The Area-wide Economic Regions in Korea: Orthodox New Regionalism or Politically-inflicted Regionalism?

Cheol-Joo Cho
Dept. of Urban Studies and Planning, Cheongju University, Republic of Korea

Abstract: The recent interest in regions represents a rise of the new regionalism. Three competing theories provide the frameworks of explaining the ascendance of regions as the meaningful vessel of territorial economic and political processes. They are the orthodox new regionalism, the new politics of scale, and the relational topology of networked actors. Referring to these theories, this paper assesses the establishment of cross-provincial Area-wide Economic Regions (AERs) in Korea. The findings indicate that AERs represent a radical shift to a new regionalism. However, it is misconceived to see their ascendance as the orthodox new regionalism, as they marginally fit the hollowing-out of the state thesis. Nor they show distinct features to which the politically-inflicted regionalism is attributed. In consequence, AERs represent the emergence of a new regionalism that is consequent of the unique politico-economic context of Korea, say, a most centralized state-society combined with the neoliberalizing policy process emanating from the globalization pressures.

Keyword: New regionalism, Hollowing-out, New politics of scale, Relational topology, Regional policy, Area-wide Economic Region, Korea

1. INTRODUCTION

Since the early 1990s, there has been considerable attention to the resurgence of regions in the geography of political economic landscapes. Vigorous debates on the territorial economy and the geography of state mirrors the ascendance of the regional scale as the meaningful source of economic prosperity and territorial politics. Debates on regions are centered around the rise of city-regions, knowledge networks across regions, the institutions of learning economy, the formation of the associational economy, the analysis of institutional thickness, the inter-scalar policy networks of connectivity, the institutional restructuring of territorial governance, the networks of stretched out social relations, and so on. The new emerging awareness of regions in the debates of political economic geography has prompted some commentators to herald a new regionalism in academic debate and political praxis (MacLeod and Jones 2001; Keating 1998).

The mounting interest in the regional approach for territorial development, from which the conception of the new regionalism is articulated, signifies a shift of the spatial grammar to the one that sees regions as a construct produced through a complex of deeper political-economic processes, underpinning them as a fundamental basis of economic and social life (Storper 1997). Consequently, gains ground a school of thought that advocates addressing territorial economic, social or political processes in a regional basis, either through new regional governments or through greater collaboration between existing organizations, accompanying an extension of institutional outreach within which territorial social, economic or political processes are produced (Swanstrom 1996, 2001). Viewed from this perspective,
the rise of the new regionalism means the change of lens through which the social, economic, and political processes occurring across the various scales of geographical territory are looked over.

The rise of new regionalist thought can be illuminated from three competing angles. A first plausible explanation draws on a rather ontologically orthodox to see the ascendency of regional scales as the outcome of the economic globalization and related state restructuring process. Within this framework, the new regionalism presents a manifestation of the restructuring of the state and the concomitant rescaling of economic governance in response to globalization, by which capital, people, institutions, and technologies are more intensely motivated by and stimulated through localized geographical agglomeration and spatial clustering (MacLeod 1999; Jonas and Pincetl 2006). The central line of this argument is that the economic globalization and concurrent processes of hollowing-out of the state have undermined the role of the nation state (Ohmae 1995; Jessop 2000, 2002). Then, the crisis of the nation state prompted the emergence of new forms of state management across a number of spatial scales, fostering the proliferation of subnational as well as supranational regions in the space of state and economy throughout the world (Deas and Ward 2000).

On the other hand, the contemporary explosion of regions at various territorial scales can be interpreted from the new politics of scale perspective. In contrast to the globalization and related state rescaling thesis, the new politics of scale view regards the rise of regions as a result of place-specific political responses to the forms of socio-spatial and economic processes under the contemporary conditions of urbanization and neoliberal state transformation (Smith 1995; Jessop 1998; Brenner 2000, 2002). Focusing on the trend of territorially based coalition and cooperation, it views the current ascendency of regions as representing a movement towards sub-national political strategies to position cities and regions within supranational circuits of capital, money, commodities and labor.

Meanwhile, the relational topology of connectivity challenges the territorial and/or scalar logic of the new regionalism. The relational viewpoint draws attention to interspatial relations, flows and networks, explaining various regional entities created throughout the mid-2000s (MacLeod and Jones 2007; Jonas 2012). The relational view see regions as an assemblage of proximate and distant social, economic, and political relationships, and so, their scales and scopes are not territorially bounded and fixed but articulated along the rhizomatic connectivity of territorial organizations, institutions, and actors (Mol and Law 1994; Allen and Cochrane 2007; Jonas 2012).

The three rival perspectives on the new regionalism must shed light on the ongoing changes that are taking place in the political economic space of Korea. Specifically, the establishment of cross-provincial Area-wide Economic Regions (AERs) heralds a fundamental change in the trajectory of regionalist approach in Korea. The aim of this paper is to analyze the forces and backgrounds behind the new emergence of AERs, with an emphasis on the interpretations of the political economic-territorial restructuring behind it. For this purpose, explored are the theoretical foundations of AERs within the three competing perspectives of the new regionalism.

The next section first examines the rival theories of the rise of regionalist thinking. Next, the historical footprints of regionalist approach in Korea are traced. This is followed by assessing how closely AERs fits the theoretical explanations of the new regionalism. Finally, the paper ends with conclusions.

2. THEORIES OF THE RISE OF REGIONS

From the 1990s onwards, the region has come to the fore in debates on territorial and economic development. The marked resurgence of interest in regions marks the new regionalism, though it covers a wide range of academic work and policy-related discourse, written for different academic audience and policy communities (Keating 1997; Lovering 1999; MacLeod and Jones 2001, 2007; Jonas and Pincetl 2006). The common thread of the new regionalism argument is that regions become a privileged geographical scale for new forms of industrial expansion and political compromise under globalized capitalism (Cooke and Morgan 1998; Scott 1998).

