

Creating Effective Intergovernmental Relations for the Realization of Sustainable Development Policy in Korea

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Korea resumed local autonomy in 1991. Except for the first ten years since the Republic, Korea's local authorities did not have substantial political or administrative decision-making power for thirty years under the central authoritarian governments (Jung, 1987). As democratization proceeded, however, the local assemblies reorganized their structure in 1991 and the citizens gained the right to elect chief executives of local governments in 1995. The reestablishment of local councils and the popularly supported local chief executives enabled the Korean local governments to restore their nominal political decision-making power. In reality, however, the substantial centralization of government functions and central control on local governances still persisted. They prevented the local governments from seeking their autonomous regional developments.

Since the early 1960's, Korea has achieved rapid economic growth through the 'administration of development', established by extremely centralized governance system. But such centralized governance system became inefficient for further developments in Korea since the early 1990's because of the dramatic economy increase. Thus, developmental policies cannot be planned and implemented efficiently by the government, especially by the central government alone. As industrialization and urbanization advanced, the social problems, mostly derived from local regions, became too complex for the central government to solve effectively. In addition, the citizen's desire and opportunity to participate in public policy-making process increased as a result of the progress in political democratization since

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the late 1980's that the central government could no longer implement its plans by top-down approaches. As more citizens participated and voiced out their opinions, the so-called 'NIMBY' (Not In My Back Yard) phenomena prevailed more broadly than ever, especially in environmental protection policy area. Such socioeconomic changes and political developments degraded the efficacy of the comprehensive, or synoptic planning of the central government. In order to build the most effective central-local relationships for sustainable development in the 21st century, Korea needs to diversify, or decentralize, its governance system and create effective intergovernmental collaboration and joint management.

I. Increasing Intergovernmental Conflicts on Sustainable Development Policies

It became more difficult for the central government to get local governments' compliance in implementing public policies, especially in establishing sustainable development policies. The progress of political democratization since the late 1980's caused Korean citizens to become more aware of the government's conduct. Thus, many pressure groups, including various non-governmental organizations (NGOs), were spontaneously formed during the 10 years and they began to check government activities. Ever since the launch of popularly formed local councils and chief executives in the early 1990's, local governments and citizens labored to incorporate their interests and preferences into central government policies. It became increasingly difficult for the central government to coordinate between its agencies.¹⁾

1. Increasing Conflicts among the Central Government Agencies

The Korean environmental policy apparatus increased at a breathtaking pace. What started with 5 staff as the Pollution Section within the Ministry of Health in 1967 was expanded to the Pollution Division with 10 staff in 1973, which then became the Bureau of Environmental Sanitation with 12 staff in 1975. Five years later, it became the Environment Administration with 339 staff. In 1990, it was promoted to a policy-coordinating Ministry of Environment with 1,216 staff headed by a cabinet member. Then, it became today's Ministry of Environment with 1,364 staff, carrying out not only policy-making and coordination but implementation as well (Aum, 1996; Jung, 1998). The growth in size and policy-

1) Ironically, policy coordination among the administrative agencies has become more difficult as democratization proceeds in Korea. It could be effective under authoritarian governments. The authoritative political leaders with assistance of the powerful central agencies, including the Economic Planning Board, easily coordinated policies between administrative agencies with top-down approaches. Administrative democratization has provided some discretionary power to individual agencies, but any new collective decision-making process has not been institutionalized yet (Jung, 2000).

making power of the environmental apparatus allowed the central government to play more active role in environment policy-making. On the other hand, such growth caused serious conflicts between central administrative agencies.

First, more bureaucratic politics are forming amongst the government agencies concerning the allocation of environmental policy functions. In addition to the MOE, six more central administrative agencies play various role in environmental protection. These include the Ministry of Government Administration and Home Affairs (MOGAHA), the Ministry of Agriculture and Forestry, the Ministry of Science and Technology, the Ministry of Labor, the Ministry of Maritime Affairs and Fisheries, the Forestry Administration, and the Agricultural Promotion Administration (Moon, 2000: 207). Some illustrative examples include the disputes between the MOE and the MOGAHA over the rights of environmental regulation of local industrial complexes, the rivalry among the Forestry Administration and the MOE, and the dispute between the Ministry of Maritime Affairs and fisheries, and the MOE surrounding the rights to oversee the reclamation of marsh lands (Moon, 2000).

More serious conflicts occur between development-oriented agencies, such as the Ministry of Construction and Transportation (MOCT) and the Ministry of Industry and Energy; and environmental preservation-oriented agencies, such as the MOE. Recent examples between the MOE and MOCT include the Yongwol Dam construction, the Sihwa Lake Project, the Saemangum Reclamation Project, and the lifting of the Greenbelt zones. Furthermore, conflicts between the MOE and the MOIE frequently arise over energy policies.

All of these cases are related to the issue of choice between industrial development and environment protection. In the past, Korea had a tendency to give first priority to the development policies. They are now closely watched by the agencies of environment protection. The following is a good example of how a "Yongwol Dam" construction plan, which took ten years to be devised by the MOCT, was cancelled due to its negative affects on the environment.

