‘혁신도시’ 정책 집행에 대한 연구

- 정책과정에 영향을 미친 요인을 중심으로 -

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Abstract

The main purpose of this study is to scrutinize the factors affecting the policy implementation by analyzing the implementing process of 'Public Agencies Relocation and Innovation City Construction' project.

In 2005, Korean government determined to relocate central administrative agencies, national institutions, and public entities, concerning that polarization in the capital region and imbalance of national territory had been an obstacle to the national sustainable development.

It selected 175 out of 346 public agencies that were located in the capital region through 'Committee on Balanced National Development' deliberation. To accommodate the relocated public agencies and institutes, Korea government determined to construct 10 Innovation Cities throughout Korea.

This study discussed the factors that had influence on the policy implementation in the phase of implementation of the project. In particular, what was the most influential factors that affected the enforcement of Innovation City project was major focus of this research.

Through previous studies scrutiny and literature review, this research classified the factors which are affecting policy implementation as follows: 1) policy contents factors 2) policy

implementor factors 3) policy subjects factors 4) policy environment factors.

First of all, to verify how the policy contents of the project changed, sub-factors such as 'clarity of policy contents and its consistency', 'desirability of the policy contents' were reviewed. Innovation City project had been promoted clearly and consistently to some extent in terms of a legal basis and planning because Korean government enacted a series of acts and plans from 2003.

Second, policy implementation factors refer to securing of policy implementation means and resources, skills and attitudes of implementors. Two main organization in Korea government, Presidential Committee on Regional Development for the deliberating and Public Agencies Relocation Office, were undoubtedly enthusiastic and passionate because the project was a presidential commitment.

Third, policy subjects factors are divided into political attitudes and power of the policy target group and compliance of policy target group. Though the government's policies related to Innovation City has been replaced significantly, the number of relocated public agencies and institutions did not change much. This means that Policy implementor, Public Agencies Relocation Office at the Ministry of Land, Infrastructure and Transport, must have secured the compliance of relocated public agencies.

In short, the relocation project was consistent and able to

secure its implementation means and resources. Moreover, skill and attitude of policy implementors, and policy target groups were compliant to its policy implementation.

Finally, the policy environment factors refer to the support and attitude of policymakers, the support of people and massmedia to analyze the impact of implementation factors. As for the support of policy-maker, however, it had been changed dramatically when president Lee Myung-bak won the 2007 election in a landslide. Lee Myung-bak government, which was officially launched in February 2008, was committed to review the Innovative City construction projects, suggesting that despite of astronomical expenses, the effect of this project is uncertain.

In the context of Korea, whether the President is supportive or not is the decisive factor for policy implementation. Some scholar who study on President of South Korea describe this phenomenon are the so-called 'imperial presidency'

After studying the process of innovation city project implementation, it is undoubtful that president's support is essential to the implementation of a policy in the context of Korea politics.

Keyword : public agencies relocation, Innovation City, policy implementation, policy process, implementation factor

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Chapter I : Introduction

1. Background and Purposes of the Study

Over the past five decades, Korea conducted an unbalanced development strategy focusing on the metropolitan areas such as Seoul, Incheon city and Gyeong-gi province. As a result, Korea is undergoing high concentration of population in the metropolitan area resulting in the polarization among urban and rural areas while local areas are suffering from stagnation.¹⁾

According to the comprehensive research conducted by Korean government in 2005, the metropolitan area of Korea accounted for only 11.8% of the overall national land area. However, 47.6% of the national population, 85% of all public institutions, 91% of 100 representative corporate headquarters, 64% of major universities and 57% of manufacturers are concentrating in the metropolitan area.²⁾ Finally, Korea government concluded that polarization in the capital region and imbalance of national territory have been an obstacle to the national sustainable development.

1) <http://innocity.molit.go.kr/'submain.jsp?sidx=100&styp=2>

2) Ministry of Construction and Transportation & Presidential Committee of Balanced National Development (2005) Public Agencies Relocation Plan

In 2005, Korean government determined to relocate central administrative agencies, national institutions, and public agencies. It selected 175 out of 346 public agencies that are located in the capital region through ‘Committee on Balanced National Development’ deliberation.

To accommodate the relocated public agencies and institutes, Korea government determined to construct 10 Innovation Cities with the most suitable condition for driving innovation and providing high-quality living environment through the relocation of central functions toward provincial cities and cooperation among industry, academia, research institution and government.”³⁾

Lee administration, however, which launched in 2008, was pessimistic on the Balanced National Development Strategy, such as Multi-functional Administrative City, Innovation City and Business City.

For instance, Lee administration estimated the costs associated with inefficiency of the national central government distribution was expected to be 4 trillion 807.1 billion won in total : policies degradation cost is 3.65 trillion won, national competitiveness degradation cost is 1.03 trillion won, and visits policy consumer cost is 95.3 billion won. Moreover, Lee administration was

3) <http://innocity.molit.go.kr/submain.jsp?sidx=106&styp=2>

committed to review the Innovative City construction projects, suggesting that despite of astronomical expenses, the effect is uncertain.

Presidential Committee on Regional Development in July 2008 proposed a constructive and complementary measures of the Sejong City, Innovation City, and Business city including a new regional development policy direction at the first regional development policies Strategies conference.

In November 2009, Prime Minister Chung Un-chan also officially announced that it would embark on a modification of the existing regional development policy, including the Sejong City amendment through the general public discourse.

As a result, the Innovation City project, which is aiming to the Balanced National Development, has been significantly delayed. According to Public Agencies Relocation Plan in 2005, Korea government was expected to embark on breaking ground for innovation city construction in 2007 and to complete eventually the composition of Innovation City by 2012. Public Agencies Relocation Plan in 2005 stipulated as follows in relation to the migration deadline. "Each agencies and institutions completed by 2012 the migration to Innovation Cities step-by-step under the circumstances."

The main purpose of this study is to scrutinize the factors affecting the policy implementation by analyzing the implementing process of Public Agencies Relocation and Innovation City Construction project.

First of all, this study will discuss the factors that have influence on the policy implementation in the phase of implementation of the project. In particular, what is the most influential factors that affect the enforcement of Innovation City project will be major focus of this research.

For this purpose, at first, theories to explain the process of policy enforcement will be reviewed, and the existing study of the factors affecting policy execution will be elaborated, then an analytical framework for the study will be derived from it. Other existing researches which analyze the implementation process of education policy and environmental policy regarding factors affecting the enforcement of other policies was referred to discuss it.

Second, during analyzing the factors, what caused the Innovation City project to be delayed to some extent will be revealed. Since the debate on its the effectiveness of relocation project for balanced regional development occurred, it is fact that

completion of relocation project was postponed, as well as Innovation City Construction project.

As mentioned above, a public agency relocation project for the balanced national development was originally scheduled for completion in 2012. With regard to these delays, this study will identify the causes of it by analyzing the enforcement process.

Finally, this research will discuss what is essential to increase the likelihood of a successful innovation policy over the city. This study will draw together the policy implications on what is needed to modify the direction of the project to guide its further development.

Thus, the research question of this study will be as follows:

1. What factors affected the policy implementation of Public Agencies Relocation and Innovation City Construction project?
2. What are the main features of the policy implementation process of Innovation City project, and what is the cause of this project delay?
3. What is the policy implications to modify the direction of the project to guide its further development?

2. Scope of the Study

This study sets a limit to the range of the research target, regarding the contents aspects, the spatial aspect, and the temporal aspect as follows:

First, as for the content of the thesis, this research is focusing on the implementation process of Korea central and local government. South Korea continued to promote innovative urban construction over the last decade, whereas it is undeniable fact that the policy process of the project is somehow being delayed. The factors affecting the deferment of the policy implementation process will be addressed centering in the execution of Innovation City project.

Second, the spatial aspect of this thesis was centered on the 10 innovation cities and public agencies throughout the country as its target. Innovation policy is a project to build 10 innovative cities in each province across the country except for the metropolitan area and Chungcheong for the balanced development of the whole country. To analyze the factors influencing the Innovation City project implementation was analyzed, the overall case of the Innovation Cities and public sector relocation was reviewed without limitation.

Third, the temporal aspects of this research was limited to the interval between 2003 Roh Moo-hyun government launched and 2013, in which President Lee Myung-bak retired. As stated above, in 2003, Roh administration announced in Daegu Initiative that new government will concentrate its political force on balanced national development. This research also mentions the 1970s regional development policy partially to review the trends of regional development policy. This research, however, excluded from research subjects present administration's balanced development strategy and regional economic development policy because it did not yet have concrete results and there is the limit on the analyzed data.

3. Methodology

In this research, case study method will be adopted to explain how public policy process related with its implementation. Yin (1984:23) defines the case study research method as an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used.

Implementation research based on the case study approach has provide a number of insights and findings with regard to the

implementation process.(Goggin, 1986) In general, the researchers on policy implementation tend to favor the case study method and avoid statistical methods or experimental methods, because the subject of implementation study has a complex and dynamic characteristics.(Kerlinger, 1973)

However, it is evident that case study approach also has methodological drawbacks. First, case studies have produced a "too few cases, too many variables" problem(Goggin, 1986), so researchers can not clearly identify a causal relationship.

Second, it has been argued that studies based on the case study approach are an exceedingly descriptive type of story-telling. The studies are generally atheoretical and their findings cannot be generalized (Nachmias & Nachmias, 1976; Lester et al., 1987)

As for the specific and practical research, it would be more effective to use cases from field areas of implementation. Also, the case study will provide in-depth understanding and profound knowledge about practical situations. In this study, we shall discuss a case relating with factors influencing the successful implementation.

The study will be carried out on methods of documentary research to scrutinize the factors that affect the implementation

of Korea government's Innovation City policy. Accordingly, this research synthetically analyzed and considered the policy implementation theories of eminent scholars, and has reviewed and referred to already published books and periodicals, papers, research reports, various statistics, media reports, the government published data, the hearing materials, newspaper articles and internet materials.

This study, if possible, utilized the official statistics material with regard to the status of Innovation City, which provided through the website of Presidential Committee on Balanced National Development and Public Agencies Relocation Office of Ministry of Land, Infrastructure and Transport. On the basis of these official statistics materials, other data and articles were collected and analyzed regarding public entities and Innovation City.

Next, this research takes advantage of the informal interview method to support methods of documentary research. Formal methods of documentary research is, by itself, not sufficient for understanding of the reality on the field of policy implementation in this study. Actually, experiences of an informal interview with policy officials such as street-level bureaucrats contributed this research to describe the circumstance of the policy field.

Key interviewees are Presidential Committee on Regional Development officials, officials from Public Agencies Relocation Office related with relocation project, officials in charge of Innovation City project of the Ministry of Land, Infrastructure and Transport, professors and experts who have in-depth knowledge, the researchers from public institutes such as Korea Research Institute for Human Settlement(KRIHS), and other local government officials who have careers and experience on local areas development. This study relies on the field experience, interviewing them directly or indirectly.

Chapter II : Theoretical Background and Research Design

1. Theoretical Background for Policy Implementation

1.1 The Significance of Successful Implementation

Policy implementation is one of important policy processes that serves as the linkage to connect the policy evaluation and policy decisions in which the success or failure of the whole policy is determined. The concept of policy implementation has been variously defined.

They defined implementation as "the ability to forge subsequent links in the causal chain so as to obtain the desired results". (Pressman and Wildavsky 1973: xv). On paper this may seem easily achievable but, as they discovered, in practice it is not. This is partly due to the large number of "decision points". implementation has to go through and the "clearances", necessary for its success. A decision point is reached when "an act of agreement has to be registered for the programme to continue. Each instance in which a separate participant is required to give

his consent is called a clearance". (Pressman and Wildavsky 1973: xvi).

Policy implementation has been defined as "the process of carrying out public policy directives". (Nakamura & Smallwood, 1980:1) After examining the various definitions, policy implementation can be defined as political activities to create a society policy initially designed by applying the intention of the determined policy in the real world.(Wha-Joon Rho, 2003)

Until the early 1970s, policy was perceived to be implemented and realized once policy makers simply decide their intention in its policy process. However, it decided that the policy itself is not being implemented automatically, because the policy makers pay attention to the fact sometimes the purpose they initially intended may not be realized at all and in most cases modifications occurred in the process of implementation. In some cases, the result of implementation resulted in aggravating the problem rather than solving it.

Thus, the effect of the policy varies depending on the way how this policy was implemented in the policy enforcement. That means that importance of policy implementation has emerged because the enforcement of the policy is not to ensure the successful achievement of the objectives of policy automatically

and without appropriate policy enforcement it may be impossible.

Policy implementation studies are imperative for understanding and increasing access to the whole policy process. While seemingly unclear, policy implementation can find out where connects and disconnects in policies occur, which is treated as "the missing link between policy making and policy evaluation."

A policy implementation is one of the policy processes to achieve a degree of policy. And this policy process is worthy of the policy makers' dedication as long as the policy intention was realized properly in the area of policy implementation. This is because the policy goals are able to obtain the fruit only with the aid of successful and complete implementation.

The successful implementation of policy secures the fruitful result of policy process eventually, even though a myriad of participants put much time and energy to policy from the agenda setting phase to the policy making phase. It is often observed that the originally designed intention of policy, which was determined in policy decision-making process in general and abstract manner, became more concrete substantially and specifically in the process of implementation. Thus, policy implementation is surely regarded to be one of the most important policy processes that can guarantee the success and

effectiveness of the policy.