To a large extent, theoretical debates on the new regionalism draw heavily on the idea of the hollowing-out thesis and the related process of globalization. This idea views that the territorial organization of the state has undergone a fundamental reshaping, with the nation state hollowed out from above and below (Jessop 2000, 2002; Deas and Lord 2006). It is noted that the hollowing-out of the state is closely related
with the process of glocalization, through which the globalization of economic activity is linked to an increase in the significance of cities and regions as economic actors (Brenner 1998, 2001). According to this view, the rise of regions to the privileged scale on which a new wave of policy praxis and institutional reform unfolds is prompted by the hollowing-out process of the state.

The hollowing-out thesis conceives that the nation state has functioned as the authentic apparatus for the thriving accumulation of postwar fordist capitalism. From the early 1970s, however, the postwar fordist regime of capital accumulation has entered a phase of crisis. Hit by the unprecedented crisis of capitalist accumulation, global firms began to pursue a globalization strategy by seeking to exploit local differences to enhance their global operations. The intense economic globalization shatters the ability of the state to regulate the process of capital accumulation, thereby urging the state to undertake a series of institutional, political and policy changes to accord to the putative new realities of globally extended economic space. The fundamental shift in politico-institutional space involves reterritorialization of the state that leads to a series of changes in the structure of territorial governance. Through the process of state reterritorialization, the power of the nation state has dislocated upwards to an array of supranational institutional entities, downwards to cities and regions, and outwards to non-state bodies (Brenner 1998, 2001; Jessop 1994, 2005; Hudson 2003; Swyngedouw 1997, 2004; Deas and Lord 2006).

Then, the apparent growth of subnational economic and political regulatory autonomy, with the parallel rise of supranational capacities, can be seen as consequence of the increasing reterritorialization of the state and the corresponding ramification of politico-institutional geography into multifarious spatial scales (Jessop 1994; Mayer 1995; Deas and Ward 2000). In other words, as entrenched with the greater intensification of the contradictory processes of glocalization, the nationally organized configurations of scale are loosened and rearticulated with new subnational and supranational scalar hierarchies, and as a result, a conflictual explosion of spaces appears evident (Brenner 2000). In this way, the rescaling of state adjustment and response across varied spatial scales forms what Swyngedouw (1997, 2000) calls the ‘new gestalt of scale,’ with the growing economic and political salience of subnational levels of governance.

As a result of the state rescaling and concurrent territorial redifferentiation, the mode of state action is reconfigured to provoke a renewed interest in regions as a scale for regulating and managing regimes of capitalist accumulation. That is, regions rise to the territorial scale in which the politico-economic contours of geography such as economic competitiveness, innovation, and institution building are materialized (Jones and MacLeod 1999). Then, the established and conventionally configured territorial articulation, which relates to the ordered, stable and formal administrative regions or more narrowly drawn city-regions, ecomes the scalar axis that best fits the state rescaling and globalization thesis. The typical examples of this standard form of regions are Regional Development Agencies (RDAs) in England (MacLeod and Jones 2001; Tomaney 2002), super-regions in France (Girardon 2006), and a series of NUTS regions.  

The formation of RDAs and NUTS regions heralds the new regionalist notion that the nation state has become dysfunctional and that regionally based networks of public and private institutions have been created in order to bolster regional economic competitiveness. Obviously, the ontologically pro-business- and economic competitiveness-centered perspective underpins much of the incipient but orthodox regionalist initiative of these standard regions. The ontological emphasis on the policy agenda focusing on economic prosperity rather than redistributional concern is especially apparent in RDAs (Deas and Ward 2000; Tomaney 2002; MacLeod and Jones 2007). In practice, regional solutions to greater economic growth and competitiveness, not to social cohesion or more broadly conceived sustainability, make up the central tenet of the orthodox new regionalist strategies. In this sense, the new territorial scale emerging under the new

---

1 Glocalization represents a simultaneous process of two conflictual forces, i.e. globalization-dispersal and localization-reterritorialization of economic activities (Deas and Ward 2000; Jessop 2000). The tension between global integration and territorial redifferentiation leads to a contradictory integration, fragmentation, polarization and explosion of spaces (Brenner 2000). The ongoing rescaling of capitalist production and exchange, in which economic processes are grounded simultaneously on a worldwide geographical extension of commodity chains and a dense territorial agglomeration of productive assets, is consequent of the dialectic of glocalization as driven forward by the two contradictory forces (Swyngedouw 1992, 1997).

2 NUTS (Nomenclature of Territorial Units for Statistics) is the spatial classification established by Eurostat on the basis of national administrative units. The European Commission uses it as regional statistical concept. Europe can be shared either in 77 NUTS I level regions, or 211 NUTS II, 1031 NUTS III, 1074 NUTS IV or 98433 NUTS V. Regional objectives are however mostly designated at either NUTS II or NUTS III level regions (Dall’Erba 2003).
regionalism reinforces the narrow economic focus at the expense of other extra-economic values like economic, social, and territorial cohesion and solidarity among member states.

On the other hand, the line of reasoning that the rise of regions is passive response to the globalization and state reterritorialization process is challenged by a different style of new regionalist thinking. The alternative conception of the renewed interest in regions gains its theoretical ground from the community-based initiatives of regional approach, mainly prevailing in the US. Compared to the aforementioned orthodox new regionalism, which draws on the rescaling of the state’s functions and economic glocalization, the contesting new regionalism is explicitly linked to policy discourses about the feature of metropolitan areas in the US context (Jonas and Pincetl 2006). Due to its exclusive focus on the scale of metropolitan areas, the US-style new regionalism is rather referred to as the new metropolitan regionalism (Brenner 2002).

The attention of the new regionalist rhetoric in the US is paid to the urgent matters of the contemporary metropolis with all its contradictions and tensions relating to class, race, segregation, poverty, fiscal inequality, and so on (Jonas and Pincetl 2006). These matters are constructed as distributional issues in and across metropolitan areas, including continuing sprawl, hollowing-out of the central cities of older metropolitan areas through population and tax base decentralization, traffic congestion, pollution, and the like (Orfield 1997; Norris 2001; Brenner 2002; Wheeler 2002). These policy issues just represent the new forms of sociospatial polarization and uneven geographical development that have been crystallizing in the American city-regions under contemporary conditions of postfordist urbanization and neoliberal state restructuring (Brenner 2002). Thus, it can be argued that, unlike the orthodox new regionalism, the US regionalist projects are extremely heterogeneous, both institutionally and politically, and are permeated by significantly internal conflicts and contradictions (Brenner 2002). Overall, the American new regionalism is heavily value laden, informed by the new urbanism and smart growth movements, and combining a concern with urban form and livability with questions of the economic viability of continued fragmented governments at the metropolitan level (Jonas and Pincetl 2006).