(1) The Case of the Yongwol Dam upon Dong River

The plan to construct a multi-purpose dam upon the River Dong that passes through Youngwol County of Kangwon Province goes back to 1990. The dam construction program was one of the prospective projects included in the second National Land Development Plan. In 1992, the Ministry of Construction, or MOC (the Ministry of Construction and Transportation, or MOCT, since 1994) and the Water Resources Agency conducted a study to determine the feasibility of the plan.

The Youngwol Dam construction plan started gaining clout in 1996. Between 1996 and 1997, the MOCT consulted with the related local governments (the Youngwol, the Chungsong, and the Pyongchang Counties in Kangwon Province) and held public hearings with the residents. The points

debated were included in the feasibility studies of 1992 to form the basic plan and design. The proposed construction site and the scale of development were also determined. According to the plan, the dam was to be built by 2001 as a multi-purpose 700-million ton structure that can moderate the floods caused by the Dong River. The reasons behind the government pressing for the Youngwol Dam were as follows.

First, one of the dam's main functions is for the flood control. The great floods of September 1990, which wreaked immense havoc not only on Youngwol but also on the banks of the Han River, led the affected residents to request for the dam. Second, the dam could supply water. Although currently in balance, some studies suggest that even the Han River area could experience water shortages starting in the year 2000. Further urbanization and industrialization of the Seoul metropolitan area will only lead to more needs for water: approximately 520 million tons in 2006, and 1.1 billion tons by 2011. In parallel with determining the dam construction plan, an environmental impact assessment of the construction was also carried out. The MOCT drew up the environment effect evaluation report in 1996, which was submitted to the government on June 1997.

The Ministry of Environment (MOE), however, pointed to the lack of information concerning whether the Dong River was home to protected rare species and requested that the report be substantiated. As a result, a second report was submitted in February 1998. The MOE turned it down again for insufficient information.

During this process, a negative sentiment against the dam started to build up, especially among the environmental organizations, and opposing statements from various pressure groups followed. In July 1998, the National Assembly put on its table a 'Resolution for a Complete Review of the Multi-purpose Youngwol Dam Construction Project.' The arguments against building the Youngwol Dam were as follows: first, a large-scale dam built upon a limestone layer and other unstable layers in the earth compromises its safety; second, the dam sacrifices the natural ecosystem and the pre-historic caves; third, spending 510 billion-won on building a dam when the economy is not fully recovered is unnecessary.

As the request of the opposition groups and the MOE for an environmental impact assessment grew, the authorities decided to postpone the ecosystem investigation until August of 1999. Consequently, the purchasing and compensating for the land in the proposed site was postponed, as was the actual construction. In 1999, President Dae-jung Kim announced that whether to call off the Youngwol Dam project or not will be decided after an investigation by an international environment-experts.

During August of the same year, the government launched a 33 members' private/public co-investigation team which conducted a detailed investigation concerning the Youngwol Dam construction. The team consisted of several units: water supply, floods, safety, and culture. On March

21, 2000, just 20 days before the general elections on April 13, the ruling Democratic Party called off the Youngwol Dam construction plan. On June 2, the co-investigation team announced the cancellation of the multipurpose Dong River Dam. Three days later, on June 5, President Kim stated, "the Youngwol Dam plan will be cancelled to preserve the ecosystem which includes 7 species unfounded anywhere in the world and over 200 other endangered species." On June 13, the Water Management Coordination Committed headed by the Prime Minister Lee Han Dong confirmed the final government position to cancel the Youngwol Dam construction. The Youngwol Dam plan was completely eradicated after its conception ten years ago.

The case demonstrates that unlike the past, national land development plans prepared by development-oriented agencies, such as the MOCT, should be checked effectively by environment-oriented agencies, such as the MOE. It also shows that citizens' environmental groups can play crucial roles in stopping government policy—a new phenomenon that was not seen until the late 1980's. It took 7 years since the conception of this development-oriented plan to be consulted with the environmental agencies. Much time and costs were wasted during this time. In short, the development ministries should have consulted with environmental ministries from the start.

There is a bright side to such intergovernmental conflict. In the past, the development policies of like-minded central administrative agencies were easily formulated and implemented without effective considerations to their possible impacts on the environment. The execution of such plans often led to serious environmental destruction. The Sihwa Lake Project serves as a good example.

In 1987, the objective of the *Sihwa* Lake project was to form 17,000hr of reclaimed land in one year with the investment of 899 billion won (US \$2,374 million). Costing 528 billion won, it was supposed to provide 180 million tons of agricultural and industrial water with a 12km's tide embankment and 69.1 square km of lake (the Sihwa Lake) by 1994. However, polluted water from surrounding farms and factories flowing into the Sihwa Lake forced the government to build a sewage disposal plant with another 449.3 billion won in 1996. But it caused the damage already: research conducted in 1997 reported that the lake was severely polluted with COD 26.0 PPM. In the end, the government abandoned the Sihwa Lake project for a source of agricultural and industrial water. Approximately 2,348.3 billion won (US \$ 2,935 million) was further invested to reclaim the land. In other words, the mere results of this project was a polluted lake and a destroyed marine environment (Jung, 2000).

2. Increasing Conflicts between Central-Local Governments

It was more difficult for the central government to implement its sustainable development policies because of the conflict between the central and local governments. In the past, the central government

has enjoyed a monopoly over the environment policy-making. Despite such monopoly, however, the central government frequently failed to implement their policies because of the local governments' oppositions. As political democratization spread throughout the nation, the citizens began to voice out their interest in the process of policy-making. Even the local residents began to pay more attention to the environment protection. The *Wichon Industrial Park & Nakdong River Development Project*⁷ illustrates these points.