1.2 Characteristic of Policy Implementation

In the 1930s, most of policy researches were conducted under the classical paradigm of public administration influenced by the principle of scientific management. As T. B. Smith has observed, "the assumption of classical paradigm was that once a policy has been 'made', the policy will be implemented and the result of the policy will be near those expected by the policy-makers".(Lee, 1998)

The researches on policy implementation have provided an innovative and consistent shift away from the classical scientific management model. The classical model can be distinctive from the recent researches in the aspect of four categories: organizational structure, process, relationship between policy formulation and implementation, and role of implementors. (Lee, 1998)

Many of these recent studies has provided a more circular perspective of the whole policy process as well as policy implementation. This policy process series seems to be characterized by a reciprocal chains of interrelationships between various groups of policy participants rather than "classical" model

which shows straight-line hierarchy from the top to the bottom. Despite all its faults, however, the classical model had the virtue of simplicity that these new theories' insights into circularity in the policy process also pose a dilemma. (Lee, 1998)

Since Pressman and Wildavsky's research work, *Implementation* (1973), during the past five decades, the new field of implementation studies have emerged as a popular intellectual trend among social scientists due to the popularity of such approaches. As a result, implementation, 'the missing link' in the study of public policy was dramatically deluged with a variety of books, articles, and case studies which concentrated on policy implementation as a policy stage. "Since Pressman and Wildavsky have illuminated the role of implementation as a distinct phenomenon in the creation of policy analysis, some progress has been made in the development of theory."(Choi, 1991)

For two generations social scientists, in particular political scientists, have directed their attention to the study of implementation and have recognized the importance of implementation in the larger policy process. Policy implementation is accepted as the "missing link" between policy formation and policy evaluation; without scrupulous policy implementation, a shortfall or incongruity will occur between policy intent and

policy results(Hargrove, 1975; Bardach, 1977; Jones, 1984) (Soon Eun Kim, 1991)

The departure of policy implementation study came from the question of why a difference occurs between policy that government publicated officially and that policy implemented? The initial effort to solve this question from the perspective of the policy implementation through the case study has been derived from "Implementation" which Pressman and Wildavsky has published in 1973. They studied the cause why urban unemployment relief project (Oakland Project), which Economic Development Administration (EDA) of the US Department of Commerce initiated, finally failed.(Cheong, 2012)

From this perspective, the policy would be constantly redesigned during the enforcement period, the executor also substantially involved in the process of determining policy, so we can not distinguish between policy-making and policy implementation phase steps. In other words, the implementation process is no longer enforced, automatic and a technical process, which has the nature of the ongoing problem solving.(Cheong, 2012)

1.3 Approach to Policy Implementation

In general, the approach to policy implementation study which analyse the phenomenon of policy implementation has three method to analyse its structures: Top-down approach, bottom-up approach, and the integrated model to overcome the disadvantages of the two and to take their advantage.(Cheong, 2012)

Top-Down Approach

Since Van Meter and Van Horn's (1975) Model, a "top-down" perspective has been taken in numerous studies, particularly those by Sabatier and Mazmanian (1980), Edwards (1980), and Goggin (1986). These studies are based on an assumption that only policy decision made by top officials are legitimate and thus workers at the bottom are forced to carry ou the decisions faithfully.(Soon Eun Kim, 1991)

The top-down approach conceives of the implementation process as "closed" and "unidirectional." As a consequence of its limited and narrow character, this view centers on highlighting for exploring factors or barriers which hinder implementation of a given policy.(Soon Eun Kim, 1991) According to the top-down approach, implementation is assumed to proceed from a given policy adoption. "Top-downers" concerns include the following

(Sabatier, 1986)

- (1) To what extent were the actions of implementing officials and target groups consistent with (the objectives and procedures outlined in) that policy decision?
- (2) To what extent were the objectives attained over time, I.E., to what extent were the impacts consistent with the objectives?
- (3) What were the principal factors affecting policy outputs and impacts, both those relevant to the official policy as well as other policially significant ones?
- (4) How was the policy reformulated over time on the basis of experience? (Soon Eun Kim, 1991)

Mazmanian & Sabatier (1979) set forth three general sets of factors related with policy implementation: Tractability of problem, ability of statute to structure implementation and non-statutory variable affecting implementation process. A set of seventeen independent variables, which are hypothesized to influence goal compliance, are developed from these set of factors. They differentiated clearly policy formation from policy implementation but at the same time they recognized the significance of a feedback process. (Ahad, 2013)

Sabatier (1986) presents six sufficient conditions which are generally necessary for the successful policy implementation of official objective: (1) Clear and consistent objectives, (2) Adequate casual theory, (3) Implementation process legally structured to enhance compliance by implementing officials and target group, (4) Committed and skillful implementing officials, (5) Support of interest groups and sovereigns, (6) Changes in socio-economic conditions which do not substantially undermine political support or casual theory. (Ahad, 2013)

Above all, the advantage of top-down approach is that it systematically indicates critical factors you need to know in order to implement policy successfully. Moreover, top-down approach reveals that for the successful implementation the policy makers should consider the possibility of implementation. Top-down approach is to function as a checklist to allow policy makers to predict the variables that can occur in the implementation process of policy-making stage in advance.(Chun, 2011)

Bottom-up Approach

Bottom-up view is heavily based on the ongoing complexity and dynamics of implementation. In contrast to the first view, the second perceives the implementation process as involving complex

joint action (Pressman and Wildavsky, 1973) This view has emphasized the close interrelationships among actors and has concentrated on the linkages between the policy environment and actors involved in the implementation process. (Soon Eun Kim, 1991)

Elmore (1979) and Lipsky (1978) challenged the top-down approach and introduced a competing approach to policy implementation; the "backward mapping" or "bottom-up perspective."(Soon Eun Kim, 1991)

"Bottom-uppers" argue that street-level bureaucrats have several strategic advantages in comparison with their superiors. First, workers at the bottom better realize troubles encountered in the process of carrying out a policy and thus they can better match solutions to problems (Palumbo and Calista, 1987). Second, as a result of considerable discretion available to them, the workers are in a position to shape a policy by bargaining with their constituents (Williams, 1980a). In the bottom-up approach emphasis is placed on the feasibility of implementation (Elmore, 1979)

Michael Lipsky (1971) who is known as founding father of street-level bureaucrats (Bottom-up approach), argues that the routine street-level bureaucrats establish, the decisions of them

have a significant influence on the policy itself. The devices and policy tools they invent to cope with work pressures and uncertainties effectively, become the public policies. He illuminates street-level bureaucrats' roles in the policy process as an alienated one, emphasizing such classic features of alienation where they have no control over raw material or its policy outcomes. (Ahad, 2013)

Another scholar, Richard Elmore (1978) explains that understanding organization is essential to the analysis of implementation. The present state of organization theory does not support a single analytic model. Rather, there are at least four distinct models. (1) The systems management model treats organizations as an ordered, goal-directed activity. (2) The bureaucratic process model emphasizes the roles of discretion and routine as a process of continually controlling discretion and changing routine. (3) The organizational development model treats the needs of individuals for participation and commitment as paramount and views implementation as a process in which implementers shape policies and claim them as their own. (4) the conflict and bargaining model treats organizations as a arenas of conflict and views implementation as a bargaining process in which the participants converge on temporary solutions but no stable result is ever reached.(Lee, 1998) His models are necessarily focusing on ideal types, but they are useful in the

aspect that they are holding on established traditions of organizational inquiry and they are a useful devices to provide explanation of why social programs fail. Additionally, the models enable policy analysts and decision-makers to distinguish among a variety of problems.(Lee, 1998)

Berman (1978) suggests a conceptual framework is essential for conducting policy implementation studies. He regards "Mutual adaptation" of the local organizational characteristics and the policy implementation as the major factor of the micro-implementation process. He invented some theoretical framework for explanation to problems in implementation which originated from the interaction and local miro-implementation problems. According to Berman, the federal policy process is characterized by its "loosely coupled". Due to the complexity of the process which causes uncertainty in the process of implementation, local deliverers, the numerous actors from successive levels of implementation lead to power in determining actual policy outcomes. Berman discusses a paradox: "The uncertainty cannot be eliminated without removing the local flexibility that is necessary if the policy is to work". (Lee, 1998)

Richard Matland (1995) reviews the two theories, Top-down and Bottom-up approaches and suggested to synthesize them. He argues that Top-down theorists are tempt to choose to study

clear policies compared to Bottom-up theorists who study policies with greater ambiguity and uncertainty. He then presents that this distinction has two features: ambiguity and conflict.(Ahad, 2013)

Bottom-up approach is significant regarding that it describe the actual implementation process in detail, and have the ability to describe the causal relationship between policy decision-making and its implementation process. Bottom-up approach has the advantage of grasping easily the side effect or negative effect which was not intended to occur at implementation arena. Because they understand the implementation process as it is, not focusing on the achievement of a official policy goals which was initially intended.(Chun, 2011)

< Table > Comparison of Top-down approach and Bottom-up approach⁴⁾

Category	Top-down Approach	Bottom-up Approach
Analytic starting point	Central Government, Policy makers	Implementing field
Analytic direction	From Top	From Bottom
Evaluation standard	Achieve formal goals	No consented standard
Research focus	Focus on condition for goal achievement	Describing problems in implementing field

4) Lim, Bu-Taik (2014), Empirical Analysis of Factors Affecting recycling policy, p.10

1.4 Precedent Theories on Factors Affecting Policy Implementation

Thomas B. Smith Model(1973)

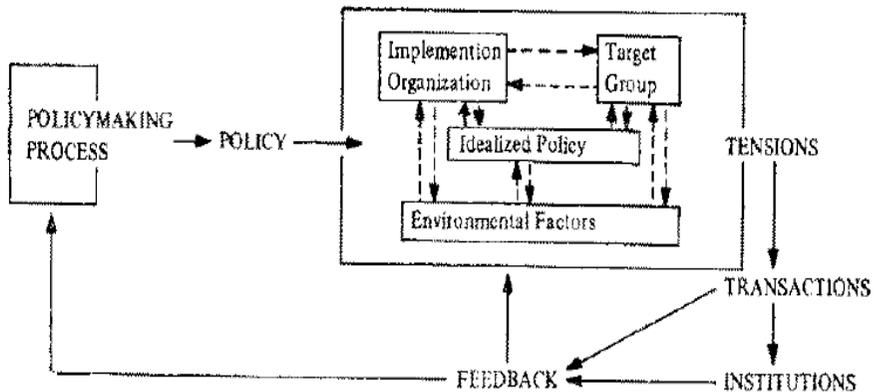
Thomas B. Smith (1973) has noted that both the implementing organization of the policy and the target group must experience the tension and conflict with the perspective that a policy is tension generating force in a certain society.

As factors affecting the policy implementation process, He indicated the four significant sub-factors, such as idealized policy, the target group, the implementing organization, and environmental factors. (Yuhun, 2007)

According to Smith's policy implementation process model, when the idealized policy produced in the implementation policy process, policy tensions among the above mentioned factors are causing mutual pressure and conflicts as idealized policy is implemented. These factors are subjected to a process of transaction process and once transaction pattern emerges or institutionalization occurs, they can serve as tension generating entities. The tension can relate back to the implementation matrix

of the idealized policy, target group, implementing organization and environmental factors. By the creating of new patterns and new institutions, tensions may be generated which could lead to further changes within the system.(Smith, 1973)

Smith's policy implementation process can be illustrated as the following.⁵⁾



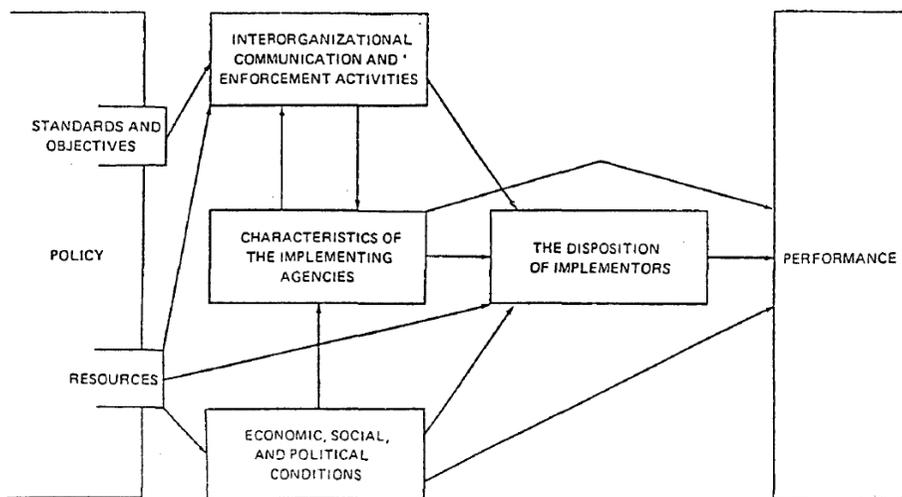
Van Meter and Van Horn Model(1975)

Van Meter and Van Horn (1975) considered implementation as a unidirectional process controlled by prior policy decisions. They focused on the human psychological components that affect behavior within the policy implementation process. To connect

5) Smith. Thomas. B. (1973) The policy implementation process. Policy Sciences 4. p.19 7~209

policy itself to its performance, they invented six clusters of variables as < Figure 1 >. It consists of standard and objectives, resources, interorganizational communication and enforcement activities, characteristics of the implementing agencies, economic, social and political conditions, the disposition of implementors. (Lee, 1998)

< figure > A model of the Policy Implementation Process⁶⁾



Nakamura and Smallwood Model (1980)

Nakamura and Smallwood (1980) used key concept to explain

6) Van Meter, D., & Van Horn, C. (1975) The Policy Implementation Process: A conceptual Framework, *Administration and Society*, 6, p.445~488

the implementation process can be abbreviated to circularity and emphasis of policy process. They focus on the relationship between policy implementer and formulator as the main factor affecting success of policy implementation. In Nakamura and Smallwood's implementation model, policy process can be conceived of as a system of functional environments which consist of 3 main factors: policy formulation, implementation and evaluation. Their conceptual framework of implementation can be represented by two main parts. The one is 'Environment influencing implementation (of policy makers and policy implementers)', and the other is 'implementation linkages' as shown in the following table.

< Table > Alternate Implementation Linkages⁷⁾

Policy Makers (Environment I)	Policy Implementers (Environment II)	Potential Breakdowns
1. "Classical" Technocracy		
a. Policy makers formulate specific goals	a. Implementers support policy makers' goals and devise technical means to achieve these goals.	a. Technical failure of means
b. Policy makers delegate technical authority to implementers to achieve goals		
2. Instructed Delegation		
a. Policy makers formulate specific goals	a. Implementers support policy makers' goals and negotiate administrative means among themselves to achieve goals.	a. Technical failure of means b. Negotiations failures (complexity, stalemate)
b. Policy makers delegate administrative authority to implementers to devise the means to achieve goals		
3. Bargaining		
a. Policy makers formulate goals	a. Implementers bargain with policy makers over goals and/or means to achieve goals	a. Technical failure of means b. Bargaining failures (stalemate, non-implementation) c. Cooption or "cheating"
b. Policy makers bargain with implementers over both goals and/or means to achieve goals		
4. Discretionary Experimentation		
a. Policy makers support abstract (undefined) goals	a. Implementers refine goals and means for policy makers	a. Technical failure of means b. Ambiguity
b. Policy makers delegate broad discretionary authority to implementers to refine goals and means		c. Cooption d. Unaccountability
5. Bureaucratic Entrepreneurship		
a. Policy makers support goals and means formulated by implementers	a. Implementers formulate policy goals and means to carry out goals and persuade policy makers to accept their goals	a. Technical failure of means b. Cooption c. Unaccountability d. Policy preemption

Mazmanian & Sabatier Model (1983)

Mazmanian & Sabatier (1983) presented the most vast and

7) Nakamura, R. & Smallwood, F. (1980) The Politics and Policy Implementation, New York: St. Martin's Press.

comprehensive factors after their empirical and systematic research on substantial factors affecting the successful policy implementation. They stated that implementation is the carrying out a basic policy decision focusing on the factors which affect the achievement of statutory objectives throughout this entire process.(Lee, 1998)

Mazmanian & Sabatier (1979) also presented the 16 independent factors and variables which affecting the policy implementation process. They enlisted three general sets of factors: Tractability of problem, ability of statute to structure implementation and non-statutory variable affecting implementation process and these set of factors are developed into a set of seventeen independent variables that are hypothesized to influence goal compliance. They have differentiated clearly policy formation from policy implementation but they also recognized the importance of a feedback process.(Ahad, 2013)

First, Tractability of the problem consists of (1) Technical difficulties, (2) Diversity of target group behavior (3) Target group as a percentage of the population (4) Extent of behavioral change required.