The US political climate is drenched with the grassroots primacy of separation, competition and fragmentation over new formal regional governments (Norris 2001). Under this political impediment, most of the new regionalist projects are attacked through a political process or social movement through which collaboration is carried out on a fluid and voluntary basis among localities and horizontally linked organizations. Viewing the top-down approaches to metropolitan governance with skepticism, the American new regionalist initiatives instead favor more flexible, decentralized approaches to problem-solving which promote cooperation, coordination and collaboration rather than structural consolidation. In consequence, metropolitan management from the 1990s onwards has been performed through non-government mechanisms such as public-private partnerships, joint ventures, and cross-sectoral alliances rather than through hierarchical forms of state regulation (Waller 1994).

The current approaches to metropolitan cooperation in the US context may not represent a shift towards a putative orthodoxy of new regionalism movement. Instead, they represent a new politics of scale in which state actors and social movements are struggling to adjust to diverse restructuring processes that are systematically unsettling inherited patterns of territorial and scalar organizations within major city-regions (Brenner 2002). That is, the rise of the US-style new regionalism can be explained as a political process or social movement involving, engaging with, and creating new spatial forms of democracy and social capital. In this view, the American new regionalism is not an outcome of the putative new regionalism movement driven purely and relentlessly by global economic forces such that state agencies are forced to rescale power and responsibility to regions (Jonas and Pincetl 2006).

Meanwhile, the politics of scale perspective is not necessarily appropriate to interpret the US-style new regionalism; it is rather applicable to the much wide-ranging geography of state reterritorialization. Admittedly, the proliferation of new regional entities in standard and unusual form across Europe can also be understood within the state reterritorialization and politics of scale thesis. From the 1990s onwards, a range of new politico-territorial structures and initiatives has been superimposed upon the extant geography of the new regionalism, which is constructed based on the established administrative areas. For instance, throughout Europe, 146 new regional entities, which stand in marked contrast to the European NUTS administrative regions, have emerged to develop imaginative configurations that straddle the extant national and regional boundaries (Deas and Lord 2006). They have emerged in line with the spatial planning imperatives of the European Commission to regularize land
use planning regime and remove international and interregional anomalies in the way in which economic development is regulated. The key element of these regions is to stimulate the bewildering array of new interregional, intercity and trans-border collaborative initiatives in economic development and spatial planning.

One obvious salience of the plethora of this kind of regional entities, it is noted, is that they are initiated with the strong desire to develop strategic spatial planning focused on diverse extra-economic as well as economic policy issues. Their planning efforts as a regionalist initiative revolve around multilateral cooperation and coordination, which reflect the European Commission’s desire to resolve the practical impediments to economic development endangered by international and interregional inconsistencies among different land use planning regimes (Deas and Lord 2006). These regional and national cross-border collaborative initiatives address the routine issues of intergovernmental cooperation concerning environmental protection, heritage and tourism, vocational training, small business support, transport linkages, and sundry unglamorous areas of activity.

The new regionalist debates evidently show that both the US-style new metropolitan regionalism and the new unusual regional entities in Europe can be read as a political response to place-bounded perceived necessities. That is, the unusual new regional configurations are manifestation of the ideological desire amongst policy actors to reinforce and extend what they perceive to be imperative rescale of governance (Jonas and MacLeod 2004). Therefore, the plethora of the unusual new regional entities represents an augment of the complex, multidimensional pattern of state reterritorialization as a product of politico-administrative actions. This argument is just to say that the emergence of the multifarious, voluntary regional spaces is a further filling-in of the state, in which the state still retains a pivotal role (Jones et al. 2005). In this sense, the statement that the hollowing-out of the state is the exclusive driving force of the rise of the new regionalism is significantly overstated.

To the extent that regions and territories are forged out of active political struggles and discursive imaginings, they are socio-politically constructed and institutionalized. Therefore, the fundamental premise of the politics of scale perspective is the ontological emphasis on the institutionalization of territory (MacLeod and Jones 2007). Then, seen from the perspective of scale politics, non-standard unusual regional entities are socially produced rather than pre-given.

Meanwhile, the new politics of scale can be extended to explain the ascendency of another type of politically inflicted new regionalism. The relational network of connectivity or network-topological view emerges as a new, political agency-emphasized perspective to challenge the territorially-oriented new regionalism. The relational-topological approach to the understanding of territory presents the proper theoretical foundation for illuminating the creation of alternative regions in England throughout the mid-2000s (MacLeod and Jones 2007). In this new emerging perspective, regional configurations are considered to be constituted through kaleidoscopic web of networks and relational connections, which are not fixed or located in place but institutionalized through various circulating agencies.

As the social, economic, political and cultural processes inside and outside are constituted through the topologies of actor networks which are dynamic and varied in spatial construction, regional configurations and spatial boundaries are not territorial or scalar. In this perspective, regions are seen as the outcome of the political struggles that are conducted through a myriad of actor networks of people, objects, information, ideas, and technologies of varying spatial reach (Mol and Law 1994). To this extent, regions are necessarily porous, incomplete, and unstable; they are constantly produced and accomplished by countless human and non-human actors (Painter 2007). In this view, regions are not territorially bounded and fixed in scale; rather their configurations are articulated depending on the rhizomatic traces of connection that constitute all putatively territorial organizations, institutions, and actors.

In the end, a unique spatial ontology of regions, in which regional entities are seen as sites of heterogeneity juxtaposed within close spatial proximity and as sites of multiple geographies of affiliation, linkage, and flow, is posited beneath the relational topology perspective (Amin 2004). This network-oriented conception of regions is contrasted with the two alternative forms of new regionalism aforementioned, in which places are fetishized as territorially bounded containers within which the social, economic, or political arrangements and choices are processed. The rhizomatic imagination of regions with the porous and spasmodic form is the most salient feature of the relational topology conception.