(1) The Case of the Wichon Industrial Park & Nakdong River Development Project

The plan to build an industrial complex at Wichon Town on the Nakdong River at the outskirts of Taegu Metropolitan City was initiated by a proposal filed by the local dying-industry to the Kyongbuk Provincial Government in September, 1989. At that time, there was a serious problem of wasted water flowed out of the Taegu area and created a burden to the local dying-industry. Thus, more than 260 local dying-businesses proposed a dying-industry complex in the area that could address the environmental problems and keep these companies in business.

As a response, the Kyongbuk Provincial Government proposed to the central government in 1990 a plan to designate this area as an 'industrial development promotion area'. The provincial government decided in 1991 to build a 360 million square-ft. local complex at the Wichon Town, and requested the Ministry of Construction (MOC) (or the Ministry of Construction and Transportation (MOCT) since 1994) to officially designate the area as such. The main targeted areas included textiles, dying, clothing, machinery, and stationery equipment industries. Many scandals, such as the phenol-leak in 1991 and the dying-industries' water dumping and the tap-water supply in 1993 led to public outcry for protection of the environment.

Despite such protest, however, the Kyongbuk Provincial Government continued to promote its Wichon complex project. The provincial government submitted the Wichon Industrial Complex Plan to the MOCT, the Ministry of Commerce and Industry, and the Ministry of Environment (MOE) of the central government in 1993. However, with the risk of water pollution, Kyongbuk Provincial Government revised the plan to scale it down: i.e., it decreased the area proposed (12.6 million to 3.2 million square feet), target number of firms (214 to 99), and admissible amount of waste water (160,000 tons to 26,000 tons daily).

The MOC asked the Kyongbuk Provincial Government to substantiate its application for designation, including forging an agreement with its neighboring Kyongnam Provincial government. In compliance, the Kyongbuk Provincial Government submitted to the MOC a revised application with tougher environmental standards and a commitment to build a wastewater disposal facility in October 1993. The MOC also required them to conduct an environmental impact assessment concerning the complex. The

local territory restructuring of 1995 incorporated the Dalsong County and its Wichon Town into Taegu Metropolitan City. Since then, The Wichon Project was conducted by Taegu City, which in turn, submitted a new draft of the environmental plan to the MOC. In April 1992, the MOE opposed the development of the complex due to a possible pollution of the Nakdong River. The central agencies, including Ministry of Commerce and Industry, MOC, and the MOE, ultimately failed to reach an agreement on the issue. The MOE did not recognize the value of the environmental impact assessment submitted by Kyongbuk Province at the request of the MOC, arguing that it was prepared prior to a completing the construction plan.

In the meantime, the local governments of Pusan Metropolitan City and the Kyongnam Province and its citizens inhabiting the lower banks of the Nakdong River strongly opposed the plan of Wichon Industrial Complex. In January of 1993, the mayor of Pusan City and the governor of Kyongnam Province demanded the halt in the industrial complex project in order to protect water of the Nakdong River. In April, the Pusan City Council passed a resolution to the same effect. In January of 1994, a civic environmental group called "The Coalition for the Preservation of Nakdong River" proposed to improve water quality of the Nakdong River by prohibiting further construction of new factories in the area and moving existing pollution-creating businesses. The "Nakdong 2000 Committee", comprised of civic groups, such as the "Pusan Environment Coalition", visited the site to voice its opposition to the proposed Wichon Complex. Through public hearings held in the Pusan area, they also called for the nullification of the entire plan in May 1995.

The intergovernmental conflicts were exacerbated by inauguration of the politically ambitious local chief executives who were elected directly by the residents in 1995 after 34 years' pending. In July of 1995, right after his inauguration, the Taegu City mayor revised the original plan of the Wichon complex and proposed it to the Ministry of Construction and Transportation (MOCT) to be designated not as a regional but as a 'national' industrial complex. According to this revised plan, it was necessary to develop a national complex at Wichon area to pull the local economy out of its current stagnation. The initial plan to attract textiles and dyeing industries was also destroyed. Instead, it targeted high-tech industries, such as automobiles, electronics, and machinery. It further included plans to expand the proposed size of the complex to accommodate these new industries. In response, the MOCT suggested that the proposed Wichon complex should be developed as a local complex as was originally planned.

Taegu City, however, reiterated its revised position for a national complex to the central government Ministries of Construction and Transportation, Finance and Economy, Environment, Agriculture and Forest. The MOCT conceded that while the designation of the national complex was needed, a plan to prevent water quality degradation was also necessary. In March 1996, Taegu City submitted the

“Wichon Industrial Complex Development Plan” with a supplementary scheme to prevent water quality degradation to the MOCT, while requesting again for the designation of a national industrial complex. In April, the MOCT decided to bring the issue to the National Industrial Complex Review Committee for a decision.