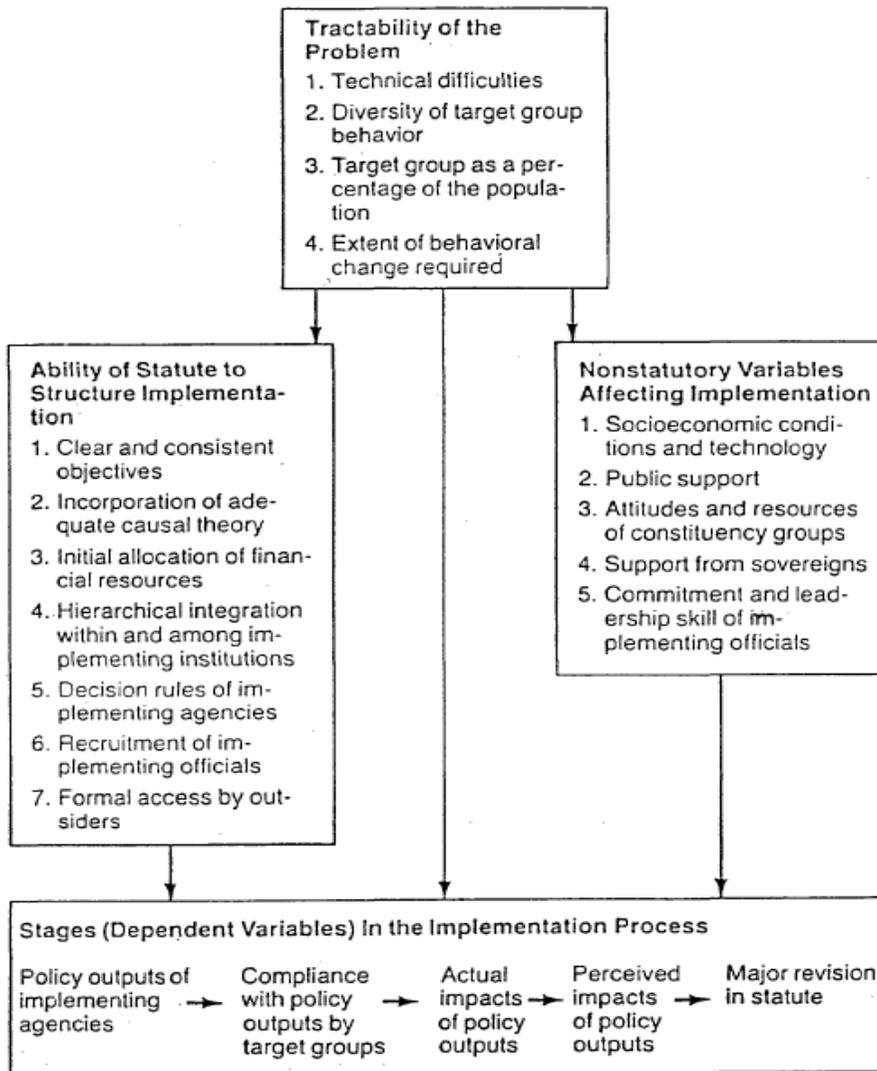
Second, ability of statute to structure implementation consists of (1) Clear and consistent objectives (2) Incorporation of adequate casual theory (3) Initial allocation of financial resources

(4) Hierarchical integration within and among implementing institutions (5) Decision rules of implementing agencies (6) Recruitment of implementing officials (7) Formal access by outsiders.

Third, nonstatutory variables affecting implementation consists of (1) Socioeconomic conditions and technology (2) Public support (3) Attitudes and resources of constituency groups (4) Support from sovereigns (5) Commitment and leadership skill of implementing officials.

Mazmanian & Sabatier presented their policy implementation model with the implementation factors and its 3 categorized as following.⁸⁾

8) Sabatier, P. & Mazmanian, D. (1980) The Implementation of Public Policy: A Framework of Analysis, Policy Studies Journal, 8, pp.538-560.



2. Practical Research on Policy Implementation Process

Soon Eun Kim(1991) studied on major factors affecting Community Development Block Grant(CDBG) implementation

effectiveness. He indicated the factors which is critical to effective implementation on the basis of "comparative advantage" of the top-down and the bottom-up perspective. He pointed out that the factors had been related to goals and objectives of CDBG, resources needed for successful implementation, the proper level of the federal role in CDBG implementation, including the necessity of federal monitoring of local execution of CDBG, and socio-economic conditions of recipient governments.

Han Seok (1998) studied the linkage between policy making and policy implementation targeting three information communications technology policies including high-speed national information network project. In particular, he discussed top-down approach and bottom-up approach and attempted to synthesize an integrated comprehensive approach. According to him, the stronger was the causality between policy objectives and policy enforcement, the more desirable was the result of implementation. In addition, when policy-makers and policy enforcement-party mutual adaptation is strong, policy was enforced as intended. This confirmed again that this policy-making and policy implementation are the mutual adaptation relationship.

Lee Gihan (2005) indicated factors affecting the implementation failure of a radioactive waste repository project from the perspective of top-down approach. He raised the research

question why the intended policy goal is not attained effectively in radioactive waste repository since 1986. He analyzed the cause of policy failures in constructing a radioactive waste repository in 3 sites and compared and contrasted 3 cases. He conclude that policy failures occurred from somewhat their own peculiar factors in each case and the government should take policy measures well adjusted to each case to solve the questions from different factors of policy failure.

Jang Ikhyeon (2007) studied the case of policy implementation of "Workers' Rehabilitation Five-Year Plan", which the Ministry of Labour had planned, by the Sabatier & Mazmanian's framework which is one of major top-down approach. He pointed out that the cause of policy implementation is that the inappropriate policy implementor was not able to secure compliance of the subjects, as well as socio-economic policy environment surrounding the enforcement was disadvantageous and affected enforcement adversely.

Jeong Seongsu (2008), discussed the impact factors of education policy enforcement and analysed teacher education development program (2003-2006) taking advantage of the integrated approach. He presented that the executive body should be composed of personnel with expertise and they should be granted the fullest autonomy for successful education policy

implementation. In addition, he suggests that the know-how of their enforcement strategies is indispensable for successful policy implementation.

Chun Jung-Bum(2011) was focusing on analysing relevant variables influencing the implementation of the After-School program policy, to explain which factor is most influential, and to gain policy implications for the successful implementation of the After-School program policy. He adopted a field survey by Analytic Hierarchy Process technique to evaluate the relative importance among individual factors. His research result implied that legal foundation of the After-School program policy is necessary for stable support from the government and the regional community.

Jang SeungHo(2013) searched the factors which are affecting to Admission Officer System Implementation, and examine the factor's influence and find out implementations for the successful policy implementation. He selected four key variables and their sub-variables. He conclude that the clarity of policy variables has influence, as well as the resource of the executive office and the relationship between the superior office and the executive. He emphasized that the executive office should consider the resource; budget, manpower, facilities, data and strengthen business cooperation with the superior office.

3. Research Design

3.1 Synthesis on Factors Affecting Policy Implementation

As described above, there is a little difference between prominent scholars on factors influencing the policy implementation. Scholars are almost identically emphasizing the clarity of policy goals or objectives. As for policy implementors or executing organization, theorists has classified as major influencing factors human resources, material resources, information, bureaucratic structure, leadership, and enforcement procedures.

After reviewing the theoretical model of the policy implementation and the factors affecting the overall implementation, this research reaches the conclusion that policy implementation study with one approach may be led to a limitation in analyzing the process systemically.

This is because the factors affecting the policy implementation are interacting with each other systemically rather than acting independently in the process of policy implementation.

Therefore, through literature review and previous studies review, this research will classify the factors which are affecting

the successful implementation as follows: 1) policy contents factors 2) policy implementor factors 3) policy subjects factors 4) policy environment factors. In addition, this research will discuss on how the sub-factors belonging to these variables also affect in the implementation process.

Factors Related with Policy Contents

Policy goals and its contents are significant because it is not only to set the direction of the policy execution as the product of policy formation, but also to provide an important legal resource for implementing officials.(Sabatier, 1986)

In general, clarity of the policy goals, consistency, relevance, causal relationship, type of policy have been proposed as factors affecting the policy implementation in various ways.

The success or failure of the policy implementation is highly dependent on policy contents and its characteristic since the policy enforcement is the action to realize the policy contents. The policy implementation could easily succeed in conditions that the policy measures to be implemented and the policy goals to be achieved are clear, the policy contents is desirable and preferable, and resources for policy enforcement are sufficient.

Therefore, this study will analyze factors affecting the success of policy implementation on Innovation city project, based on 2 major factors as follows: Clarity of Policy contents and its consistency, Desirability of policy.

Factors Related with Policy Environment

The environment of policy implementation is an important parameter in modern society that is characterized by rapid social change. Calista set forth the public opinion and the higher authority as factors affecting the policy implementation.(Calista, 1994) Parliament and political parties, interest groups, policy makers, such as the President and the Minister, and the media and public opinion can be enlisted in this environment of policy implementation.

As for the environmental factors that influence policy implementation, this study will pay attention to the support of policy-makers and policy-related groups. This is because, policy-makers who supervise and control policy implementors or the attitude of the public opinion, media, policy target group are largely influencing on the success of policy implementation.

In particular, this is more likely if it is the future issues of national importance to present the development direction of a country, such as Innovation City project. In the policy context of Korea, in which the authority on policy process is concentrated in the president and policy agenda setting process is led by the President, the President's commitment to policy implementation process also exerts a decisive influence on successful policy implementation.

Factors Related with Policy Implementors

Executing organizations and implementors in charge of policy realization is one of the critical factors that also influence the successful policy. According to Edward III, policy implementor factors refer to the human resources and material resources. (Edward III, 1978)

Factors of policy implementors which many scholars is studying and discussing are mainly related with ability and attitude of implementors such as the aggressiveness and leadership of implementors, tendency of executing officials, and the participation of outsiders. The real difficulties that executors faced in the process of implementation can be overcome easily to some extent if they have willingness and desire. In fact, the

specialized techniques of lower implementing personnel in the hierarchy of bureaucracy exert a decisive influence on the successful policy implementation. Additionally, because the enforcement officer is one of members of the organization, various properties of executing organization such as the structure and atmosphere, affect their ability and executive motivation.

Considering the purpose of this research is to analysing factors affecting policy implementation process of Innovation City project, analytic target regarding implementors will be limited to Presidential Committee on Regional Development and Public Agencies Relocation Office, the subordinate organization of Ministry of Land, Infrastructure and Transport. The two organizations participated in relocation projects of public agencies and were mainly in charge of its implementation over the past decade. Accordingly, this research will review how the attitude of the two organizations, changes in the institutional structure and in personnel affect Innovation City project implementation process.

Factors Related with Policy Target Group

The policy target group is political aggregation which is most affected in the process of policy implementation. Smith (1973) described the policy target group as those that are required to

have a new type of interaction by the policy, Elmore (1979) defined it as those in direct contact with street-level implementing officials.

The political attitude of this policy target population has a direct impact on the successful implementation of policy across the policy implementation process. In addition, compliance of the policy target groups, street-level officials who is responsible for policy enforcement, and the intermediary group are the most important factors for successful policy implementation.(Cheong, 2012)

The most important policy target groups in Innovation City project would be the public entities and its employees relocated to the province. This is due to the fact that Innovation City project intends to relocate public agencies and institutes to 10 Innovation Cities, and to expect the impact of innovation spreading that enable the balanced national development and the local economy boom. Therefore, the policy compliance of the target group, the relocated public sector and its employees, is essential to the success of Innovation City project.

3.2 Analytical Framework

In conclusion, the factors affecting implementation of the policy

and its sub-factors are summarized, and the analytical framework of this study are set as follows.

Factors	Sub-factors
Policy contents factors	Clarity of policy contents and its consistency Desirability of policy
Policy implementors factors	Securing policy implementation means and resources Skill and attitude of policy implementors
Policy subject factors	political attitude and power of the policy target group compliance of policy target group
Policy environment factors	Support and attitude of policy-makers Cooperation of the public and the media

Chapter III: Regional Development Policy and Innovation City

1. Regional Development Theories

For the last several decades, there has been controversy on the regional development strategy. The theory related to the balanced development or regional disparities can be categorized to main theories: The balanced development theory and the unbalanced development theory.

The balanced theory in the regional development strategies means that simultaneous developments of a variety of industries are desirable. It also indicated that regional disparity in terms of development lessen as the economy of a country is growing larger.

In contrast, the unbalanced theory as a strategy of regional development indicates that it is effective to foster a particular industry or region first. This theory is based on the assumption that economic imbalances gap are growing between regional areas in the ongoing process of economic and regional

development.(Kim & Cha, 2009)

1.1 Balanced development theory

Balanced regional growth theory is that an imbalance of regional can be healed automatically and balance of regional development may be achieved, through the function of the market, the free movement of goods and services between regions in the long term.(Na, 2014)

The main idea of balanced development theory can be briefly abbreviated to the argument that regional development eventually leads to a balanced equilibrium as a result of the space economy function itself, even without the intervention of outside.(Kim, 2003)

Balanced regional development strategy or balanced growth theory is a recommendable regional development strategy if any country put a high priority on social equity, integrity and national unity rather than on promotion of economic growth and investment efficiency.(Kim & Cha, 2009) Many socialist countries and some new-born nations had adopted this strategy to prioritize self-sustaining growth and meeting the basic needs of people in countries for its ideological purpose.

Most of developing countries have adopted a balanced spatial development policies just after economic growth of the country has reached a certain maturity phase. This is because in the initial phase of economic growth, regional imbalances problems are not critical and available resources are extremely limited. Especially, in order to maximize the effect of selected investment to development area, developing countries must concentrate the resources and human labors.(Kim & Cha, 2009)

Hirschman (1958) argued on the basis of equilibrium theory that the growth pole theory indicates the process of regional development by the combination of the polarization effect and the trickle-down effect. As a growth pole developing regional areas exert direct influence on the growth of the surrounding rural areas, which may have positive effects and sometimes negative effects. The former refers to the trickle-down effect, the latter of which indicates the polarization effect. By polarizing effect, in the phase of initial development the regional disparities tends to be larger than before.

However, after developing countries undergo the a certain development phase, a large scale of investment often occur in rural areas for regional development.

Due to the inter-regional exchanges and complementary investment to underdeveloped region, eventually regional

disparities can be eliminated. This is called "a trickle-down effect".(Na, 2014)

Williamson has also claimed the balanced development theory in the same vein of Hirschman. He pointed out that in the early stages of national development the regional imbalance appears because the income gap between developed and underdeveloped regional areas is growing. When it reaches a certain level of development stage, however, this gap appears to be relieved instead of increasing regional disparities. He reached the conclusion that from the perspective of income gap in the national economy, the development model of the developing countries show reverse "U" shaped curve.(Kim, 2003)

1.2 Unbalanced development theory

Spatial balanced development strategy, bottom-up development strategy and indigenous economic development strategy have in common with the fact that they put high priority on residents welfare. Conversely, spatial unbalanced development strategy, top-down development strategy and exogenous economic development strategy share the norm that economy-oriented development strategies.(Kim & Cha, 2009)

Theory of unbalanced growth has been presented by Myrdal

and Kaldor since the late 1950's. According to Myrdal (1957), regional imbalance has scarcely restored to equilibrium by the autonomous control of the economy. It tends to be rather worse as time has passed.(Na, 2014)

He proposed the imbalance model which characterized by a cumulative vicious circle among regional disparities. The regions further increase the gap as the contradictory forces of technology innovation, which are named "spread effect" and "backwash effect", exert the cumulative effect.