Indeed, the two politically inflicted arguments of regions examined above somewhat overlap in the image of regions.
Both perspectives perceive regions not as a fixed territorial entity but as a constructed and reconstructed one in uneven ways that defy the assumptions of hierarchical scalar neatness and that reflect struggles around the issues of boundary and identity (Amin 2002; Paasi 2004; Deas and Lord 2006). The various forms of spasmodic, non-contiguous regions, which are just a scalar expression of the politics-laden new regionalism, include the growth of networks of cities, the increasing significance of global city-regions, or the emergence of trans-border regions that extend across nation-states (Deas and Lord 2006).

3. THE PAST REGIONALISMS IN KOREA

The recent vociferous disputes on regional solutions to territorial development in Korea are not new. Regionalist thinking in Korea can be traced back to the early 1970s, when spatial strategies for territorial development were adopted for the first time as a nationally recognized approach to economic growth. Since then, the conception of regionalist approach to economic development has continually received significant attention from public policy debates and spatial planning praxis. Thus, the regionalist approach in Korea is a long-lived concept, reinvented over time as an approach to solving the new and persistent problems of spatio-economic development.

Formally, espoused as a spatial planning approach to developing the national territory as a coherent whole, the conception of regionalism came to the fore in Korea with the first Comprehensive National Territory Plan (CNTP) whose planning period spanned from 1972 to 1981 (Park 2009b). It divided the national territory into four area-wide regions, which were demarcated along the water basins of four major rivers (The ROK Government 1971). These river basin-based regions were further split into eight medium-sized regions, each of which was coincident with the relevant provincial jurisdiction. These regions were created by the central government as the key medium for achieving the goals of infrastructure provision for economic growth and equitable development between urban and rural areas. In a sense, this regional classification scheme was associated with progressive reformist concern for efficient development of the national territory as a whole.

The four river basin regions served merely as a geographical unit of investment for regional economic development. For each region, the largest city within it was selected as a strategic location into which the development of industrial estates and necessary public facilities was concentrated (Park 2009b). This city-centered regional development strategy on the selective basis can be seen as the practical application of Boudeville’s (1966) theory, which is the spatial version of Perroux’s (1950) growth pole theory.

As the central government established the four-region system for the purpose of the interregional allocation of national resources, no region-based institutional bodies that are responsible for governing the regions were established. Furthermore, there was no room for territorial politics, such as the politics of regionalism or core-periphery conflicts, to be invoked as the driving force of the rise of the four-region system. In consequence, the regions simply amount to geographically demarcated functional boundaries on which the central government’s decisions of resource allocation were based. In this sense, it can be argued that they are a kind of administrative boundaries that the central government established for its own governing purposes. Overall, considering the pivotal role of the central government in creating and governing the regions, the river basin-based four-region system is hardly regarded as the surge of a meaningful place-bounded regionalism.

The second phase in the evolution of regionalism in Korea came with the period of the 1980s. This period is coincident with the time horizon of the second CNTP, which spanned from 1982 to 1991. The second CNTP adopted a regional classification scheme made up of twenty-eight regions (The ROK Government 1982). In the plan, the entire national territory was divided into twenty-eight small- to medium-sized community regions, each of which was delineated such that it encompasses one central city and hinterlands inside of it. The primary purpose of the community region scheme was to improve the downside effects of the regional policies that have been implemented throughout the previous decade. That is, an increasing awareness of the widening regional disparities, which many argued were caused by the development strategies adopted in the first CNTP, provided the critical momentum to introduce this new regional classification.

---

3 In fact, the title of CNTP began to be used from the year 2000 onwards as the formal name for the spatial plan that covers the entire national territory. Before that year, the equivalent national plan was called as the Comprehensive Plan for National Land Development.
scheme (Lee 2009a).

In the second CNTP, to mitigate the widened interregional gap, the national government designated a total of fifteen strategic growth centers into which significant national resources shall be channeled. The key policy instrument for boosting economic growth in the selected growth centers was to provide an adequacy of public infrastructure such as planned industrial estates, transportation facilities, cultural amenities, and welfare facilities. However, because of the failure of the central government to enact the enabling acts to authorize the pursuance of growth center strategy, the proposed investment of national resources and infrastructure provisions were not made as initially expected (Park 2009b). In the end, the primary policy goal of balanced national development through fostering economic growth of the strategically selected cities could not be attained.

In fact, there is no discernible difference in the nature of spatial strategy between the 1970s and the 1980s. The regional economic policy pursued during the 1980s was nothing but a spatially down-scaled version of the growth center strategy of the 1970s. As the target areas were fragmented into many sub-regions, with each region smaller in size, the 1980s downsized growth center policy was meant to simply increase the number of regions which afford to receive the national resource stakes. In short, the idea of benefiting more regions but in lesser share was the key ideology behind the rescaled regional policy during the 1980s (Lee 2009a).

The third phase of Korea’s regionalism had unfolded throughout the 1990s. The third CNTP was the reshaper of the spatio-economic configurations of the national territory from 1992 to 1999. In the third CNTP, unlike the previous two national plans, no formal trans-boundary regions based on standard administrative boundaries were designated (Park 2009b). Instead, several belt-shaped zones which transcend the borders of multiple provinces were deployed to construct concentrated industrial complexes within them. In addition, in accordance to the third CNTP, the central government prepared metropolitan area-wide plans designed to manage urban growth on the metropolitan level. The metropolitan plans were formulated for four metropolises, including Busan, Daegu, Kwangju, and Daejeon. Beside the area-wide metropolitan plans, the third CNTP espoused several new urban-based economic policies geared to strengthen the central control function of the provincial capital cities. Overall, the prime objective of the 1990s spatial policies was to create a number of counterforce scalar territories to counteract the long-standing process of spatial bipolarization of the national economy, which has been propelled by an excess concentration of population and economic functions into the Seoul metropolitan area.