A joint meeting of the ruling party and the administration was held in August 1996 to establish the national industrial complex at Wichon after improving water quality of the Nakdong River first. In September 1996, the Taegu Chamber of Commerce and Industry filed a petition to the Blue House (the official residence of the President and Secretariat of Korea) for a speedy decision on designating Wichon as national complexes. On December, the central government announced that it would simultaneously proceed with building a 72 million square-ft. complex at Wichon and with funding 5 trillion won for water purification project. On the following day, the then President Young-sam Kim announced his approval. However, on December 28, the government announced that it would postpone the designation of Wichon as a national complex. The government and ruling party then concluded its position of ‘Water Improvement First, National Complex Designation Later’.

In February of 1997, Taegu again compiled its plan of Wichon industrial complex, slightly enlarging it to 72.1 million square-ft., and resubmitted it to the MOCT. It also tried to introduce a special decree to improve water quality, but eventually came short. On October 14, 1997, the then Deputy Prime Minister announced that the government would support the Wichon effort if it were a local complex. Meanwhile, in 1997, the central government launched the ‘Water Quality Improvement Planning Unit’ under the direction of the Prime Minister in a pan-governmental effort to improve water quality in the country’s four major rivers including the Nakdong River. It was headed by the Prime Minister’s Administrative Coordination Office and its 23 representative officials, MOCT, MOFE, MOHA, and related local governments. This organization placed its priority on improving water quality of the rivers which were rated less than 2nd grade, such as that of the Nakdong River.

As Taegu strived to create a national industrial complex at Wichon, the chief executives, council members, and citizen groups of its neighboring Pusan City and Kyongnam Province expressed their opposition. What started as mild statements and suggestions soon turned into open protests as time progressed. For example, the ‘Pusan Citizens’ Coalition against the Wichon Complex’, formed by 30 Pusan pressure groups, held rallies and even staged protests. On the eve of November 1996, when the government was to formally decide on the future status of Wichon as a national industrial complex, 60 citizen groups and local councils from Kyongnam area formed the ‘Joint Headquarter’ to block the Wichon industrial complex and to save the Nakdong River, calling for the immediate repudiation of the Wichon plan. In January of 1997, this organization even seized the Kyongnam Provincial Government

offices for a week to demonstrate its opposition to Wichon. Even university professors joined hands to voice their opposition.

In this context, the central government effectively determined the purpose of its policy as 'Nakdong Water Improvement First'. Since January 1999, the central government began to search for policy measures to improve water quality of the Nakdong River. After a series of meetings from May to September, the MOE announced the so called, 'Comprehensive Nakdong Water Management Plan'. The plan's central message was that the creation of Wichon complex will be permitted only under the condition of water improvement. The plan also involved the construction of 5 to 6 dams around the area to supply clean water in times of drought or pollution. This plan was put through three public hearings in which the two sides (i.e., Taegu and Kyongbuk versus Pusan and Kyongnam) were able to present their views and settle the differences.

Both sides, however, viewed the proposed plan to be unacceptable. The residents of lower-bank Pusan and Kyongnam argued that they had no intention of discussing Wichon unless the water quality of Nakdong River was dramatically improved. To them, the government's plan was just a stepping-stone into the creation of the complex while the Nakdong plan was just a bait. Although better than previous government proposals, questions were still raised in its feasibility and side effects. Kyongnam area residents called for the nullification of another dam construction at the Mt. Jiri. In other words, residents in Pusan and Kyongnam areas were suspicious that government's policy was ultimately a conspiracy to permit the Wichon complex.

Meanwhile the Taegu and Kyongbuk residents felt cheated after countless unfulfilled promises of creating the Wichon complex. They believed that the government was simply using stalling tactics. The MOCT and the MOE tried to hold a public hearing in Jinju City of Kyongnam Province and another one in Pusan City to discuss the Nakdong Water Management Plan. However, it never took place because of local environmental groups and citizens' stonewalling. The same fate awaited the public hearings set to take place in Taegu City.

After the embarrassment of its failure to hold public hearings in October 1999, the MOE tried to review the local public sentiment. 11 conferences along with ten media-sponsored debates took place. There was also a joint meeting for policy coordination by the two coalition parties. The last month of that year was spent moderating within the government ministries. The Prime minister's Water Quality Improvement Planning Unit held meetings with the six local government chief executives while the MOE held consultations concerning river system management. The Water Improvement Planning Unit also held a number of working committee meetings. Eventually, the central government agencies (including the Prime Minister's Office, MOE, MOCT) and the six local governments announced the so

called, 'Comprehensive Plan for the Nakdong River Water Management' to improve the water quality of the Nakdong River to 2nd grade by the end of 2005. One of the major factors behind the active intervention by the central government and ruling party at the final stages was the general elections that were to be held shortly thereafter, i.e., April 2000.

In conclusion, this case demonstrated a new tendency surrounding the sustainable development policies between the central government and local government, or between local governments of Korea. The launch of the autonomous local governments contributed much to strengthen the voice of local communities. Furthermore, inter-local disputes reflected not only the environmental issues but also the regional interests in industrial location policies. Therefore, the central government was no longer able to formulate and implement sustainable development policies by itself. Finally, this case proved that problems leading to inter-regional conflicts must be resolved through consultative organizations, including representatives from the related local authorities and pressure groups, through which mutual understanding and compromise can be achieved.