In addition, the free movement of production factors and goods among regions are likely to inhibit the industrialization of rural areas rather than promoting a balanced inter-regional development. Eventually, it may result in adverse effects to the rural areas and balanced development of a overall country.(Kim, 2003)

Spatial unbalanced development strategy will contribute to overcome the limitations of the insufficient resources and to improve the efficiency of investment, especially in the initial stage of economic growth. However, the spatial unbalanced strategy is difficult to continue to be adopted, because it faces economic, social and political problems such as disadvantages of an integrated and overcrowding caused by the concentration of

regional prosperity, weakening of the potential for development.(Kim & Cha, 2009)

Kaldor deployed the logic of imbalance which is similar to Myrdal's. He claims that wealthy and developed areas exclusively has monopoly to industrial production by increasing returns to scale regardless of time, bringing about further disadvantage of rural and underdeveloped areas. Economically rich area is expanding the scale of production with the higher productivity of the regions, which again leads to the growth of this wealthy areas. Finally, the gap between the rural and urban areas increased.(Kim, 2003)

Even a developing country rarely adopted spatial imbalance development strategy as a official development strategy for regional development. However, the cases are not difficult to find that the country are focusing investment on a handful of areas with the intellectual superiority in initiate some strategic industries in order to promote national economic growth and efficiency.(Kim & Cha, 2009)

More often, the spatial unbalanced strategy results in inefficient use of resources in underdeveloped regions and increasing dissatisfaction of local residents and regional discomfort. In particular, Hirschman warned that if the backwash

effect which causes regional disparities is to be continued even after a certain stage of economic development, it may hinder sustained economic growth. As a result, he argued that government intervention is required to address the unbalanced growth among regions. (Kim & Cha, 2009)

The gap between this promotion strategy does not simply mean only difference in methodology in terms of resource utilization. The difference between both strategies premises not only difference of perception and philosophy of development, but also disparity in their theoretical background and logic.(Kim & Cha, 2009)

< Table > Comparison of the regional development strategy theory⁹⁾

Category	Economy-oriented development strategy	Welfare-oriented development strategy
Strategy types,	<ul style="list-style-type: none"> ○ Spatially unbalanced development strategy ○ Top-down regional development strategies ○ Exogenous regional development strategies 	<ul style="list-style-type: none"> ○ Spatially balanced development strategy ○ Bottom-up regional development strategies ○ Endogenous regional development strategies
Decision-making	<ul style="list-style-type: none"> ○ Centralized ○ National and regional units 	<ul style="list-style-type: none"> ○ Decentralized ○ Sub-area units

9) Kim, Yong-ung & Cha, Mi-suk (2009) *Regional development Policy*. Hanulacademy. Seoul.

Develop- ment strategy	<ul style="list-style-type: none"> ○ Exogenous development strategy ○ Export-based industries 	<ul style="list-style-type: none"> ○ Endogenous development strategy ○ Residents welfare and consumer industries
Develop- ment approach	<ul style="list-style-type: none"> ○ Leading industries ○ Foster growth stronghold city 	<ul style="list-style-type: none"> ○ Various consumption industries ○ Improve local social conditions
Rationale	<ul style="list-style-type: none"> ○ Regional imbalance development theory ○ Hirschman, Friedman ○ Innovation theory of Schumpeter ○ Export-based theory 	<ul style="list-style-type: none"> ○ Basic needs theory ○ Urban-rural district development theory ○ Balanced development theory of Nurkse ○ Rural development and ecological theory

1.3 M. Porter's Innovation Cluster Theory

Theoretical basement of Innovation city and balanced regional development is the Innovation Cluster Theory. Cluster, the geographic phenomenon that particular industry is integrated in a particular field, would have been recognized as key elements in predicting whether the local economy would be competitive, as well as overall national industry.

Clusters have long been part of the economic landscape, with geographic concentrations of trades and companies in particular industries dating back for centuries. According to M. Porter, clusters are geographic concentrations of interconnected companies, specialized suppliers, service providers, firms in related industries, and associated institutions (e.g., universities, standards agencies, trade associations) in a particular field that compete but also cooperate. (Porter, 1998)

The idea that the development of a geographic cluster, the concentration field of specific industries, is critical to economic development has been advocated by English economist Marshall 100 years ago. Cluster itself is not a new phenomenon. In recent years, academia and policy-makers became aware of the importance of the cluster again by main means of strengthening competitiveness of local economic development, as well as national overall economic development. (Kim & Cha, 2009)

“A cluster is a geographically proximate group of interconnected companies and associated institutions in a particular field, linked by commonalities and complementarities.” “The geographic scope of a cluster relates to the distance over which informational, transactional, incentive, and other efficiencies occur.” More than single industries, clusters encompass an array of linked industries and other entities important to competition.

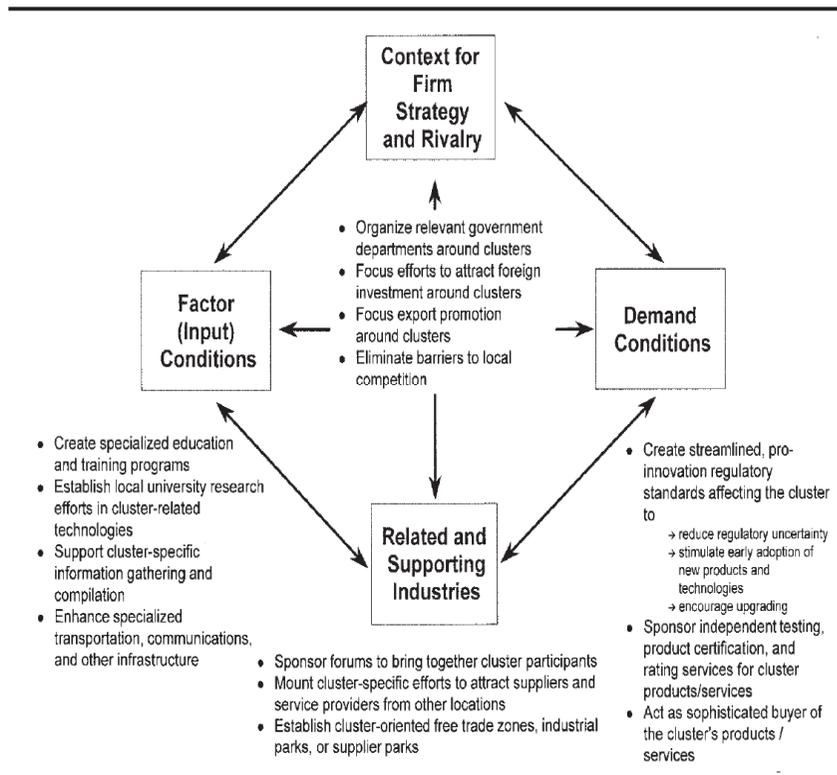
They include, for example, suppliers of specialized inputs such as components, machinery, and services as well as providers of specialized infrastructure.(Porter, 1998)

In particular, the recent boom of discussion on Innovation Cluster is due to the fact that policy-makers accepted the arguments of scholars, who advocated the importance of clusters to restoration of the local economy. Among them, it was M. Porter who preached that maturity of industrial clusters is a key element of the regional competitiveness. Accordingly, it is regarded as an important task of the central and local governments to create an environment in which a cluster is formed and grown up.(Kim & Cha, 2009)

Clusters also often downstream to channels or customers and laterally to manufacturers of complementary products or companies related by skills, technologies, or common inputs. Many clusters include governmental and other institutions (e.g., universities, think tanks, vocational training providers, standards-setting agencies, trade associations) that provide specialized training, education, information, research, and technical support. Many cluster include trade associations and other collective bodies involving cluster members.(Porter, 1998)

Finally, foreign firms can be and are part of clusters, but only

if they make permanent investments in a significant local presence. Some specific roles of government in cluster upgrading are shown in following figure.¹⁰⁾



2. Researches on Innovation City as Regional Development Strategy

In fact, there are few researches with regard to the development and strategies on the Innovative City in Korea due

10) Porter, M. (1998) *The competitive Nations*. London; Macmillan.

to its short history since it commenced from 2005. However, there are some predominant researches and thesis to the topic on the way the innovative cities have been developed since it was launch in 2005.

First of all, James Simmie (2001), defining the innovation as 'new commodities, new technologies, new sources of supply and new types of organization, analyzed the examples of European cities development cases. He concluded that the relative innovativeness of his case study cities strongly reflects the experiences of their national innovation systems combined with their position in their respective urban systems. The stronger the national innovation performance and the higher they are in their national urban hierarchies, the more their local environments facilitate innovation within the firms located there.

Yong-ung Kim and Mi-suk Cha (2009) discuss the core of the innovative cities history and the future. In their book, Yong-ung Kim and Mi-suk Cha, referring to the innovative cities' construction outline in 2005, asserted that the construction of innovation cities will play a great role in the regional development regardless of its political background and regional factor.

Seung-han Ryu (2011), a researcher in Korea research Institute

for Human Settlement (KRIHS), maintained that the Innovation Cities must play its role for the core of regional development for nation-wide development strategy in Korea. He emphasized that the relocation of public agencies in Korea is not only the space movement of the institute, but shift of development motivation and initiatives.

Another researcher in Korea research for human settlement, Jin-bum Kim (2013) have dealt with the question on that what factors will be fundamentally necessary to the sustainable development and spatial expand of the innovation city in Korea. He asserts that even though the relocation project and the construction of the innovation cities is the non-autonomous, external and out-fashioned (it was the unbalanced development strategy since “development-age” adopted it.) strategy for the land and regional development, it will produce “the ripple-effect” to the adjacent cities of innovation cities. Eventually, it might be the Herb of regional economy improvement in the future.

Beside it is important to appraise the different series in which the term ‘competitiveness’ is used, to discuss the concept of “City competitiveness”.

Prominent economists such as Paul Krugman (1996) have been highly critical of the current fashion for promoting

competitiveness, arguing that competitiveness is an attribute of companies, not of cities, regions, countries or continents. (Krugman, 1996)

Porter (1998) deplores the lack of attention to competitiveness in standard international trade theory and suggests that economic analysis is diminished by this lack. He notes that: 'What became clear ... was that there was no accepted definition of competitiveness. Porter goes on to assert his conviction that the national environment affects the competitive position of firms, and he observes that understanding the role of the nation would yield some fundamental insights into the how competitive advantage was created and sustained. Given the regular use of his 'diamond' model as an underpinning for local economic development strategy, the reasoning also applies to cities.(Porter, 1998)

In short, competitiveness depends on the structure of the economy such as the character and effectiveness of institutions, the quality and spread of infrastructure and other factors which influence the efficiency of the national system as a whole. In the long term, competitiveness depends on the ability to sustain change in the factors that give rise to productivity growth (technology, human resources, but also the structure of the economy and how it policy seeks to shape it).

For a nation, the OECD (2006) defines competitiveness as:

‘...the degree to which it can, under free and fair market conditions, produce goods and services which meet the test of international markets, while simultaneously maintaining and expanding the real incomes of its people over the long term.’¹¹⁾

11) OECD (2007) Competitive Regional Cluster: National Policy Approaches.

ChapterIV: Overview of 'Innovation City' Project

1. Innovation City Project of Korea

1.1 Background

Korea was successful in entering middle power in virtue of unbalance state-led growth strategy that concentrate investment and product factors such as labor and capital to particular region and industry since 1960s.

In 1995, however, Korea faced stagnant growth limits the per capita income of \$ 10,000 was lasting for a while. As a result, overcrowded metropolitan area fell into recession and the polarization of the country hindered the overall further development as well as regional development.(Ryu, 2011)

South Korea diagnosed that such a concentration in metropolitan area and its acceleration is a rare cases which is scarcely to be found in a similar level international practice such as the UK and France. Consequently, over population of the

metropolitan area caused housing shortage, traffic congestion and environmental pollution, resulting in the degradation of social life and increase of social costs. In particular, regional areas may intensify further recession due to the loss of endogenous growth fundamental and collapse of manufacturing.(Yoo, 2009)

The metropolitan area of Korea accounted for only 11.8% of the overall national land area. However, 47.6% of the national population, 85% of all public institutions,¹²⁾ 91% of 100 representative corporate headquarters, 64% of major universities and 57% of manufacturers are concentrating in the metropolitan area, the annual cost of traffic congestion in the metropolitan area records 12.4 trillion won, air pollution 10.4 trillion won, 4.2 trillion won respectively, and other social and environmental costs are soaring.(Won, 2009)

The polarization of Korea's national land and its acceleration interfere with the quality development of metropolitan areas, as well as regional areas. It also causes for accelerating the downturn in the local economy.(Won, 2009) As whole country's economy may undergo a competitive degradation and growth fundamental in local areas will be depleted, polarization can affect the national unity and the widespread sense of crisis.

12) Ministry of Construction and Transportation & Presidential Committee of Balanced National Development (2005) Public Agencies Relocation Plan

The over concentration of Korea's metropolitan area appears to be evident compared with other countries' metropolitan areas.(Won, 2009) Tokyo metropolitan area's percentage of the population in Japan is 27.2% compared to national population, London metropolitan area accounts for only 26%. In Korea, however, the Seoul metropolitan area amounts to a whopping 47.9%.

In this vein, in 2003 Korea proposed "a 21st century innovation-driven balanced development strategy" as a new land development strategy. Korea announced the master plan for a multifunctional administrative city, business city and Innovation city as a key means of achieving balanced regional development policy goals. Relocation of central core authorities and other public agencies was expected to suppress quantitative expansion of the metropolitan area and to activate depressed local economy. Moreover, by inducing relocation of private agencies, it was expected to cause the employment effect.(Yoo, 2009)

Korea government anticipated balanced regional development and specialization through construction of Innovation city and relocation of public institutions. Korea government also predicted Innovation city to build organic cooperation system among public agencies, academia and industry.

Innovation city was expected to perform the role to build the future new industrial zone for facilitating the localization and characterizing the development of the region.(Yoo, 2009) Innovation city aimed to creating competitiveness and to promoting vitality, as well as alleviating imbalances between the metropolitan area and regional area.

1.2 Definition of Innovation City and its Characteristics

According to Innovation City Special Act, "Innovation City" is defined as shown. The innovation city is a new futuristic city with the most suitable condition for driving innovation and providing high-quality living environment through the relocation of central functions toward provincial cities and cooperation among industry, academia, research institution and government. (Innovation City Special Act, Article 2)

Innovation city is growing as a new base for public sectors which were relocated to local area. As a conceptual signs, Innovation city is expected to create innovation energy through building an organic network among industry, universities, research institutions and public agencies. Innovation city is also aiming to the planned development icon of high-quality luxury

city and the new model of local urban development.(Ryu, 2011)

Some major characteristics of the Innovation City are as follows:¹³⁾

- 1) Innovation City increases synergies to the development of the region by enforcing linkage between relocated public agencies and strategic industrial of regions. It builds a cluster of public institutions, universities and research institutions, and public institutions serve as a hub for cooperations
- 2) Innovation City builds infrastructure for a vibrant network of innovative subjects. It installs the innovation center of global innovation in the heart of the city, and expand the innovation infrastructure. It sets the basement for various types of Research group, R & D investment, Cooperation, Business and Investment Support System, etc.
- 3) Innovation City creates excellent living conditions to encourage local settlement of the advanced human resource. It secures high-quality housing, education, culture and leisure facilities in which advanced personnel want to live with family.