The fourth phase in the history of Korean regionalism began with the new millennium. This period encompasses the time horizon of the fourth CNTP which spans over 2000 to 2020. Earlier times of the fourth phase came to terms with the period when the tsunami of the Asian financial meltdown of 1997 and simultaneous globalization was relentlessly throwing over the Korean economy. Various neoliberalizing policy attempts, which were accorded to evade the unprecedented economic hardships entrapped with the financial bailouts from the IMF, on one hand, and to take advantage of globalization for restructuring the Korean economy, on the other, have been reflected in the specific spatial policies for regional economic development (Park 2008). Such neoliberal policies include the liftover of various regulatory barriers, the promotion of new information and communication technologies, the development of several coastal regions in higher economic potential for improving openness as well as access to overseas economies, the construction of high-speed transportation facilities, and information superhighway networks (The ROK Government 2000).

The state economic policies in the early 2000s, which focused primarily on the revitalization of the sluggish national economy, bolstered the neoliberalizing trend in the state action for territorial development (Park 2008). The spatial version of the neoliberal state polity in the economic sphere was materialized with the creation of ten area-wide zones drawn alongside the coastal areas, which was aimed to foster overseas economic interactions. Like the various scales of region that have been created before, these area-wide regions were largely a creature of the central government, with no significant political roles of the local public and private actors outside the central government injected.

Meanwhile, a one-time amendment of the fourth CNTP was made in 2006 to accommodate the extensive changes in the social, political and economic environment, both domestic and overseas. In the amendment of the fourth CNTP, the overwhelming emphasis was placed on two regional policy agendas: one is the promotion of regional innovation systems and the other the extensive pursuit of balanced regional development (The ROK Government 2006). These policy agendas, which have attained hegemonic status under the
Roh Moo-hyun’s government, were purported to cultivate the self-sustaining indigenous capacities of local institutions as a necessary condition of regional development (Lee 2009b). To authorize the development and implementation of various imperative programs required to facilitate the attainment of the stated policy goals, the central government passed an enabling law, the Special Act for Promoting Balanced National Development (SAPBND).

In accordance to the SAPBND provisions, in 2003, the central government established the Presidential Committee on Balanced National Development (PCBND), which was responsible for putting forth the basic directions of balanced national development and various policies, assigning its due role as a mediator who can help related ministries cooperate and adjust their conflicting opinions (Lee 2009b). Under the auspices of the PCBND, a sizable state action was put into action to achieve the stated goals of regional development, getting the best out of the extant local administrative system rather than creating a new scale of regional entities. All scales of existing political jurisdictions, regardless of local, metropolitan or provincial, were adopted as a unit outlet on which regional innovation systems were operated, on one hand, and various policies for balanced regional development were carried out, on the other. Five specific policy areas, i.e. innovation policy, regional equity policy, industrial policy, spatial policy, and Seoul metropolitan management policy, constitute the core of the balanced regional development policy in this period.4

On the other hand, a noticeable turn in the history of Korean regionalist thinking has happened in the year of 2008 when the incumbent President Lee Myung-bak’s government assumed office. To enable the radical switch of spatial strategy, the Lee government amended the SAPBND in an early 2009 session of the National Assembly. From the perspective of state reterritorialization and regionalism, the most salient aspect of regionalist approach in this time is the establishment of seven AERs over the whole territory of the country (PCRD 2009). They are institutionalized by the central government as an inter-province geographical space transcending the existing administrative boundaries of provincial and metropolitan governments. Fig. 1 shows the map of the specific locations and boundaries of AERs.

A notable feature of AERs is that, for each AER, a formal institutional apparatus for governing the region, whose official name is the Committee for Area-wide Economic Region (CAER), is established. Behind the creation of CAERs lies the Presidential Committee on Regional Development (PCRD), which is the reorganized and rechristened governing body of the former government’s PCBND.5 Indeed, as shown in this section so far, no forms of regionally based governance have come into existence throughout the entire history of regional development in Korea. In this respect, AERs coupled with CAERs, putting the PCRD aside, can be seen as representing a radical change in the evolution of Korean regionalist thinking, even though they are the creature of the central government.

---

4 The five policy areas represent a new regional policy that the Roh government has pursued based on an innovation-driven balanced model. Under this model, two types of policy measure were adopted: one the proactive decentralization strategy to enhance a region’s internal growth potential based on the idea of regional innovation system and the other the proactive globalization strategy to boost national competitiveness. For the details of these policies, see Lee (2009b, pp. 358-61).
5 The PCRD, which is composed of the central government officials and civilian members, aims to materialize in the national territory the ideologies of moderate-pragmatism and warm-hearted liberalism, which underlie various regional policies including the establishment of AERs, financial expansion for local governments, co-prosperity among the Capital and non-Capital Regions, etc. As a presidential advisory committee, the PCRD’s role is of deliberative and advisory nature; however, in practice, it performs a wide range of functions designed to promote regional development including planning, evaluation, training and consulting assistance (PCRD 2009).
ment like other previous subnational territorial entities that have existed in the economic-geographical landscapes of Korea.

4. AERS: AN ORTHODOX NEW REGIONALISM OR A POLITICALLY-INFLICTED REGIONALISM?

The evolutionary trajectory of regionalism in Korea as examined in the previous section shows that there have been two radical discrete changes in regionalism: one under the Roh Moo-hyun government and the other under the current Lee Myung-bak government. The significant changes in the key elements and ideological attributes of regionalist thinking are discerned before and after the two governmental changes. Especially, the launch of the current government in February 2008 marks the highest point from which a new regionalism in stark contrast to the regionalist approach under the past Roh Moo-hyun government unfolded. The radical change in regionalist thinking under the Lee Myung-bak government is heralded by the creation of AERs and related CAERs under the legal authority of the amended SAPBND.

The incomparable salience of the new emerging, contemporary regionalist entity of AERs comes to terms with the dramatic scale of change in regional policy agenda from one focused on traditional equity-based redistributional concerns to one in which modus operandi centers on pro-growth and competitiveness concerns. Before the inauguration of the Lee Myung-bak government in 2008, the primary goal of regional policy has been to achieve territorially balanced development, with the special emphasis placed on reducing the bipolarized regional disparity between the Capital Region surrounding Seoul and the rest of the national territory (KRIHS 1996; Park 2009b). The key dimension of spatial economic development at least up to early 2008 might be the rolling out of regional policies designed to ameliorate uneven development by enhancing a strategic mobility of capital and people. In the sense that the strategy for territorial development on an equal basis has been pursued with the widened governmentality of economic and social affairs, regional policies of the past deserve to be termed as a form of spatial Keynesianism (MacLeod 1999; MacLeod and Jones 2007).