3. Increasing Conflicts Among Local Governments

Difficulties in implementing central or local government's plans occur often also by conflicts between local governments. As seen in the Wichon case above, many central government plans are delayed in its implementation or even cancelled the plans themselves due to inter-local disputes and disagreements. For example, it has been almost impossible to decide upon a site to build nuclear power plants due to inter-regional disagreements. A developmental policy of a local government easily face to oppositions of neighboring local governments. There have been frequent conflicts between regions concerning the location policy of 'unpopular facilities' such as waste disposal or reclamation facilities. The so-called 'NIMBY' phenomenon has become more commonplace since the launch of autonomous local governments (Park, 2000).

II. Searching for Intergovernmental and Interagency Cooperations

As seen so far, conflicts between central government agencies, central-local governments, and local governments still exist, increasing with time. These conflicts are caused by decades of centralized, bureaucratic, and top-down approaches that permeated Korea's public policy. In fact, Korea is now undergoing a transitional period where democracy and local autonomy is rendering public policy less bureaucratic and more pluralistic. Some inefficiencies, as a sort of system-transition cost, may be inevitable in the establishment of sustainable development. In this process, participants may eventually

recognize the need to learn and institutionalize mutual inter-governmental and inter-agency cooperation.²⁾ Nonetheless, it is essential to reform the bureaucratic system of governance for more sustainable development policies.

Alternatives to the centralized, bureaucratic governance system can be found from the models of 'New Governance' (Rhodes, 1997). According to Peters (1997), there are at least four different alternative models of governing that can be applied to reforming the traditional bureaucratic government: the market government, participatory government, flexible government, and deregulated government. Each of these models can be applied in reforming the intergovernmental, interagency, and public-private relationships for Korea's sustainable development.

1. Market Approaches to Cooperative Intergovernmental and Interagency Relationships

In view of the market government, traditional bureaucratic governance does not provide incentives for involved actors to perform their jobs as efficiently as they might (Peters, 1997: 21). Therefore, in order to create effective intergovernmental and interagency relationships, incentive systems need to be adopted. Such a market-oriented approaches can be applied to overcome intergovernmental and interagency disputes or conflicts in Korea.

First, an institutional design for an appropriate incentive system can be designated to resolve interest conflicts in the inter-governmental or inter-agency relations. For example, an upper and lower banks' disputes over the usage of water, one of the most frequent conflicts witnessed recently in Korea, may be easily resolved if the concept of mutual compensation is adopted: i.e., the upper-bank polluters compensate for the upper-bank water consumers (Park, 1997). This is also a way to prevent the so called NIMBY effect, which occurs in the location policy of unpopular facilities, such as waste disposal areas (Kim, 1997). Its primary example is the recent ongoing negotiations between Seoul City's *Guroh* Autonomous District and Kyongi Province's *Kwang-myung* City concerning construction and sharing of the environmental facilities.

Kwang-myung City is to construct a garbage incinerator to share the facility with the *Guroh* District, while the latter share its drainage facility with the former. If these negotiations were successfully done, the two local governments could save 200 billion won: 160 billion won (or US \$140 million) for the drainage facility and 41 billion won (or US \$37 million) for the garbage incinerator (*Chosun-Ilbo*, April,

2) Even in the United States, which has a long history of a federal system, the New York and New Jersey have experienced many trial and error losses due to their separate activities and ineffective co-operations concerning common issues. It was not until the unbearable period of time that they finally agreed to establish together the famous Port Authority of New York and New Jersey. I am indebted to Mr. Hugh H. Welsh, the Deputy General Counsel of the Port Authority for this information (Jung, 1996).

18, 2000). The negotiations are currently being held between the chief executives of Seoul Metropolitan City and its Guroh Autonomous District and Kyonggi Province and its Kwang-Myung City.

However, such solution with reasonable compensatory system has its limits on risky 'unpopular facilities', such as nuclear waste disposal sites. In Korea, most environmental disputes arise not so much from these factors, which can be easily resolved through compensation, but from factors such as procedural democracy and fairness in the process of planning and implementation.

2. Participatory Approaches to Cooperative Intergovernmental and Interagency Relationships

In participatory view of governance, the hierarchical, top-down style of public administration in traditional bureaucracies restricts the involvement of agencies and its individual members in their own job. The lack of involvement alienates them and reduces their commitment to the organization. Therefore, segments of public organizations and societies excluded under more hierarchical systems must be permitted for greater organizational involvement. In order to make government function more efficiently, it is necessary to foster greater participation of organizations and individuals commonly excluded from decision-making process (Peters, 1997: 47-8). This concept of government empowerment may create effective intergovernmental and interagency relationships for sustainable development in Korea.

Most of all, it is necessary to institutionalize ways to ensure the participation of all related actors and their representatives, during the planning and implementation of sustainable development policies. It could enhance the participants' understanding of public policies and lead ultimately to a greater compliance. A good example is the Water Quality Improvement Management Planning Unit in the Prime Minister's Office which was established to resolve the conflicts among the related central agencies.

As discussed above, the central government can no longer effectively plan and implement sustainable policies unless it thoroughly consults with its local counterparts beforehand. It is popular sentiments in Korea that the ultimate authority in environmental protection policy should be given to the central government because local governments' policy-makers show more interest in regional development policies than in the environmental protection so far. If the public choice of functional allocation between the levels of governments is applied, environmental policy developments will be classified into the redistributive policy category in Korea (Yu, 1999). Nevertheless, it is necessary for the central government to have cooperative relationships with its local counterparts for sustainable development policies. It is also necessary to build institutional arrangements where representatives from all levels of

governments can participate in the decision-making process in order to improve inter-governmental cooperative relationships. Such an institutional design is necessary to resolve disputes between local governments as well.