Innovation city is similar to the existing new towns in terms of large-scale urban construction led by the government

13) Ryu, Seung-han (2011) The strategy of innovative cities. Korea research institute for human settlement. 2011.

deliberately. However, there is a big difference from the perspective of the inter-city network functions and its internal features.

In other words, most of other new-built cities are constructed for a single purpose or single function. Innovation city is, however, differentiated from other existing cities since it has a very high degree of association between the internal functions, and it also targeting for innovation creation.(Won, 2009)

In conclusion, innovative city is utilizing an external resource, public agencies relocated from metropolitan area. However, the city is essentially aiming for strengthening the internal innovation capabilities of local clusters with industry, academia and research institutes. So, the primary concern of innovation city is embeddedness of relocated public agencies and its employees in local areas as seeds for local innovation.(Ryu, 2011)

1.3 History of Innovation City Project

Since 1964, Korea government has relocated a handful of central government departments and its affiliated public agencies to local areas inducing private companies and factories, to transfer into provincial area. However, in the case of the former public administration relocation project, in fact, Korea did not reap a great success, as it was promoted on the basis of the

instructions of the President without any legal basis. In particular, because even relocation of private companies and industry into local area was promoted on the basis of a country-driven model, the former projects enforced by Korea government were confronted with a fundamental limitation.

In 2003, President Roh Moo-hyun announced the relocation policy of public organizations, and embodies the master plan for construction of the innovation city. The announcement is named Daegu declaration for Balanced National Development. This has policy implications that promote the balanced development of the country and region-specific development. It means distribution to non-metropolitan areas of the public sector, to promote transfer of industry, academia and research institutions.(Won, 2009)

< Highlights of Daegu declaration for Balanced National Development >

- Enact three special laws such as Balanced National Development Act, the new administrative capital Act, decentralization Act and install Balanced National Development Special Account.
- Relocate the 245 government agencies and government-funded agencies to provincial area.
- Expand national R&D budgets of local support ratio.
- Overhaul regional industrial policy implementation system

- Establish a comprehensive province-led regional development five-year plan for balanced national development.
- Install local development district based on regional characteristic.
- Promote special measures to alleviate regional disparities between urban district and rural villages and to develop rural areas.

As "National balance Development Act" is enforced in April 2004, Korea government has promoted the relocation of the national administrative authorities and agencies from metropolitan area in earnest by a comprehensive plan based on the law. The law stipulates its objectives as follows:

"promote self-development of local areas by eliminating the disparities between regions and promoting development to match regional characteristics, contributing to building a better and equal society for citizens to live in"(Article 1)¹⁴⁾

Then, "The First Balanced National Development Plan" was published in 2004. The main contents of this plan are as follows:

Korea government is aiming to constructing innovation

14) www.law.go.kr, National Balance Development Act, Article 1, Objectives.

cities across the country to develop 2-3 global innovation clusters comparable to Silicon Valley within 15 years. Innovation city, in which Administrative clusters and industrial clusters are combined, is futuristic innovative city with excellent residential conditions with superior housing, culture and education facilities. Korea will promote and induce foreign investment to innovation cities through the expansion of foreigners industrial complex.

In 2005, the Presidential Committee on Balanced National Development and the Ministry of Construction and Transportation has announced the Innovation City Development Direction. According to this plan, it was expected to start selecting of innovation city location in October 2005, and to embark on breaking ground for innovation city construction in 2007. By 2012, Innovation City were planned to complete the composition eventually.

In June 2005, South Korea has announced the Public Agencies Relocation Plan after it had been deliberated by the Presidential Committee on Balanced National Development. Before confirming the plan, Korea government gathered the opinions of the various stakeholders and investigated public authorities relocation site wish in 2004. In addition, in 2005, it organized national-wide cooperation network though public hearings and consultation with

the unions. This plan prescribed that Korea shall construct Innovation Cities in 11 provincial areas and complete the relocation of 177 public agencies and institutes prior to the end of 2012. In 2006, the Ministry of Construction and Transportation (MOCT) completed basic design for innovation city, in which it presented 4 components of the Innovation City.

After Korea government announced the plan, it installed a dedicated organization, Public Agencies Relocation Office, at the Ministry of Construction and Transportation. (August, 2005) Then, it also established the other various organizations for carrying out a seamless Innovation City policy, such as the Innovation City Advisory Committee(February, 2006) and the Innovation City Commission(February, 2007).(Yoo, 2009)

In February, 2007, the government has enacted Special Act for Public Agencies Relocation and Innovation City Construction, the institutional framework for building Innovation City. It included direction for relocation plan, transaction of relocated organization's real estate, support of the relocated organizations and its staff, and a legal foundation for the special accounting.

After that, Public Agencies Relocation Planning Guidelines was announced (March, 2007), Academia-Industrial Cluster Planning Guidelines was published (July, 2007) and a variety of actions

necessary for the Innovation City construction has taken.(Yoo, 2009)

< Table > Innovative City Construction Project Progress¹⁵⁾

- In 2003, announce Public Agency relocation plan promoting Balanced National Development
- In 2005, basic agreement on innovation city between the government and the governors
- In June 2005, Establish local public authorities relocation plan
- In December 2005, 10 Innovation city sites selection completed
- In April 2006, Innovation city construction basics design established
- In January 2007, Innovation City Special Law enacted
- In December 2007, public institutions relocation plan began being approved.
- In September 2007, Innovation city site composition commenced
- In June 2009, Innovative city development plan established
- In April 2011, Innovative city relocation support planning establish
- In December 2012, public agencies relocation launched

2. Present of Innovation City Project

15) <http://innociti.molit.go.kr/submain.jsp?sidx=106&stype=2>

The Innovation City Development Direction (2005) prescribe direction of Innovation City development as follows:

Korea government anticipates a new futuristic city with the most suitable condition for driving innovation and providing high-quality living environment through cooperation among industry, academia, research institution and government.

- 1) creating innovation spreading through the linkage arrangement of industry, academia, research institutions and government agencies.
- 2) building comfortable, livable residential environment with abundant green composition space.
- 3) providing excellent education environment and elegant urban culture basement
- 4) establishing state-of-the-art ICT system and convenient transportation network
- 5) energy and resource-saving environmental-friendly urban development

Government has established Guidelines for Selecting Innovation City Sites(July, 2005) and decided to build one Innovation City in a province respectively. For fairly selecting Innovation City sites,

government had considered development potential as a base for innovation, appropriateness of urban development, growth potential accompanied by the region as a selection criteria, and evaluate them. Eventually, Korea government had selected one Innovation City site by one region.

In 2006, the Ministry of Construction and Transportation (MOCT) completed basic design for innovation city 4 components : hub city, characterization city, eco-friendly green city, education and culture city.

This basic design listed the components for the implementation of innovative urban vision as following:

(1) Innovation-oriented district development, (2) eco-friendly residential city, (3) excellent educational environment and elegant culture city, (4) convenient transportation system and state-of-the-art information networks, (5) parks and green open spaces, (6) safe city with beautiful cityscapes.¹⁶⁾

In May 2015, total area of 10 Innovation Cities is only 44.96 million m² , and total cost amount reached 9.9 trillion. The number of relocated and relocating agencies and institutions is 154 and the number of migrating employees is estimated to be 47 thousand.

16) <http://innociti.molit.go.kr/submain.jsp?sidx=106&styp=2>

< Location of Innovation City in Korea >¹⁷⁾



The government has almost finished 99.9% of the Innovation City construction site preparation. In particular, access road and water infrastructure projects has been completed 100%.

17) 「News World」 (2011), <http://innocity.molit.go.kr/submain.jsp?sidx=106&styp=2>

Chapter V : Analysis on Implementation Factors

As mentioned in the analytical framework, I divide the factors affecting the Innovation City policy implementation into four categories in order to scrutinize its effect : policy content factors , policy implementation factors, policy subjects factors, and environmental factors.

Sub-factors of policy contents factors are divided into 'clarity of policy contents' and 'its consistency', 'desirability of the policy contents'. Policy implementation factors are categorized into its sub-factors such as securing of policy implementation means and resources, skills and attitudes of implementors. Policy subjects factors are divided into political attitudes and power of the policy target group and compliance of policy target group. Finally, the policy environment factors are divided into the support and attitude of policymakers, the support of people and massmedia to analyze the impact of implementation factors.

1. Factors related with Policy Contents

1.1 Clarity of policy contents and its consistency

Generally, the more clear policy goal may mean higher likelihood of success of this policy enforcement. Conversely, if there is a contradiction between the policy goals or abstract or unclear policy goals, policy implementation is likely to fail. Therefore, for successful policy implementation, it is critical to set a clear policy goals.

More specifically, the reason why the policy contents is to be clear is as follows.(Cheong, 2012)

- (1) The policy implementors can execute the policy contents, if only they are aware of what they should aim to realize, and what they should do specifically as a means to achieve goals.
- (2) the policy target group must also clearly aware of the content of the policy in order to comply with the policy enforcement.

Consistency of the policy is also significant as a factor affecting the policy implementation. If there is no consistency, it is difficult to deliver the policy intention accurately, causing confusion in policy target group which is involved in policy

implementation.(Cheong, 2012)

The cause of policy inconsistency lists a three kinds as follows:

- (1) The first case is that a policy objective or policy measures included in the same policy or guidelines are mutually contradictory, sometimes they are even opposed.
- (2) The second one is the case that individual policies are opposed to each other and contradictory.
- (3) The third case is that the policy is inconsistent due to too rapid and frequent changes in policy.

Innovation City project had been promoted clearly and consistently from 2003 to 2007, such as establishing a legal basis and various plan. Innovative City construction in the Roh administration can be divided in three stages.

The first stage is to build the institutional framework 2003-2004. Public agencies relocation project was derived from Daegu Initiative for Balanced National Development in June 2003. Based on it, in December 2003, Special Act on Balanced National Development was enacted as legal and institutional basis in which public authorities and agencies would be relocated into

local areas.

In addition, in January 2004, the New Land Initiative, including the five principles 7 Challenges for Balanced National Development, was released. In May, the 5-year National Plan for Balanced Development was published. In August 2004, Basic Principles and Directions of the Relocation Plan was announced, holding a policy briefing in every province to gather public opinions.

The second step is the next step in which Innovation City project became visible plan in 2005. Public agencies relocation plan was announced in June 2005, after hearings for the relocation plan to collect the public opinions and dialogue with the union. In addition, central government and 12 governors signed basic agreement, another agreement is signed between the unions and the government, based on cooperation between the parties which is interested in relocation project. Furthermore, Innovation City sites selection was announced after Korea government published Innovation City Siting Guidelines in July 2005.

Third, 2006 and 2007 were the execution phase of the innovation city construction projects. In April 2006, Innovation Cities Basic Design for presenting new urban development direction announced to distinguish with the existing urban

setting. In February 2007, Innovation Special Act on Public Agencies Relocation and Innovation Cities Construction was enacted for promoting balanced national development.

1.2 Desirability of Policy Contents

The desirability of the policy contents is also critical as a factor affecting the policy implementation. If the policy implementors, policy target groups and other outside groups involved in policy implementation are aware that the policy or the project is desirable, the higher is the likelihood of success of policy implementation.(Cheong, 2012)

Conversely, when the policy implementors determine policy is misleading and undesirable, they surely are less motivated to implement the policy or the project. Policy target groups, especially directly regulated groups, determined that the policy is undesirable, they are gaining rationale to be refractory to the regulation and their psychological motivation to comply is also reduced. On the other hand, if the general public opinion regards the policy as desirable, regardless of personal preference, individuals are not significantly contrary to policy implementation.(Rho, 2007)

To determine whether Innovative City policy is desirable or

not, the most important criterion is the economic impact of the Innovation City project. By scrutinizing the trend of economic impact estimates for the Innovation City project, we may tell how the desirability of policy was changed.

Of course, Roh's administration expected activation of the local economy by gaining economic benefits resulting from relocation of public agencies and Innovative City construction. Also, it anticipated the effect to suppress the quantitative expansion of the metropolitan area and to improve the innovation capacity of the region by constructing Innovation Cities.

In 2004, Presidential Committee on Balanced Development, which was responsible for relocation project and Innovation Cities construction, estimated as follows:

During Innovation City Construction period of 2007-2012, the production inducement effects as ripple effect caused by construction investment will reach total of 35.6 trillion won (annual average of 5.9 trillion won).

Value-added inducement effects will be total 14.3 trillion won (average annual 2.4 trillion won), induced employment effects at average 63,000 people per year in total 378,000 people.(PCBNB, 2004)

In addition, the job creation effect of the relocation of public entities is estimated to up to 133,000. Effect of increased production by jobs movement was estimated to be about 9.3 trillion won per year, and value added inducement effect was estimated to be about 4 trillion won per year.

The effects of Innovation Cities construction and relocation project was also predicted by many scholars, as well as government agencies. Kim Tae-hwan and Lee Dong-woo (2005) estimated effect of increasing 1.33 million people employment, the annual production of 9.3 trillion won and annual value added inducement of 4 trillion won, assuming the case that 176 public sectors and related population of the metropolitan area move to local areas such as newly-built Innovation cities.

Lee Seung-woo (2004) suggested a direct effect of causing the construction investment of 17 trillion won if 10 Innovation cities with population of 20,000 people are built. However, he emphasized virtuous circle effects such as promotion of regional value-added through the expansion of the local construction demand, increase of financial power of local government and expansion of infrastructure expansion.

Meanwhile, the Lee administration, which was launched in 2008, raised questions about the effectiveness of public sector

relocation project and Innovation Cities construction. Specifically, there is no practice case for the estimating effect on Innovation City projects. However, as for Multifunctional Administrative City plan it raised the inefficiency of the project, as follows:

First, the costs associated with inefficiency of the national central government distribution was expected to be 4 trillion 807.1 billion won in total : policies degradation cost is 3.65 trillion won, national competitiveness degradation cost is 1.03 trillion won, and visits policy consumer cost is 95.3 billion won.(President Committee of Regional Development, 2009)

Second, the Lee administration has criticized that there is a limit to activating the new administrative capital city because of the lack of self-sufficiency capability. In particular, it has argued that multifunctional administrative city is impossible to achieve the target population of 500,000 people, estimating the actual inflow as the total population of 17 million.

Looking into the research on the impact of the innovative city construction, quantitative and short-term analysis of the increase in construction investment was prevalent and reflecting on the progress of projects and the situation change is insufficient. In particular, the specific review of the effectiveness of the innovation cluster environment promotion is necessary.