However, the establishment of AERs connotes an ontological swing of the state’s territorial strategy towards the post-Keynesian policy agenda focused on economic prosperity and competitiveness. The overt change of regionalist thinking under the new government, which privileges economic competitiveness over balanced regional growth, is reflected in Article 1 of the 2009 amended SAPBND where the phrase ‘the enhancement of regional competitiveness’ is set as the law’s crucial objective.

Since the territory-conscious economic development policy was initiated in the 1970s, the issue of diminishing regional disparities has consistently received significant public attention and policy consideration. Despite the continuous policy emphasis on balanced development, however, interregional disparities have increasingly widened in the past. In particular, the ever-increasing gap between the Capital Region and the rest of the national territory has been one of the most baffling economic and political issues that undermine social cohesion. To challenge the long-sustaining polarizing trend in the economic geography, the Roh Moo-hyun government adopted a most progressive strategy for spatial development, and by the early-to-late 2000s, executed several noteworthy but controversial policy initiatives, some of which were directly targeted at the rest regions outside the Capital Region (Jang 2008).

The prominent projects for spatially balanced development include the construction of a new administrative city into which a significant number of ministries and affiliated agencies of the central government are relocated, the construction of ten new innovation cities that host a handful of public corporations or quasi-public ventures, and the development of six new company cities (Lee 2009b). These initiatives remain a legacy of the past regionalist projects for the current government to take over their continuous execution. The ideology of even redistribution of national resources over the whole territory is posited behind the inception of these direct equity-based regionalist projects. By relocating the crucial functions and institutes from the Capital Region to the remainder territories, these direct equity policies were apparently purported to empower economically as well as politically excluded lagging areas at the expense of the Capital Region.

Together with the direct policies designed to promote balanced development, a territorially-based collaborative mechanism accorded primarily to knowledge and technology innovation, which is called the regional innovation system (RIS), has also been at the heart of regional policy during the
Spatial strategy in the period between 2003 and 2008 explicitly placed a higher priority on the policy agenda of territorial cohesion than before. The principle of territorial cohesion, in which particular attention is paid to reducing an ever-growing spatial division in relation to jobs and wealth creation, has overwhelmed regionalist thinking in this period. In addition, the whole thrust of regional policy was promised on the assumption that local or provincial scale constitutes the most appropriate geographical level to organize policy intervention. The unassailable primacy accorded to local jurisdiction-based spatial development has been much intensified. In this policy climate, local authorities became accustomed to the top-down admonitions from the central government. Under the policy regime of intensified spatial Keynesianism like this, the nationally administered redistribution of financial aids, industries, or public facilities must be the key reshaper of territorial development of local jurisdictions (MacLeod 1999).

Overall, lacking the scale of independent regions, and instead respecting the existing political jurisdictions for territorial development, the equity-based regionalism under the Roh Moo-hyun government had worsened the convention of log-rolling in the allocation of national resources. At the heart of this quandary is the spatial development strategy designed on a local-centered fine-grained basis. Under the locale-based allocation mechanism of national resources, the level of dissatisfaction with perfunctory devolution has increased among local actors. Then, to soften the locally arising dissatisfaction, the central government designated too many local clusters and local industries, which, in turn, led to a glut of institutions (Lee 2009b). As a result, a significant portion of national resources was pork-barreled among a large number of local jurisdictions. Then, the locale-oriented regionalist thinking can be seen as a rise of the lower scale-dependent regionalism. However, considering its spatio-political scale, the rigorous policy pursued for balanced national development during this period would be a new localism rather than a genuine regionalism (Deas and Ward 2000).

As mentioned earlier, it has long been that the rhetoric of balanced national development becomes the cornerstone of national policy agenda in Korea. Regionally balanced development has been consistently pursued for the past several decades, whatever governments in power. Despite the long-standing pursuit of balanced development, however, it is questionable to claim that the past policies have contributed to the improvement of regional disparities. Actually, the regional income data confirm the trend of ever-increasing...
regional gap.\textsuperscript{6} Table 1 shows that the value of the interregional GINI coefficients has increased since the 1990s, indicating that the inter-provincial gaps in per capita GRDP has widened over time.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>16.37</td>
<td>13.42</td>
<td>11.49</td>
<td>8.79</td>
</tr>
<tr>
<td>Seoul</td>
<td>16.76</td>
<td>13.93</td>
<td>12.15</td>
<td>9.30</td>
</tr>
<tr>
<td>Busan</td>
<td>12.24</td>
<td>10.19</td>
<td>9.55</td>
<td>7.39</td>
</tr>
<tr>
<td>Incheon</td>
<td>13.85</td>
<td>11.62</td>
<td>11.10</td>
<td>8.56</td>
</tr>
<tr>
<td>Kwangju</td>
<td>11.93</td>
<td>10.16</td>
<td>9.33</td>
<td>7.12</td>
</tr>
<tr>
<td>Daegu</td>
<td>11.85</td>
<td>10.14</td>
<td>8.83</td>
<td>6.69</td>
</tr>
<tr>
<td>Daegu</td>
<td>9.93</td>
<td>8.58</td>
<td>8.68</td>
<td>6.64</td>
</tr>
<tr>
<td>Ulsan</td>
<td>36.35</td>
<td>29.63</td>
<td>n. a.</td>
<td>n. a.</td>
</tr>
<tr>
<td>Gyeonggi</td>
<td>16.48</td>
<td>13.12</td>
<td>11.16</td>
<td>8.65</td>
</tr>
<tr>
<td>Gyeongbuk</td>
<td>13.70</td>
<td>11.19</td>
<td>10.87</td>
<td>8.27</td>
</tr>
<tr>
<td>Chungbuk</td>
<td>17.51</td>
<td>15.14</td>
<td>12.94</td>
<td>9.52</td>
</tr>
<tr>
<td>Gyeongnam</td>
<td>24.16</td>
<td>17.00</td>
<td>17.63</td>
<td>10.03</td>
</tr>
<tr>
<td>Gyeongbuk</td>
<td>22.30</td>
<td>15.99</td>
<td>13.64</td>
<td>9.53</td>
</tr>
<tr>
<td>Chungnam</td>
<td>16.48</td>
<td>13.78</td>
<td>12.12</td>
<td>9.19</td>
</tr>
<tr>
<td>Cheonbuk</td>
<td>13.21</td>
<td>10.90</td>
<td>10.09</td>
<td>8.03</td>
</tr>
<tr>
<td>Cheonam</td>
<td>17.31</td>
<td>14.10</td>
<td>12.88</td>
<td>9.52</td>
</tr>
<tr>
<td>Cheounam</td>
<td>12.43</td>
<td>10.52</td>
<td>9.78</td>
<td>7.80</td>
</tr>
<tr>
<td>Average</td>
<td>16.66</td>
<td>13.50</td>
<td>11.38</td>
<td>8.42</td>
</tr>
<tr>
<td>Std. dev.</td>
<td>6.50</td>
<td>4.93</td>
<td>2.33</td>
<td>1.10</td>
</tr>
<tr>
<td>GINI coefficient</td>
<td>0.20</td>
<td>0.17</td>
<td>0.11</td>
<td>0.08</td>
</tr>
</tbody>
</table>