Korea's local governments have established two different types of institutions: the 'Administrative Councils' (ACs) and the 'Autonomous Local Corporations' (ALCs). These institutions have not been put into practice, yet. Since 1993, 5 'Regional (or 1st tier) Administrative Councils' have been established by 15 1st tier local governments and 49 (50 since 1999) 'Basic (or 2nd tier) Local Administrative Councils' by 230 2nd tier local governments under the instruction of the Ministry of Home Affairs.³⁾ These organizations, however, have been inactive as an institutional device reconciling local conflicts. In 1995, the ACs were held only 32 times nationwide, of which only 73 out of 108 cases reached successful agreements. With the establishment of the popularly elected local chief executives (Table 1),⁴⁾ such institutional arrangements for inter-local cooperation could not be practiced more often. The inactivity of ACs is caused partly by their limited power of coordination among the local governments.

On the one hand, ACs are given only the nominal right to coordinate policies of the related local governments by Article 142 of the Local Autonomy Law. On the other hand, the law also prescribes that if ACs fail to have the local governments reach their agreements, the upper-level governments—i.e., the Regional Governments in the case of the Basic Local Governments, and the central government in the case of the Regional Governments—have the right to intervene and arbitrate. The local governments have shown a tendency to prefer upper-level governments' intervention in case of the failure of agreement through ACs so that they can pass the blame to other local governments or upper-level governments when they are called to account for the failure. Then, the representatives of the local governments seek ACs when they speak for their own interests one-sidedly rather than for the common

3) Recently, 13 functional councils (1 in 1998 and 12 in 1999) added in order to resolve possible conflicts in such policy area as environmental protection, tourism and regional development (MOGAHA, Unpublished data, 2000).

4) Recently, 13 functional councils (1 in 1998 and 12 in 1999) added in order to resolve possible conflicts in such policy area as environmental protection, tourism and regional development (MOGAHA, Unpublished data, 2000). However, some regional administrative councils have been activated since the launch of the popularly elected chief executives. An example is the 'Regional Administrative Council for Capital Area', which was established in 1988 to solve disputes among the regional level governments of Seoul and Incheon City, Kyoggi, Kangwon and North Choongchung Province, on the various issues from environment protection to water supply from and fee allotments for the 'Paldang Reservoir'. From 1988 to 1995, only 2 meetings were held only to discuss 11 cases and to agree 4 cases. Under the directly elected local executives since 1995, however, 9 meetings were held. Through the meetings, 140 cases were presented and 121 cases reached an agreement (The City of Seoul, Unpublished data, 2000).

Table 1. Administrative Councils for Korean Local Governments

Year	Number of Councils	Number of meetings	Number of Agenda	Results		
				Agreement	Pending	Rejection
1993	58	86	295	178	85	32
1994	52	49	154	123	26	5
1995	54	32	108	73	30	5
1997	54	16	88	75	-	-
1998	54(1)	23(1)	111(2)	90(2)	-	-
1999	54(14)	36(10)	200(55)	170(54)	-	-
2000	54(14)	-	-	-	-	-

Note: () are the functional administrative councils.

Source: Ministry of Government Administration & Home Affairs, 2000; Unpublished Data.

problems of the region. In short, they tend to regard ACs merely as a means of propaganda to show off they are doing their best for the benefits of the electorates.

First, ACs should have an obligatory power to coordinate among their local government members in order to be more efficient. Second, ACs should have their own secretariats, hold regular mandatory meetings, and establish a working committee to discuss agenda in advance. Then, as a permanent standing committee, the working committee can induce constant discussions and coordinations through ACs.

Another institutional constraint of ACs is that their memberships are restricted to those who represent the executives of the local governments, keeping the representatives of the local assemblies from participating. As a result, the agreements made by the representatives of the local executives through ACs tend neither to be approved nor supported by the local assemblies. To make ACs more effective, it is necessary for the representatives of the local assemblies to have the access to a membership as well.

Since the chief executives of the local governments of Korea were inaugurated firstly in July of 1995 and secondly in July 1998, they used their individual ability, political backgrounds, and the socio-economic situations to develop their region. But the local political leaders have been reluctant to cooperate with the chief executives of their neighbor local governments. Even when bargaining for the common issues with the central government, they failed to establish cooperative relationships with other local political leaders and made efforts merely for their own regions.⁵⁾

5) Such a lack of cooperation among the local leaders is partly due to their different political party backgrounds. The chief executives and assemblymen of the local governments who were elected in the 1995 local election have almost diffused political party backgrounds. Such diverse political backgrounds of the local leaders must have made them to be reluctant to cooperate with each other. Another reason for the ineffective cooperation