However, in general, Innovation City building is expected to lay the groundwork of the local economy stimulation. In particular, many scholars are in accordance with the idea that Innovation City would grow to be local center which promote self-sustaining competition with linkage to regional strategic industry and innovation cluster. Accordingly, it is possible to conclude that Innovation city project can be regarded as positive in terms of desirability of policy contents.

2. Factors related with Policy Implementors

2.1 Securing of policy implementation means and resources

Securing of means and resources as factors affecting policy implementation is one of main point in successful enforcement. Policy means and resources, which accelerates policy process, acts as fuel to propel a car. In contrast, in some cases forces which opposed to the policy prevent its implementation disturbing it substantially by ensuring policy enforcement means and resources.(Cheong, 2012)

Resources for policy implementation is divided into material and human resources. Budget is a representative material resources.

In particular, as for distribution policy budget is important enough to influence the success or failure of policy.(Cheong, 2012) Among Implementation variable in Family Planning project some empirical research shows that budget was the most important factors affecting the implementation of the project.

Another means of policy implementation, the laws and regulations are also vital for effective policy implementation because the strong laws and regulations to implement policy can limit the behavioral change of the policy implementors and policy target groups. Sabatier and Mazmanian argues that the larger degree of behavioral change makes it difficult to achieve a success of policy implementation. (Sabatier & Mazmanian, 1979)

On the other hand, Berman claims that the larger the change in behavior enables rather easier policy implementation because behavioral change may increase the motivation of policy implemetor rather larger than smaller changes, and many people become interested in policy implementation.(Berman, 1980) In particular, in the case of regulatory enforcement policies, legally binding measures are often more important rather than the budget and other material resources.

First, the legal basis related to Innovation City are laws such as the Special Act on Balanced National Development enacted in

2004, and Special Act on Public Agencies relocation and Innovation City Construction enforced in 2007, and there are other guidelines and regulations for urban composition and relocation.

This legal system is supposed to be organically organized and important policy measures to support the innovation city project. Korea enacted 'Balanced National Development Special' in January 2004 to motivated balanced development and to activate regional economy. The purpose of this law is shown in Article 1 as follows "by eliminating the disparities between regions and promoting a self-motivating localization in accordance with its characteristics this law aims to contribute to building a society evenly"

Article 18 paragraph 1 of the Act said, "Government should take measures to relocate the institutions prescribed by the Presidential Decree among the public institutions that are located in the metropolitan area step by step to suppress the metropolitan concentration of public institutions and promote characteristic local development.

In addition, the Act Article 18 Clause 3 prescribe as follows "Central government, local governments and the public entities shall take necessary measures including the establishment of a public institution relocation plan in accordance with the master plan."

In March 2005, Special Act on Multifunctional Administrative City Construction was enacted, and in January 2007, Special Act on Public agencies relocation and Innovation City Construction was also enforced. The Article 1 in this Act clarifies the purpose of the Act "The law is intended to contribute to the balanced national development and national competitiveness by promoting the relocation of public entities and constructing Innovation City in accordance with Special Act on Balanced National Development, the provisions of Article 18"

Thus, South Korea has laid the legal basis for a national plan to implement as a legal plan unlike previous projects to promote decentralization more systematically and to stimulate the local level economy.

< Table > Major legislation related to urban innovation¹⁸⁾

18) Ryu, Seung-han (2011) The strategy of innovative cities. Korea research institute for human settlement. 2011.

category	Act, Guideline, Criteria, and Standard
basic legislation	<ul style="list-style-type: none"> ○ Special Act on Balanced National Development ○ Special Act on Public Agencies Relocation and Innovation City Construction
local relocation plan	<ul style="list-style-type: none"> ○ Public agencies relocation planning guidelines ○ Public agencies relocation plan detailed criteria
organization	<ul style="list-style-type: none"> ○ Guidelines on organization and operation of public agencies relocation office
site composition	<ul style="list-style-type: none"> ○ Innovation City planning criteria ○ Innovation City land supply guidelines ○ Criteria for the calculation and application methods of Innovation City site
others	<ul style="list-style-type: none"> ○ Innovation City Business Center project support guidelines ○ Planning Guidance for relocation support of local government ○ Innovation City academia-industry-research institution cluster deployment planning guidance ○ Innovation City public building energy-saving design guidelines ○ Housing supply operations special standard for relocated public agencies employees

Korea government enable various plans to proceed without a hitch, as well as legislation for Innovation City construction. The Ministry of Construction and Transportation announced in April 2007 Innovation City Planning Guideline. Seven basic planning

principles of Section 2 were clearly presented as follows:

- (1) Planning for early settles of relocated public agencies employees and expansion of innovation
- (2) Basic design reflects of individual Innovation City and ensuring creativity
- (3) Establishing land-use and infrastructure planning considering the status and development of the existing cities
- (4) Maintaining association and harmony among the upper-level plans and related subordinate plans
- (5) Planning natural environment, landscapes, ecosystems, and green space schemes for innovation spreading
- (6) Public transport-oriented transit systems, energy-saving city through renewable energy utilization
- (7) Promoting public awareness through activation of the local community and meeting the diverse needs of citizens

With regard to funding, Special Act on Balanced National Development Article 3 stipulates as follows:

"State and local governments shall secure the budget and proceed the related policy and project to promote balanced national development."

2.2 Skills and Attitudes of Policy Implementors

One of the most important factors for the success of policy implementation is a policy implementor in charge of its enforcement. In other words, the organization and the ability of policy executors affects strongly to successful implementation.

The real difficulties that executors faced in the process of implementation can be overcome easily to some extent if they have willingness and desire. Unclear policy intention, lack of resources, insufficient support from policy-makers and policy environment can be overcome to some extent, depending on the executioner's efforts.(Cheong, 2012)

Policy implementation system consists of different organizations or groups, such as central government, local government and intermediary groups. If command systems for enforcement between them is very weak or the relationship is loosely coupled, the policy or project can not smoothly be implemented.(Rho, 2007)

In particular, how is the attitude of organization which is responsible for policy implementation about this issue? And does this policy enforcement organizations operated reliably without

any significant change in supporting organization? These question are very critical issues.(Cheong, 2012)

Two main organization in Korea government is responsible for Innovation policy making and its implementation: Presidential Committee on Regional Development for the deliberating and Public Agencies Relocation Office, which is subordinate to Ministry of Land, Infrastructure and Transport (MOLIT), to support and manage the policy implementation.

The Committee shall deliberate on important policies and relocation plans, the Office shall be responsible for operating the relocation plan and carry out supportive duties to relocate the public agencies. Meanwhile, local governments are dealing with administrative support for the individual relocation planning and operating innovation clusters, and relocated public agencies are responsible for each agencies relocating duties such as establishing relocation plan and constructing new public agencies building.

More specifically, in April 2003 Korea government has established a Presidential Committee on Balanced National Development (PCBND) as Advisory Group to carry out a policy of balanced national development systematically. According to Presidential Committee on Balanced National Development

Regulations(Presidential Decree No. 17,957), Presidential Committee on Balanced National Development as advisory committee was composed in the July 2004.

In addition, Executive Office for PCBND handling the plan management was established, as well as Supporting Bureau for PCBND. PCBND led many significant policy for regional development : Innovation-led local development policy, advance through the localization, construction of the new administrative capital, redevelopment of metropolitan area and the decentralization.

However, PCBND, which was focusing on promoting the balanced development and Innovation City construction was reorganized into Presidential Committee on Regional Development as the Special Act on Balanced National Development was amended after Lee administration entered the government, in April 2009.

PCRD shall deliberate and resolve the following policies and decisions: the basic orientation of regional development, coordination of related policies, establishment of regional development plans, relocation of public agencies and promotion of the Metropolitan Competitiveness.

In particular, in the reorganization process there were a huge opposition to subtracting the 'Balanced' from the name of organization. This was due to concerns that this deletion surely undermine the value of the balanced development of Korea.

However, it seems to be undeniable fact that the committee has been shrunk significantly in terms of its size and role after the reorganization into PCRD. In particular, in June 2011, PCRD had restructured again the organization and reduced existing 3 bureau 4 team system into 3 bureau 1 team system. Accordingly, PCRD put significantly lower priority on Innovation City project and its implementation.

Meanwhile, the Ministry of Land, Infrastructure and Transport has installed and operated Public Agencies Relocation Office to promote effectively the transfer of public institutions into local area and the construction of Innovation City. According to Guidelines on Organization and Operation of Public Agencies Relocation, the Office is dealing with matters relating to promotion and establishment of the province transition plan of public agencies, as well as site selection and development of Innovation City.

< **Guidelines on Organization and Operation of Public Agencies Relocation Office** >¹⁹⁾

1. Matters relating to the relocation planning and its implementation
2. Matters relating to central and local governments support of the relocated organization
3. Matters relating to Innovation City siting and development plan
4. Matters relating to prevent real estate speculation on Innovation City
5. Matters concerning the financing required for relocation and Innovation City.
6. Matters concerning cooperation and public relation regarding the promotion of Innovation City construction and relocation
7. Other matters required for the relocation and Innovative City construction

As shown in former paragraph, the Ministry of Land, Infrastructure and Transport has installed and operated Public Agencies Relocation Office to promote effectively the transfer of public institutions into local area and the construction of

19) Guidelines on Organization and Operation of Public Agencies Relocation Office (2013.4) from <http://innociti.molit.go.kr/>

Innovation City.

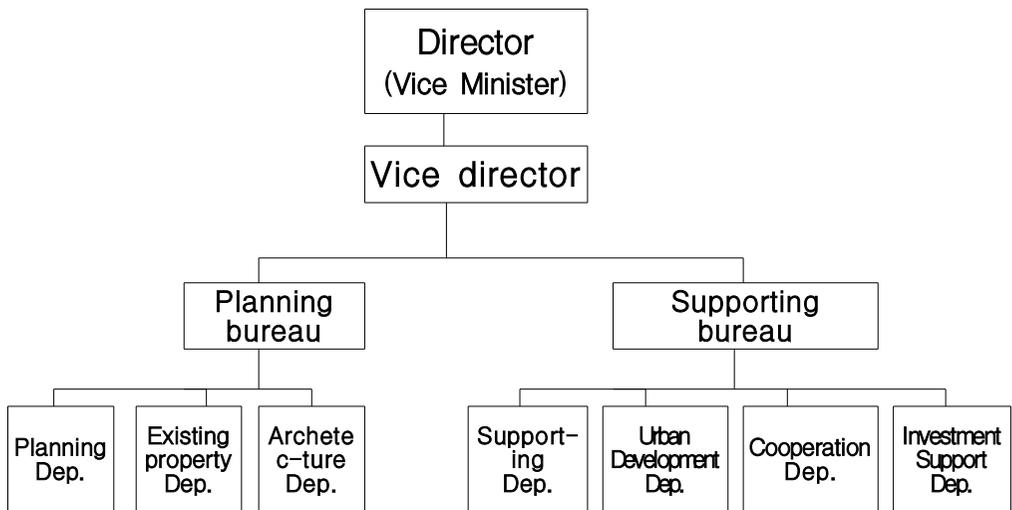
Public Agencies Relocation Support Office initiated its duty with the organizational structure of 2 department and 10 personnel in 2004. In August 2005, the Public Agencies Relocation Support Office was officially launched changing its name to the Public Agencies Relocation Office in order to promote the project effectively since Innovation City construction project was put on higher priority as government core project.

In May 2007, Public Agencies Relocation Office significantly enhanced an organization substituting 2-bureau 6-teams 34-personnel system with 2-bureau 7-teams 39-personnel system for launching the construction of 10 innovative cities by the end of the year. This reflected the commitment of the government to accelerate the Innovation City construction projects.

However, since the launch of the Lee administration (2008. 2 - 2013. 2) Public Agencies Relocation Office has reorganized its internal structure several times, which, in fact, remained without significant changes to the status quo. In particular, as priority of Innovation City project become lower than before, Public Agencies Relocation Office was suffering depression. This reflected the political preferences of Lee government which promoted the development of regional specialization around a

wide area, rather than balanced regional economic development through Innovation Cities.

In January 2015, Public Agencies Relocation Office now consists of 2-bureau 7-department, total 51 personnel by reducing one department.²⁰⁾



However, the Ministry of Personnel Management which is responsible for Human Resources and Organization within overall Korea government is aiming to reducing personnel and organization of Public Agencies Relocation Office, so this organization seems to continue to shrink inevitably.

On the other hand, promotion of innovative environment and its adjustment function should be strengthened over the next 10 years, since the current public sector relocation and construction

²⁰⁾ <http://innociti.molit.go.kr/>

of Innovation City, Public Agencies Relocation Office's goal, is reaping the performance. In particular, the future role of this Office should focus on the duty for building relationships with local government agencies, businesses and universities through cooperation and assistance to introduce innovative environment, rather than build living environment. Korea should expand the Public Agencies Relocation Office at this point that the Innovation city is expected to be operated in earnest because it needed to reassure the Government's commitment to Innovation City for its success.

In conclusion, the role of the Office is preferably to be maintained to support regional economic development until at least 2020. Moreover, the present role of the Office to lay basis of Innovation City should be substituted with another role to strengthen support for the attraction and activation of the academic-industrial city.

3. Factors related with policy Subjects

3.1 Political attitudes and power of the policy target group

Political attitudes and power of the policy target group are also

another one of the most significant factors for successful policy implementation. Policy subjects factors are divided into political attitudes and power of the policy target group and compliance of policy target group.(Cheong, 2012)

Policy implementation is the political process of bargaining with mutual compromise and participation of many government agencies and interest groups. The strong support of the beneficiary group is indispensable, and the resistance of sacrifice group should be minimized for intent of this policy to be realized as policy-makers have aimed for.(Rho, 2007)

According to Ripley and Franklin, the intervention of policy player such as assembly, interest group, NGOs, and administration into the policy implementation may vary depending on the type of policy. (Ripley & Franklin, 1986) They divided types of policy into three: distributive policy, redistributive policy, and regulatory policy. Ripley and Franklin elaborated there must be agreement by groups which are involved for the policy be implemented smoothly when viewed from the perspective of the bureaucracy. According to them, distributive policy is likely to be implemented smoothly, conversely the possibility is low in the case of regulatory policy. In particular, the likelihood of failure is higher if related groups is suffering severe controversy.

In the sense that Innovation City project is expected to boom the local economy and have innovation impacts by relocating public agencies from the metropolitan to local areas, the primary policy target group would be relocated public agencies and its employees. Thus, we can examine how policy attitudes of the target group changes by observing changes in the attitude of public agencies and their employees to migrate to Innovation City.

At first, according to Public Agencies Relocation Plan (June, 2005), the master plan of relocation project, the total amount of relocated agencies is 175. However, as many organizations are born and dismantled after the announcement plans, the number of relocated organizations was reduced into 159 at the end of 2007. Since 2008, due to strong Public Institutions Advancement Plan of Lee Myung-bak many government agencies was consolidated and the number of relocated public agencies was significantly reduced into 147. It reflected the reorganization and new establishment of public agencies and institutions such as Korea Land & Housing Corporation and Road Traffic Authority.

Since 2012, seven agencies have been established and consolidated continuously, in 2016 the number of public agencies and institutes which was relocated or is to be relocated to local area is currently 154.