Note 1: The numbers represent the per capita GRDP in 2000 price (in million won)
Note 2: The interregional GINI coefficients are the author's calculation based on the collected data.
The data source: Yearly statistical data released from the National Statistical Agency

The increasing regional disparities make skeptical the validity of the spatial strategies that have been espoused for territorial development in the past. Especially, those who attach importance to the expansion and global competitiveness of the national economy are displeased with equity-oriented policies of the past. They discredit the equity-centered thinking of regional development as well as the various policy measures utilized to promote balanced national development (Lee 2009c). In the end, a new competing vision gains ground that the past regionalist approach has been seized in the putative notion of equity, which is plausible in rhetoric but too idealistic in reality. By highlighting growth and competition that are currently seen as central to maintaining state competitiveness, the new vision disproves the notion of balanced development as misplaced under the economic globalization trend (PCRD 2009). Obviously, the ideology that stresses economic expansion and global competitiveness is an explicit attack on the previous state policy of regional equalization. The ascendance of the competitiveness-centered ideology speaks for a kind of state transformation with which a profound change in the state’s growth and structural policy has taken place in the state space (Moisio 2008).

Since the Lee Myung-bak government came to power in 2008, the competitiveness-centered ideology has beenactualized in political power, becoming a consistent underlying guide for practical regional policies. In fact, the emergence of AERs signifies the ideological turn of regionalist thinking from the equity-based approach to the one that stresses regional prosperity and competitiveness. It then represents the surge of a new regionalism departing away from the Roh Moo-hyun government’s lower scale-based localism (Lee 2009c; PCRD 2009). It certainly records a new discrete point in the fight against state and territorial restructuring. Then, the emerging new regional entity of AERs has several distinguished features that markedly contrast to regionalist approaches of the past in Korea. In addition, it represents a divergence from the various new regionalist projects currently ascending across the world. The several salient characteristics that the new emerging regionalism in Korea has can be identified as follows.

First, AERs are created totally by the central government under the authority granted by the centrally enacted
enabling law, the 2009 amendment of the SAPBND. In the sense that AERs are just top-down admonitions from the central government, it can be said that they are not much different from the various types of regions of the past. However, in the case of AERs, the formal institution of regional governance, CAERs, is organized for each AER. Such independent regional agencies aimed at governing the region have never existed throughout the timeline of Korean regionalism. Then, CAERs, the centerpiece of the regionalist thinking of the current Lee Myung-bak government, are alleged to strengthen the institutional capacity of AERs to promote regional development. The claim of AER’s enhanced institutional capacity is based on the criticism that all the various regional entities in the past lack the regionally-based governing mechanisms endorsed with necessary authority and resources to govern the relevant regions in a region-conscious way.

The 2009 amended SAPBND stipulates the functions and roles that CAERs shall carry out, for examples, the program areas and sectors of regional development into which centrally raised public finances can be invested, the composition of governing boards, the procedures of constructing CAERs, and so on. Considering the fact that the central government determined the ways and procedures in which CAERs operate, AERs are conceptually distant from the notion of socially produced space. In other words, they are not constructed as a product of social struggles among local, provincial-level and central institutions and actors as well as local social movements to adjust to the diverse socio-economic restructuring processes that make the existing structures of territorial and scalar organizations unstable (Brenner 2002; Deas and Lord 2006). Instead, AERs and hence, CAERs can be seen as an invention of the singular, unified and internally coherent political agenda, which is made possible with the pivotal role of the central government actors. Then, the answer to the following question must be negative: To what extent does the central government let AERs off the leash and hence, how solidly can AERs undertake place-conscious actions in response to the locally perceived idiosyncratic problems?

Second, the creation of AERs, in large part, is not strongly related with the hollowing-out of the state. As mentioned earlier, the orthodox new regionalism tends to put the theoretical base of the rise of regions on the globalization of economic activities and the corresponding rescaling process of the nation state. As the strong powers of regulating capital accumulation that the nation state has maintained during the high periods of postwar fordist prosperity are increasingly shifted to outside, it is argued, regions rise as the appropriate territorial scale to regulate the economic and sociopolitical processes of capital accumulation.

From the perspective of the functional restructuring of the state in Korea, there is no evidence that the central government has been in a perceived crisis of sovereignty with which its institutional capacity to manage capital accumulation has been significantly disempowered. Admittedly, at least from the early 1990s onwards when the local autonomy system was revived in approximately 30 years, the decentralization of the control functions that the central government possesses has been a familiar public agenda of administrative and political reform. In addition, there have been continuous tensions and conflicts between the central and local governments due to growing influences of locally or regionally-based political activities asking for more resources and powers from the central government (Park 2008). Even though these processes have not created any significant crisis of sovereignty for the central government, they might have given meaningful pressures on the central government. As a result, the central government has undergone substantial hollowing-out, even though its intensity is far below the one observed in the western countries.