One of the reasons why the administrative councils and autonomous local corporations in local governments have been ineffective is that the chief executives are individualistic. Korean citizens, recently reintroduced to the local autonomy system after 30 years of its absence, are too tired to wait for relevant intergovernmental relations through process of 'trials and errors'. The role of the local political leadership cannot be overemphasized. By forming solidarity with other local leaders, the local leaders can be more efficient in approaching the common issues, especially in those relevant to the relationship with the central government. Thus, the local political leaders should institutionalize policy coordination mechanisms where they can resolve conflicts among them (Sah, 1997). With this in mind, the 'Mayor-Governor's Cooperative Council' was organized by the chief executives of 7 Metropolitan Cities and 9 Provinces in January 1999. One year after its launch, 4 meetings were held to reach agreements for 61 cases (The City of Seoul, Unpublished data, 2000).⁶⁾

3. Flexible Approaches to Cooperative Intergovernmental and Interagency Relationships

According to flexible government model, permanence in government is in itself dysfunctional for public organizations and individual members, and change in itself is positive (Peters, 1997: 73-4). The easiest and most effective way to generate a significant transformation of the public sector and its policy priorities will be to shake up the organizational structure that makes and implements policies. Such approach of reorganization can create effective intergovernmental and interagency cooperation for sustainable development in Korea.

As seen above, there are at least six central administrative agencies that are, more or less, in charge of environmental protection functions. Thus, rendering policy coordination among them is difficult and reallocation of environmental policy functions, including the merging of some agencies, are necessary to reduce such problem (Lee, 2000). In general, conflicts between central administrative agencies lead to conflicts between local governments and sometimes even to conflicts between local-level administrative agencies. (Rosenbaum, 1991: 89-92).

In addition, reorganization can be used as a means to resolve conflicts between central and local governments. As previously mentioned, central governmental agencies have enjoyed an almost monopolistic power over environment policy-making. However, the implementation of such policy rests on a dual system between the central and local governments. There are a number of central

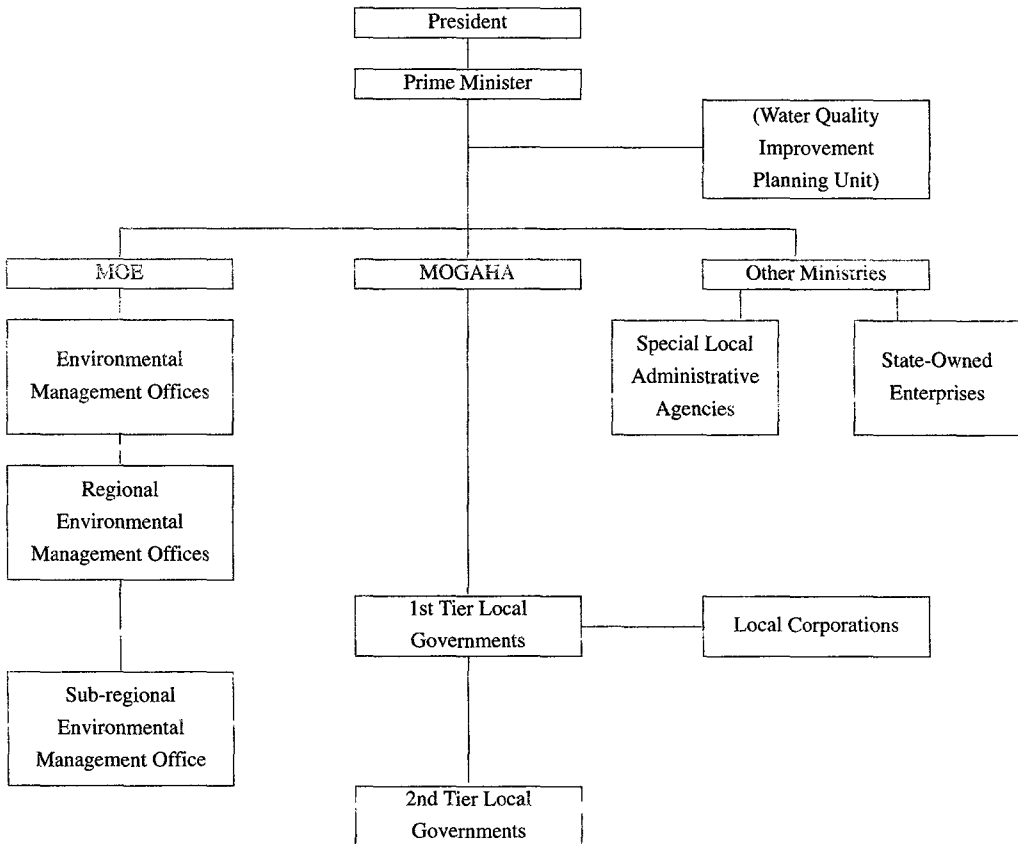
among the local political leaders is that they are interested in appealing to their voters by the achievements made by themselves more than anyone else.

6) It is necessary also to institutionalize more voluntary civilian organizations to solve inter-local conflicts. An example is organizing neighborhood organizations such as Neighborhood Councils, which exist 90 currently in Los Angeles Area. I am indebted for this to Professor Terry Cooper.

government's local-level agencies, including MOE's local level implementation bodies of 4 Environment Management Agencies overlooking the 4 major rivers, 3 Local Environmental Management Agencies, and 9 Outposts. In addition, there are local governments' environment administrative apparatus (Figure 1 and Table 2). Their works overlap and result in administrative inefficiency, confusion, and responsibility avoidance (Lee, 2000: 224).