This indicates the following table:

< History of Adjustment of relocated public agencies >²¹⁾

- June 2005 Public Agencies Relocation Plan : 175
- July 2007 Special Act on Public Agencies Relocation and Innovation City construction : 152
- 2007 newly established and dismantled : 159
- 2008 consolidation in accordance with Public Institutions Advancement Plan : 147
- 2012 newly established and reorganized : 151
- 2016 currently established and reorganized : 154

It is noticeable that in 2005, the number of relocated public agencies is 175, but in 2015, even though 10 years have passed, the number did not change significantly. The fact is very interesting that despite that the government's policies related to Innovation City has been replaced significantly, the number of relocated public agencies and institutions did not change much. This means that Policy implementor, Public Agencies Relocation Office at the Ministry of Land, Infrastructure and Transport,

21) Statistics Data from Ministry of Land, Infrastructure and Transport
(<http://innociti.molit.go.kr/>)

must have controlled the change in number of relocated public agencies.

This also imply that Lee Myung-bak government policy-makers have lukewarm attitude toward Innovation City project, it is not easy to modify the project. This is due to the fact that policy target groups such as local areas policy-makers and its citizens are supposed to represent opposition to the modification of relocation project. In other words, despite of the significant change in political priority regarding Innovation City project since the Lee administration, the number of target relocation agencies did not reduce.

However, the delay of migration of the public agencies and institutions shows the attitude of relocated public agencies toward the relocation project and Innovation City construction project. Public agencies and institutions which should migrated from the metropolitan area to local areas continuously demonstrated a passive attitude to the project, and they were trying to slow down the migration as much as possible.

Public Agencies Relocation Plan in 2005 stipulated as follows in relation to the migration deadline. "Each agencies and institutions completed by 2012 the migration to Innovation Cities step-by-step under the circumstances." Accordingly, Presidential

Committee on Balanced National Development and the Ministry of Construction and Transportation, which was in charge of Innovation City project, had made every effort in order to complete relocation project by 2012.

However, in 2008 the Lee administration has inaugurated, and the situation was rapidly changing. The arguments for the new administrative capital construction vaporization took place in the National Assembly. Accordingly, the expectations the relocation project might be canceled as well as the new administrative capital construction plan was rampant among policy target groups, public sector employees.

As a result, public agencies and institutions adopt new strategies that they delay the migration into local areas as much as possible and cancel the migration in the next appropriate time, instead of explicitly showing repulsion to the relocation project.

Annual public agencies relocation status is shown in the following table.²²⁾

Category	by 2012	2013	2014	2015	2016
Total(154 agencies)	13	22	60	41	18
Proportion	8.4%	14.2%	38.9%	26.6%	11.6%

22) Statistics Data from Ministry of Land, Infrastructure and Transport (<http://innociti.molit.go.kr/>)

Ministry of Land, Infrastructure and Transport is currently pursuing plans to complete the relocation project by 2016. To achieve this, Ministry of Land, Infrastructure and Transport is concentrating its policy forces on selling the metropolitan real estate of migrating public agencies and establishing new building in Innovation Cities.

3.2 Compliance of Policy Target Group

Compliance is meant to act in accordance with the action required by policy or legislation. Duncan distinguished between compliance and acceptance. Compliance is the outward behavior is to match certain behavioral prescriptions, whereas acceptance means concrete changes in the internal system of values and attitudes, not just the outward changes in behavior.(Duncan, 1981)

Policies aim to solving social problems, social problems is often caused by the interaction and behavior of individual members of society, so behavioral changes in society is essential in order to resolve the social issue. Therefore, if the policy is implemented, even if behavior changes is not accompanied by the policy target groups, policy implementation eventually fails.(Cheong, 2012)

For successful policy implementation, compliance of the policy target groups is important, as well as compliance of street-level officials who are responsible for implementation and intermediary groups. In particular, compliance of the policy target group is critical for the successful implementation, especially in the case of regulatory policy such as public agencies relocation project.(Rho, 2007)

Since June 2003, in the "Daegu initiative for balanced national development," the relocation of public agencies was announced, the Special Act on Balanced National Development was enacted to establish the basis of the relocation project in April 2004. In August 2004, it has announced its basic principles and the direction of public agencies and institutions relocation.

Each public authority, however, showed negative opinion about the relocation mentioning specificity of institutions and the technical difficulties in rearranging its location, some union were strongly opposed to it. In particular, the Korea Confederation of Trade Unions Public claims "withdraw the public agencies relocation plan immediately," in a statement released in March 2005. The union argued that they will engage in the struggle for relocation plan if it is going without consultation with the parties.

To deal with the opposition of the union side, the government

had consulted to target each individual union and senior union dozens of times through various channels, continuing persuasion. Accordingly, between the government and the Korean Confederation of Trade Unions the agreement to a joint effort for the relocation project and protecting the right of workers was signed. The agreement shows as follows:

- (1) guarantee job security from the relocation, settlement processes of public agencies
- (2) ensure stable settlement of employees of relocated agencies
- (3) relocation funding is on the basis of its own procurement principles and government support lack of financial, in consultation with the respective agency for the problems of relocation process.
- (4) take a reasonable improvement on unnecessary regulations and management evaluation system in accordance with changing business environment
- (5) consult with union when another agreements signed.

Government and Union representatives exposed council to deal with the pending issues relating to relocation project in accordance with agreements with the Confederation of Trade Unions. The Council was composed of 15 people, including Ministers and union leader, met 11 times by the end of 2007 in

order to discuss important matters concerning the support of Innovation City construction and public agencies relocation.

4. Factors Related with Policy Environment

4.1 Support and Attitude of Policy-makers

Policy enforcement is greatly affected by the extent that President, the ministers, parliament and policy-makers are interest in policy enforcement. In the case of South Korea, influence of the President on the policy implementation phase is relatively weak compared to the policy formation phase, but still large in absolute terms.(Cheong, 2012)

In the stage of the policy realization, the end of policy implementation, administration and management become more technical and professional. As a result, the actual authority of the bureaucrats increases. However, in the context of Korea whether the President is supportive or not is the decisive factor for successful policy implementation.(Cheong, 2012)

Formal authorities for the institutional dimension and informal political resources the President hold is the source for resolving conflicts and overcoming the obstacles arising over the

implementation process. If the president of the Korea policy process system execute strong leadership, in general, Congress and the administration will follow this immediately. Some scholar who study on President of South Korea describe this phenomenon are the so-called 'imperial presidency'

In 2003, Candidate Roh Moo-hyun at the time suggested to promote balanced regional development policy "for the fundamental solution of concentrated metropolitan and underdeveloped regional economy." In addition, he said that "the metropolitan concentration issues has reached a situation in which no longer be neglected. National decision is required."

As a result, candidate Roh Moo-hyun overcame political drawback and elected as president in the December 2002 presidential election. This may be attributed to balanced regional development policy commitments, including the administrative capital construction.

After the candidate Roh has been elected as president, Presidential Transition Committee had highlighted the balanced national development policy as a key challenge for the next government. President Roh Moo-hyun announced that he will promote decentralization and balanced national development forcefully, as shown below in the February 2003 presidential

inaugural address.

"For the future of the country we can no longer neglect the centralized and concentrated metropolitan areas. Now, decentralization and balanced national development is a challenge that can not be postponed."

"Central and local government must develop with a harmony and balance. Provinces design their own future autonomously, center will help this. I will continue to promote it as an extraordinary resolution."(2003. 2. 25, Presidential inaugural address)

In June 2003 the Roh government has published relocation plan as one of the seven development projects for balanced national development "Daegu initiative for balanced national development". After that, in March 2004, it announced a "new metropolitan development and innovation city construction plan", including the basic principles and the direction of promoting public agencies migration, and in April 2004, Special Act on Balanced National Development has been enacted to enforce for a legal basis of relocation project and Innovation City Construction. Finally, in June 2005 it has announced a public agencies relocation plan.

In December 2007 is the presidential candidate Lee Myung-bak who was committed to economy-reviving issue won overwhelmingly by 5.3 million vote in the presidential election. In February 2008 Lee Myung-bak government was officially launched. After the initial launch, the Lee administration was committed to review the Innovative City construction projects, suggesting that despite of astronomical expenses, the effect is uncertain.

Attending the national governors council in May 2008, President Lee Myung-bak said. "It seems not right to try to create a uniform Innovation City, the governors should try to find a development plan to match regional characteristics with discretionary authority, then central government will review and support".

President Lee Myung-bak, in the "Dialogue with the president" broadcast live on TV in November 2009, committed clearly to modify existing regional development policy, saying that he regret to have confused the people to Sejong City modification.

In November 2009, Prime Minister Chung Un-chan also officially announced that it would embark on a modification of the existing regional development policy, including the Sejong City amendment through the general public discourse.

Presidential Committee on Regional Development in July 2008 proposed a constructive and complementary measures of the Sejong City, Innovation City, and Business city including a new regional development policy direction at the first regional development policies Strategies conference.

As for the regional development policy objectives, Lee Myung-bak switched previous government slogan 'balance, innovation, regional balance through dispersion to new one 'win-win, competition, specialization though decentralization'. This implied that it substituted urban development project "Administration City, Innovation City and Business City" with "5+2 Economic Region" project.

The Lee administration intended to develop the Innovation City as a stronghold in conjunction with Economic Region. As for a detailed implementation plan, Lee administration suggested that local government make complement plan to contribute to new Economic Region strategy. This proposal virtually indicated a full revision for Innovation City projects.

Thus, the concern about the continuous promotion of the innovation city was growing, policy target groups, the relocated public entities and their employees began to shake. In particular,

conflicts and oppositions of stakeholders on promoting innovation city occurred, even though the project had begun with social consensus between central and local governments, public organizations trade unions and local residents.

4.2 Cooperation of the Public and the Media

The support and cooperation of the public and the media is as important as the political support of policy makers for successful policy implementation. The media has a significant impact on all cases regardless of advanced countries and developing countries.

The press informs society members of the major events that occur in the community and helps communication between members of society through the mass media such as TV, newspaper and social media. Because of this role the media plays is one of significant roles in the policy process. In particular, the media plays a leading role as for the matters of which issue to deal with and how to analyse it. In other word, the media is a strong catalyst in the formation and development of the issue.(Cheong, 2012)

The role of the press, however, is powerful even in policy implementation stage. The press plays a role as watch dog to various policy-makers such as the president, the National

Assembly, the Minister and policy implementors in the administration.(Cheong, 2012) That is, monitors which made the right policy-making and policy-implementing. Function of the media in policy process will be more forceful as a developing country develop into advanced country.

Hong Gwonhui (2008) analyzed the media coverage of Innovation City from June 2004 to May 2008. As we saw earlier, in June 2004, the Roh government announced innovative city construction plan setting forth a balanced national development policies. In May 2008, the Lee Myung-bak government published it would review Innovation City Project.

In order to analyze specifically, Hong Gwonhui chose two national wide press (Dong-A Ilbo, Hankyoreh) with two contradictory views, and four local press. (Busan Ilbo, Kyungin Times, Gyeonggi Ilbo) The samples number is as follows: <Dong-A Ilbo> 92 articles (20.6%), <The Hankyoreh> 67 articles (15.0%), <Busan Ilbo> 110 articles (24.7%), <Busan Ilbo> 83 articles (18.6%), <Kyungin Times> 51 articles (11.45), <Gyeonggi Ilbo> 43 articles (9.6%), a total of 446 articles. Typical articles in favor of Innovation City are as follows:²³⁾

23) Hong, Kwon-Heui (2008) A study on the Korean Newspapers' Routines of Using Sources: Focusing on Innovation City Stories, Yonsei University.

"I suspect that insisting to cease Innovation City project is a kind of teasing the citizens considering that efficiency review of the project and the ground-breaking ceremony are completed in the last government" (Rep. Lee Cheolwoo)

"Despite the regime changes, continuity of government services must be guaranteed." (Rep. Lee Gyejin)

"Because Grand National Party voted for the project in the 17th National Assembly, Talking to review it after the regime changed is deceiving act the public" (Rep. Yoo Seungmin) (Hankyoreh, April 17, 2008)

On the other hand, leading articles which opposed to Innovation City project generally pointed out the inefficiency of the innovative city construction, and claims reconsideration is required.

"The Korea Computer Center which is affiliated with the Ministry of Information and Communication had be migrated to Yongin, Gyeonggi Province and has returned to Seoul again. If relocation project is promoted as now, it is no wonder that returns of public entities repeated."(Prof. Gwon Haesu, Hansung Univ).

"As for Innovation City Project, policy direction is correct, but side effects are likely to occur due to promoting a hurry and setting a time limit on its completion." (Prof. Hwang Huiyeon, Chungbuk National University) (Dong-A Ilbo, December 1st, 2005)

In the analysis of the pros and cons opinions, 260 articles (58.3%) were in favor of it, the opposite was 186 articles (41.7%). Even though the investigation was conducted on some national wide newspapers and local newspapers in the circumstances that census it is impossible, survey results shows that the support of the media and the public about the innovation city project is higher. (Hong, 2008)

But it is not likely that this difference between the media and public opinion seems significant. This is because the relocation project is one of Roh Moo-hyun government's key projects for local balanced development since 2004, and it is one of the representative cases that newspapers revealed the pros and cons depending on its political tendencies or interests.

Since Korea government had decided to promote innovation city project in May 2008, the media pointed out problems from the project's delay and the inconvenience from insufficient

settlement conditions while evaluating positively about the future growth of Innovation City.

In 2016, as for criticism of the Innovation City the press is focusing on lack of living environment and facilities in Innovation city, rather than opposite to public agencies relocation. In contrast, media in favor of the project expresses expectations for a positive effect on regional development from Innovation City.

Chapter V : Conclusion

As it is mentioned in the introduction, the main purpose of this study is to scrutinize the factors affecting the policy implementation by analyzing the implementing process of Public Agencies Relocation and Innovation City Construction project. For this purpose, theories to explain the process of policy enforcement was reviewed, and the existing study of the factors affecting policy execution were elaborated.

Through literature review and previous studies scrutiny, this research classified the factors which are affecting policy implementation as follows: 1) policy contents factors 2) policy implementor factors 3) policy subjects factors 4) policy environment factors.

First of all, sub-factors such as 'clarity of policy contents and its consistency', 'desirability of the policy contents' were reviewed to verify how the policy contents of the project changed.

Since 2003, Innovation City project had been promoted clearly and consistently so far in terms of a legal basis and planning.

To clarify the goal of the project and its specific strategy, Korean government enacted a series of acts and plans from 2003. For instance, the Special Act on Balanced National Development enacted in 2004, and Special Act on Public Agencies relocation and Innovation City Construction enforced in 2007, and there are other guidelines and for urban composition and relocation. These legal basis and plan systems have not be changed significantly and the frameworks for the successful implementation of the project are still consistent so far.

From the perspective of desirability, the innovation city project was so stable and consistent that it undoubtedly secure its successful implementation. Considering the trend of economic impact estimations for the Innovation City project, quantitative and short-term analysis tell us that the economic impact of would be consistently positive and desirable, even though the result of estimations on the economic impact from the innovative city construction is slightly different from researchers to researchers.