In a sense, the growing challenges to the central authorities and highly centralized governing structure of the Korean government and consequent significant hollowing-out of the state might have provided important background conditions for the creation of AERs. However, the devolution processes are not perceived as successful to the public satisfaction. Some convincingly argue that the role of the central government has not been weakened, but rather reversely strengthened: its steering role reinforced and only the rowing functions dislocated outside (PCRD 2008; Lee 2009c: Asia Business Daily 2012). Actually, the argument for the empowered nation state is proven valid with the central government-initiated procedures and ways through which AERs are established and their roles are defined. In this regard, the emergence of AERs, together with CAERs, is hardly interpreted as the manifestation of regionally-initiated political movements and responses mobilized under the state territorialization process and related globalization. Rather, they should be seen as regional entities created by top-down dictations of the central government to sustain economic growth and national competitiveness in response to the changing global...
economic environment.

Third and finally, as a corollary to the AERs’ central rationality-inflicted nature, AERs’ probable insensitivity to the local contexts constitutes an additional institutional salience. The number of the CAER’s board members and the range of interests and groups to be seated on the board are legally predetermined by the SAPBND, with the maximum of fifteen members selected from public or private actors (PCRD 2009). The CAER boards are co-chaired by the mayors or provincial governors of their constituent governments. Considering the strict regulations as such with respect to the organizational structures and operating rules of AERs, CAERs lack the ability to adjust flexibly their institutional capacities to the dynamics of socioeconomic, cultural, and political restructuring on the local, regional, national, and global levels.

As mentioned earlier, local voices on national policies and resources have grown with the weakened ability of the central government to regulate the conflicts between the central and local governments. However, under the overdrawn shadow of the powerful central government, the increased local influences played no substantial role in the process of institutionalizing AERs. Constrained by the centrally directed institutional design principles, local actors and organizations lacked the discretion to establish their own network of economic and political relations on which the regionally rationalized objectives and needs could be pursued. At most, a handful of centrally guided agencies and actors operating within the predetermined geographical boundaries of AERs are seated in the boards of CAERs. Then, the state space of AERs is an unchanging container that we are used to seeing on a map (Moisio 2008). The predetermined territorial boundaries of AERs exclude the possibility that subnational regions, cities, or even international agencies voluntarily take part in creating non-standard unusual regions or non-contiguous rhizomatic regions that transcend the contiguous jurisdictional boundaries.

In contrast to the neatly drawn regions such as AERs, the voluntarily constructed networks of relational agencies and actors, which are built through the regionally initiated politics of scale, can be the regionally conscious structure responsive highly to specific territorial contexts. The regionally-initiated and hence context-sensitive topological regions can adequately address a variety of economic or extra-economic policy issues relating to everyday material struggles around population, economic development, housing, fiscal disparities, land uses and environmental protection. In this perspective, AERs are largely a subnational scale of tightly drawn functional regions based on the long-standing existing administrative boundaries. Naturally, their state spaces are territorially bounded and fixed, departing from the spasmodic ones of rhizomatic trace of social and political connections. Due to this inflexible tightness, the emergence of AERs cannot be seen as a process-based structuration of regionalism: it is neither an outcome of the new politics of scale (Brenner 2002; Jonas and Pincetl 2006), nor a relational-topological institution of networked actors (MacLeod 1999; MacLeod and Jones 2001, 2007). So far, in this section, the emergence of AERs and associated CAERs has been examined with reference to the competing theories of new regionalism. The findings indicate that AERs certainly represent a profound shift in the nature of Korean regionalism from a new localism to a new regionalism. The emergence of AERs can thus be regarded as the surge of a new regionalism, but it does not fit the rise of the orthodox new regionalism that is explained within the hollowing-out of the state and globalization thesis. Nor it is prone to be approached from the regionally-initiated, politics-inflicted perspectives of space production.

5. CONCLUSIONS

Since the early 1990s, there has been increasing attention to the resurgence of regions as the key subnational or international territorial scale of politico-economic restructuring. The mounting interest in the scale of regions represents a shift in regionalist thinking within which the new regionalism is articulated. The rise of the new regionalism changes the concerns in politico-economic geography from locally based thinking to regional scale-based one.

In large part, the rise of regions can be analyzed within three rival perspectives: the orthodox new regionalism, the new politics of scale, and the relational topology of networked actors. In this essay, the most recent regionalist initiative in Korea, the establishment of AERs, has been examined with reference to these three theoretical frameworks of new regionalism. Overall, the rise of AERs can be seen as an articulation of new regionalism that privileges efficiency at the expense of equity: it places the policy emphasis on economic growth over equitable distribution, competitiveness over balanced regional development, and deregulation over regulatory protection. Some noticeable findings are singled
out. Admittedly, compared with regionalist thinking of the past that has appeared in the spatio-economic political landscapes in Korea, the emergence of AERs represents a sea-level change towards a new regionalism. Especially, it radically departs from a new localism espoused under the Roh Moo-hyun government. However, it should be cautioned to see the emergence of AERs as the resurgence of the orthodox new regionalism. This is because AERs do not match exactly the typical hollowing-out of the state thesis. In addition, they have no convincing attributes from which the regionally-initiated as well as politically-inflicted regionalist perspective is summoned.

In sum, the new emerging regionalist project in Korea concerning the establishment of AERs and CAERs seems positioned close to the orthodox new regionalism. Since it has no commonality with regionally-initiated relational topology or the new politics of scale perspective, however, the theoretical mode of interpreting regions as the social production of space, which adds sensitivity and institutional capacity towards the contingent and the contextual, does not apply. Consequently, the emergence of AERs represents the rise of a kind of new regionalism articulated under the unique politico-economic climate of Korea, which is characterized as the highly centralized state-society combined with the neoliberalizing policy process under the globalization pressures.

REFERENCES


3 (Dutham, U.K.: Centre for the Study of Cities and Regions, Durham University).