There are three alternative ways for functional reallocation to solve the confusion and conflict caused by the overlapping. A first alternative is to give central governmental agencies the implementation rights along with the planning rights they already have. A second alternative is to confer all implementation rights to local governments. A third one is to search for an appropriate distribution of functions between two levels of governments.

Korea has already tried the first two alternatives during the past 10 years, only to fail in resolving conflicts. In order to apply the final alternative, then, the Ministry of Environment (MOE) should be



Source: Korea Environment Institute, 1998: 3.

Figure 1. Environmental Administrative Apparatus in Korea

Table 2. Environmental Policy Apparatus of Selected Local Governments in Korea

Local Governments	Functional Areas	General Environment Management	Water Supply & Drainage Management	Waste Matters Management	Natural Green Tract of Land Management	Environmental Research
Seoul City	- Environ. Mgt Office (Environ. Planning Division, Air Protection Division)	- Environ. Mgt Office (Environ. Planning Division, Air Protection Division)	- Construction Bureau (Drainage Planning Division) - Sewage Treatment Plants (4) - Water Supply Facilities Headquarter	- Environ. Mgt Office (Waste Matters Mgt Division, Waste Matters Facilities Division)	- Environ. Mgt Office (Park Green Tract Division, Landscape Division)	- Health & Environ. Research Institute
Ulsan City	- Environ. Bureau (Environ. Protection Division, Environ. Mgt Division)	- Environ. Bureau (Environ. Protection Division, Environ. Mgt Division)	- Environ. Bureau (Drainage Mgt Division) - Water Supply Facilities Headquarter	- Environ. Bureau (Environ. Embellishment Division)	- Environ. Bureau (Forest Green Tract Division)	- Health & Environ. Research Institute
Kyonggi Province	- Environ. Bureau (Environ. Policy Division, Environ. Protection Division)	- Environ. Bureau (Environ. Policy Division, Environ. Protection Division)	- Environ. Bureau (Water Supply & Drainage Mgt Division)	- Environ. Bureau (Waste Matter Mgt Division)	- Agri. Adm. Bureau (Forest Division) -Construction & Urban Policy Bureau (Regional Policy Division— Green Tract Officer)	- Health & Environ. Research Institute

Source: Lee, 2000: 226.

placed in charge of planning and standard-setting of sustainable development at the national level. The regulation and policy implementation should be left to the local governments. The MOE's local-level bodies should monitor, support, and coordinate policy implementations carried out by local governments (Lee, 2000).

Furthermore, reorganization strategy can reduce conflicts among the local governments. For example,

more authority can be given to the Administrative Local Corporations(ALCs) so that it handles common affairs with the local governments. So far, this new system has not been actively utilized, yet. Only one ALC, the 'Capital Area Refuse Dump Management Corporation' (CARDMC), was established in 1991 by the Regional Governments of Seoul, Inchon, Kyunggi Province, and 20 Autonomous Cities and Counties within Kyunggi Province to set up and operate a joint waste disposal.

This organization has attracted attention as an alternative to overcome the NIMBY phenomena. It has been regarded as an institutional arrangement to address common local problems, such as the 'scale economies', more actively.

Several problems have been pointed out in the prescription of the Local Autonomy Law on ALCs. First, the establishment of the corporation is constrained. According to the Local Autonomy Law, ALCs can be established if the local governments need to deal with the affairs together or if the Minister of Home Affairs recognizes its necessity for public interests. In the former case, however, its establishment requires a final approval of the Minister of Home Affairs. The law further regulates that the representatives of the Basic Local Governments cannot participate in the decision-making process of ALC. Only the Regional Government Representatives can become members of the corporation. The present 'Corporation Council', which is the legislative body of CARDMC, is composed of 7 members: 4 representatives of the Regional Assembly and 3 General Directors of the Regional Governments. It is understandable in this context that the residents of the possible reclamation sites in the Capital Regions argue that their opinions are not sufficiently reflected in the decision-making process of CARDMC.

4. Deregulated Approaches to Cooperative Intergovernmental and Interagency Relationships

In deregulated governance view, a public sector is too bureaucratized and constrained by its own rules and red tape created by the internal regulation of the government. Public agencies and administrators in all levels of governments need sufficient latitude to do their job more effectively (Peters, 1997: 92). Thus, the deregulation approach should be applied to create effective intergovernmental relationships for sustainable development policies.

It is necessary from this perspective that the central government actively encourages local governments to promote sustainable regional development programs. The central government should relinquish the authority that allows the autonomous promotion of sustainable regional development policies. Increased decentralization of government functions and power will contribute to the prevention of large-scale policy failures caused by the central government being ignorant to regional uniqueness and pushing for a uniform development policy on a national level (Jung, 2000). The functional decentralization should also coincide with the decentralization of administrative resources, such as

organization, manpower, and budget. Local governments are currently experiencing all-around shortages in manpower and budget, especially concerning environment protection.

It is possible that decentralization may work against the environment protection. Therefore, it is desirable that the ultimate rights to environment protection remain in the hands of the central government. The central government could give so-called 'partial preemption,' which selectively gives implementation rights to local governments according to their characteristics (Zimmerman, 1991; Yu, 1999). The central government and the local governments need to form more effective and cooperative organization for the sustainable development policies (Lee, 1997; 2000). Furthermore, the local governments should be able to conduct their regional development policies autonomously and take on the increased responsibility of sustainability.

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