In particular, most of the researchers agreed to that Innovation City building is expected to lay the groundwork of the local economy stimulation. Many scholars are in accordance with the idea that Innovation City would grow to be local center which promote local economy and competitiveness.

Second, policy implementation factors refer to securing of policy implementation means and resources, skills and attitudes of implementors.

As for policy implementation means, the laws and regulations are significant considering they are able to limit the behavioral change of the policy implementors and policy target groups. The legal basis related to Innovation City are laws such as the Special Act on Balanced National Development enacted in 2004, and Special Act on Public Agencies relocation and Innovation City Construction enforced in 2007, and there are other guidelines and regulations for urban composition and relocation.

Resources for policy implementation include material and human resources, and budget is a representative material resources. With regard to funding, the innovation city project was supported by the legal compulsory stipulates. Therefore, the project was automatically funded in terms of budgeting or governmental funding. For instance, Special Act on Balanced National Development Article 3 stipulates "State and local governments shall secure the budget and proceed the related policy and project to promote balanced national development."

The support for the innovation city project was sufficient in the prospect of organization. Two main organization in Korea

government is responsible for Innovation policy making and its implementation : Presidential Committee on Regional Development for the deliberating and Public Agencies Relocation Office, which is subordinate to Ministry of Land, Infrastructure and Transport (MOLIT), to support and manage the policy implementation. The attitude of the policy implementor toward the innovation city project was undoubtedly enthusiastic and passionate because the project was a presidential commitment. They believed that the successful implementation of the mission would secure the national-wide balanced development and facilitate local economies.

However, it seems undeniable that the committee has been shrunk significantly in June 2011 after Lee administration inaugurated. Additionally, Public Agencies Relocation Office is supposed to be reduced.

Third, policy subjects factors are divided into political attitudes and power of the policy target group and compliance of policy target group. Thus, we can examine how policy attitudes of the target group changes by observing changes in the attitude of public agencies and their employees to migrate to Innovation City.

Though the government's policies related to Innovation City has been replaced significantly, the number of relocated public

agencies and institutions did not change much. This means that Policy implementor, Public Agencies Relocation Office at the Ministry of Land, Infrastructure and Transport, must have secured the compliance of relocated public agencies.

However, in 2008 the Lee administration has inaugurated, and the situation was rapidly changing. The arguments for the new administrative capital construction invalidation took place in the National Assembly. Accordingly, the expectations the relocation project and the new administrative capital construction plan might be canceled were rampant among policy target groups, public sector employees. As a result, public agencies and institutions adopt new strategies that they delay the migration into local areas as much as possible and cancel the migration in the next appropriate time, instead of explicitly showing repulsion to the relocation project.

Finally, the policy environment factors refer to the support and attitude of policymakers, the support of people and massmedia to analyze the impact of implementation factors.

In the context of Korea, whether the President is supportive or not is the decisive factor for successful policy implementation. Some scholar who study on President of South Korea describe this phenomenon are the so-called 'imperial presidency'

After the candidate Roh has been elected as president, Presidential Transition Committee had immediately highlighted the balanced national development policy as a key challenge for the next government. President Roh Moo-hyun announced that he will promote decentralization and balanced national development forcefully, mentioning that Korea can no longer neglect the centralized and concentrated metropolitan areas and decentralization and balanced national development is a challenge that can not be postponed.

Meanwhile, public opinion on the project advocated its uninterrupted promotion. According to the investigation to the pros and cons opinions, 260 articles (58.3%) were in favor of it, the opposite was 186 articles (41.7%), which shows that the support of the media and the public about the innovation city project is higher.

Lee Myung-bak government, however, which was officially launched in February 2008, was committed to review the Innovative City construction projects, suggesting that despite of astronomical expenses, the effect of this project is uncertain. Presidential Committee on Regional Development in July 2008 proposed a constructive and complementary measures of the Sejong City, Innovation City, and Business City including a new regional development policy direction at the first conference for

regional development policies strategies.

Thus, the concern about the continuous promotion of the innovation city was growing, policy target groups, the relocated public entities and their employees began to shake. In particular, conflicts and oppositions of stakeholders on promoting innovation city occurred, even though the project had begun with social consensus between central and local governments, public organizations trade unions and local residents.

In conclusion, it seems that most of factors determining the policy implementation, which specifically are indicating policy contents factors, policy implementor factors and policy subjects factors, were obtained. The relocation project was consistent, able to secure its implementation means and resources. Moreover, skill and attitude of policy implementors, and policy target groups were compliant to its policy implementation.

As for the support of policy-maker, however, it had been changed dramatically when president Lee Myung-bak won the 2007 election in a landslide. After studying the process of innovation city project implementation, it is undoubtful that president's support is essential to the implementation of a policy in the context of Korea politics.

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Abstract 요약(국문초록)

지난 50년간 우리나라는 경제발전 과정에 있어, 서울, 경기, 인천을 중심으로 한 수도권 지역에 집중하는 불균형 발전전략을 취해왔으며, 그 결과로 우리나라는 수도권 지역에 대한 발전과 지방의 저성장으로 대표되는 양극화 현상을 겪어 왔다.

2005년 정부는 수도권 지역과 지방간의 양극화와 불균형 성장이 국가 전체적인 지속가능한 성장을 저해할 것으로 보고, 중앙 행정기관과 국책 연구기관, 그리고 공공 기관을 지방으로 이전할 것을 결정하였다. 정부는 총 346개 공공기관 중 175개 이전 공공기관을 국가 균형위원회의 심의 의결을 통해 선정하였으며, 특히, 이전 공공기관과 이들 종사자를 수용하기 위해 한국 정부는 전국에 10개의 혁신도시를 건설하기로 결정하였다.

그러나 2008년 출범한 이명박 정부는 행정중심복합도시, 혁신도시 그리고, 기업도시 등으로 대표되는 국가균형발전 전략이 국가적인 성장역량을 분산시킬 것으로 보았다. 2009년 11월, 이명박 정부는 세종시 수정안을 포함하여 현재의 지역발전 정책에 대한 개정을 추진할 것임을 공식적으로 선언하였다. 그 결과, 국가 균형발전을 목표로 추진되었던 행정중심복합도시, 혁신도시, 그리고 기업도시는 당초 2012년 완공 목표에서 상당기간 지연되었다.

본 연구는 공공기관 이전과 혁신도시 건설사업의 정책 집행을 대상으로 정책 집행에 영향을 미치는 요인에 대해서 검토하였다. 이에 따라, 본 연구는 혁신도시 사업의 정책 집행 과정을 중심으로 정책 집행에 영향을 미치는 여러 요인에 대해서 분석하였으며, 특히, 혁신도시 정책의 집행에 있어서 가장 크게 영향을 미친 정책 집행

요인은 무엇인가를 살펴보았다.

이를 위해, 우선 정책 집행 요인에 대한 기존 연구와 문헌 분석을 통해 동 연구에서는 정책집행에 영향을 미치는 요인에 대해 1) 정책 내용 요인 2) 정책 집행자 요인 3) 정책 대상집단 요인 4) 정책 환경 요인 등 4가지 요인으로 분류하였다.

먼저, 혁신도시 정책 집행에 영향을 미치는 ‘정책 내용 요인’의 하부 요인으로 본 연구에서는 ‘정책 내용의 명확성과 일관성’, ‘정책 내용의 소망성’ 측면을 살펴보았다. 2003년 국가균형 발전 전략의 일환으로 혁신도시 정책이 거론되고 추진된 이후, 혁신도시 정책은 법적인 측면, 계획적 측면에서 명확하고, 일관되게 추진되어 왔다. 혁신도시 정책의 목표와 그 구체적인 실행전략을 명확히 하기 위해, 정부는 2003년부터 일련의 법과 계획을 제정하고 실행하여 왔다. 그 예로, 2004년 제정된 국가균형발전특별법, 2007년 제정된 공공기관의 지방이전과 혁신도시 건설을 위한 특별법, 기타 도시 계획과 지방이전을 위한 기타 지침들을 들 수 있다.

‘정책 집행의 소망성’ 측면에서도 혁신도시 정책은 안정적이고, 일관되게 추진되어 왔다고 볼 수 있다. 혁신도시 정책의 소망성 측면을 살펴보기 위해 본 연구에서는 혁신도시 정책의 경제적 효과 분석 결과를 살펴보았는데, 당시 대부분의 연구자는 혁신도시 건설이 지역 경제 활성화를 위한 기반이 될 것으로 예측하였다.

둘째, 정책 집행자 요인을 살펴보기 위해 ‘정책 집행 수단과 자원의 확보’, ‘정책 집행자의 기술과 태도’ 두 측면에 초점을 두었다. 먼저, 정책 집행 수단과 관련하여, 관련 법과 규정이 제대로 갖추어졌는지가 중요하다. 혁신도시 정책의 법적 기반으로 2004년 제정된 국가균형발전특별법, 2007년 제정된 공공기관 지방이전과 혁신도시

건설에 관한 특별법, 그리고 각종 도시계획과 이전계획 지침이 신속히 제정되었다. 정책 집행을 위한 자원으로는 물적 자원과 인적 자원을 들 수 있으며, 예산은 대표적인 물적 자원이라 할 수 있다. 이와 관련, 국가균형발전특별법 제3조는 국가와 지방자치단체는 국가균형 발전을 위한 관련 정책과 사업을 추진함에 있어 관련 예산을 확보해야 함을 명시하였다. 조직적 측면에서도 혁신도시 정책에 대한 지원은 충분했다고 볼 수 있다. 정부 내 2개의 조직이 주로 혁신도시 정책의 수립과 집행을 담당하고 있었는데, 정책의 심의 의결 기구로서 대통령 직속 지역발전위원회와 정책 집행과 지원 기구로서 건설교통부 산하 공공기관지방이전추진단이 그것이다.

셋째, 정책 대상집단과 관련된 요인은 ‘정책 대상집단의 태도와 권력’, 그리고 ‘정책 대상집단의 순응’으로 나누어 볼 수 있다. 정책 대상 집단의 태도 및 순응 여부는 혁신도시로 이전하는 이전대상 기관과 그 종사자의 태도의 변화를 통해 알 수 있다. 혁신도시 정책 초기, 관련 정부의 정책이 다소 변화가 있었음에도 불구하고, 이전 대상 행정기관과 정부산하기관의 수는 크게 변화하지 않았으며, 이는 정책대상 집단의 순응을 확보하고 있음을 나타낸다. 그러나 지방이전으로 인한 성장률 둔화를 우려한 이명박 정부가 2008년 출범한 이후 공공기관 지방이전이 백지화될 수 있다는 기대감이 이전 공공기관과 그 종사자 사이에서 높아지기 시작했다. 그 결과, 일부 이전 공공기관과 연구소들은 각 기관의 이전이 연기될 수도 있다는 기대감을 갖게 되었다.

마지막으로, 정책 환경과 관련된 요인으로는 ‘정책결정자의 태도와 지원’ 그리고, ‘일반 대중과 미디어의 지원 여부’를 생각해 볼 수 있을 것이다. 이른바 ‘제왕적 대통령제’라고 할 만큼, 한국적인 정책

환경과 맥락에서 정책결정자의 핵심인 대통령의 정책에 대한 지지 여부가 성공적인 정책 집행 여부의 결정적 요인으로 작용하여 왔다.

국가균형 발전을 주요 정책으로 추진하고자 했던 참여정부가 출범한 이후, 인수위는 곧바로 국가균형 발전과 공공기관 지방이전을 다음 정부의 최우선적인 정책으로 부각시켰다.

반면, 지역발전 전략에 대해 다른 시각을 가지고 있었던 이명박 정부는 2008년 출범한 천문학적인 건설비용에 비해 그 효과가 불확실함을 들어 행정중심복합도시 건설 사업과 공공기관 지방 이전과 혁신도시 건설 사업에 대해서 재검토할 것임을 표명하였다. 2008년 7월 대통령 직속 지역발전위원회가 혁신도시 건설 사업에 대한 건설적이고, 보완적인 조치를 취할 것임을 발표하면서 공론화되었다. 이는 지역발전을 위한 국토발전 전략을 바라보는 시각의 차이에 기인하는 것이었다.

이에 따라, 공공기관 지방이전과 혁신도시 건설 사업의 지속 추진 여부에 대한 정치적 논쟁이 있었고, 일부 정책 대상 집단인 이전 대상기관과 그 종사자들은 동요하였다. 특히, 공공기관 이전과 혁신도시 건설 사업이 중앙정부와 지방자치단체, 이전 대상기관, 그리고 이전기관 노조간의 사회적 합의를 통해 추진되기 시작하였으나, 지방이전을 반대하는 일부 공공기관 및 노조 등 이익집단들 사이에서 반대의 목소리가 높아지기 시작하였다. 정책 집행 자원 측면에서도 2011년 6월 대통령 직속 지역발전위원회는 축소 개편되었으며, 추가적으로 국토해양부 산하 공공기관 지방이전추진단도 축소되었다.

결론적으로, 국가 균형발전과 지역경제 활성화를 위해 정부가 2005년부터 추진하였던 공공기관 지방이전과 혁신도시 건설 사업은

전술한 성공적인 정책 집행에 영향을 미치는 요인 중 ‘정책 내용 요인’, ‘정책 집행자 요인’, 그리고 ‘정책 대상집단 요인’을 확보하고 있었던 것으로 볼 수 있다. 다시 말하면, 혁신도시 건설 사업은 일정 시점까지는 정책 내용 측면에서 ‘일관되고 지속적’이었으며, 정책 집행자 측면에서 ‘정책 집행 수단과 자원을 확보’하였으며, 정책 집행자들인 기관도 ‘관련 기술을 확보하였을 뿐만 아니라, 그 집행에 적극적’이었다고 볼 수 있다. 또한, 정책 대상집단도 정책 집행에 ‘순응적’이었다.

그러나, ‘정책 결정자의 지지’는 급격히 변화하였다. 우리나라의 대통령제 체제하의 최고 정책결정자인 대통령의 정책 집행 지원은 매우 중요한데, 이는 이명박 정부가 2007년 대선에서 압도적으로 승리한 이후 변화하였다고 볼 수 있다. 이는 혁신도시 정책의 옹고 그룹을 떠나 이명박 정부가 국토균형발전에 대해 다른 시각을 가지고 있었기 때문이다. 명시적으로 법과 계획이 바뀌지는 않았지만, 관련 조직은 축소되고, 정책대상 집단인 이전기관과 노조는 이전 백지화될 수도 있다고 예상하였다. 일부 지방이전의 경제적 효과에 대한 회의적인 의견이 대두되었고, 관련 예산은 축소되었다. 균형발전 전략에 대한 접근법의 옹고 그룹과 관계없이, 대통령의 정책에 대한 지지 여부가 중요한 한국적인 정책 맥락에서 공공기관 지방이전과 혁신도시 건설 사업의 정책집행 과정 변화는 최고 정책결정자인 대통령의 정책에 대한 인식 변화에 기인하는 바가 컸음을 알 수 있다.

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**주요어 : 공공기관 지방 이전, 혁신도시 건설, 정책 집행,
집행 과정, 정책집행 요인**

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