

South Korea's urban revitalization strategies as a model for urban economic development in Central Asian countries

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Introduction

In the last few decades emerging economies have experienced unprecedented growth in urban population, and this growth is expected to continue. Currently half of the world's population live in cities, and this number is projected to increase twice by 2050. Generating just mere share of the global GDP, developing Asia and Africa is expected to contribute to the 90 percent of this urban population growth by 2050 (UN Habitat, 2018). However, infrastructure development, industrialization and public capacity to manage negative externalities of density have not kept up with the pace of urban population growth in developing countries, which might pose policy challenges if not carefully addressed. Five Central Asian countries make an interesting case for rapid urbanisation and unbalanced regional economic growth, after the fall of centrally planned socialist system in 1991. Given their soviet past, and inheriting weak cities with broken ties with wider Soviet Union, governments of these countries face dilemma of what projects to finance given the conflicting goals, limited funding, and capacity of public institutions to tackle regional disparities, challenges of urbanisation. South Korea, having gone through a similar urbanisation pattern, and challenges after Korean War, has succeeded in tackling unbalanced development and monocentric urban development through various urban revitalization strategies. Thus, this article aims to discuss the current challenges of urbanisation, and economic disparities across regions in Central Asian countries, draw lessons from South Korea's regional development and revitalization experience.

Why balanced development and urban revitalization matters?

If one takes a closer look at these urban redevelopment initiatives which have become increasingly popular, in a widely agreed perspective, urban regeneration is often described as an approach to a city planning to fix or address diverse range of socio-economic, environmental problems through improving physical environments. Urban regeneration initiatives may extend over large areas and periods of time and may involve development of housing, retail business, mixed-use development, employment provision or some other services and facilities (UN Habitat, 2022). The concepts of urban renewal and urban revival, on the other hand, often refer to a process of wider changes that may include not only physical improvements, but initiatives which aim at revitalizing places in terms of socio-economic, environmental and commercial and other aspects of life. In spite of these subtle differences in meaning, one central point which combines all of these concepts is that they aim to bring back underutilized assets and redistribute opportunities, increasing urban prosperity and quality of life in a place.

After the post war period in western developed countries, the shift of economic activities towards the outskirts of cities has left many inner-city areas blighted by unemployment, poor quality services, housing and decaying streets and public spaces. This has excluded residents from the opportunities of more prosperous districts and undermined the potential of urban centers to contribute to the prosperity of cities. Development and promotion of urban regeneration initiatives aimed at revitalizing and regenerating the rundown areas in major cities thus has increasingly become a part of a local and central government agendas in North American and European cities following the rapid population growth after World War Two (Wagner et al., 1995).

Issues of urban planning and economic growth in developing countries differ from the ones in advanced countries. More specifically, majority of countries in the developing world experience influx of people from the rural and suburban areas into few big cities in search of economic opportunities. It is common that due to lack of institutional capacity, investment and expertise, developing countries experience unbalanced economic development, a phenomenon when economic activities are concentrated in few cities, and some regions lag behind in terms of productivity, jobs and infrastructure development etc.

Despite the difference in urban development issues that west and developing global south face, governments spend large amounts of money on area-based initiatives to bring economic development. But majority of empirical observations indicate that economic outcomes of such programs are uncertain and do not always lead to desired goals (Collins and Shester, 2013; Gibbons, 2018). Fitzgerald and Green Leigh (2002, p 7) state that best practices of place-based initiatives with the anticipation of economic growth are seldom a set of program features or principles at a given point of time, but they are usually the results of frequent adaptations over months of years of implementation.

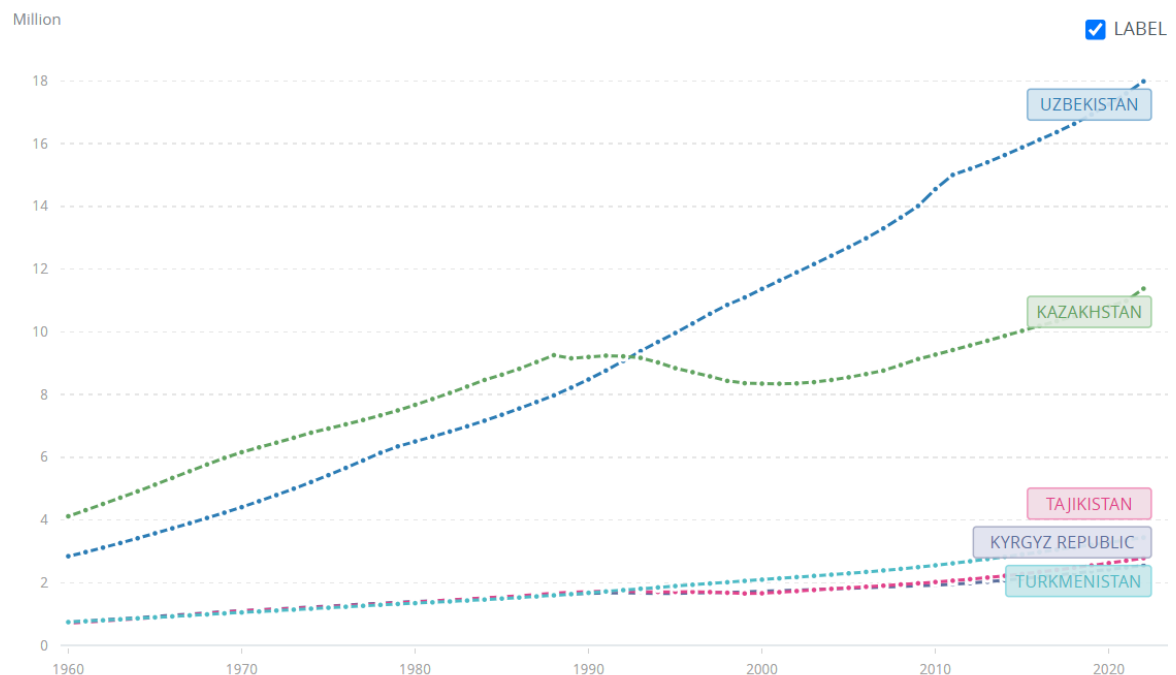
Urbanization patterns and urban planning in Central Asia

By 1991, in Central Asian countries the urban landscape was dominated by single-industry towns, and high level of interdependence of cities within region and industries in other republics of the Soviet Union, rather than with the domestic economy. The fall of the Soviet Union left the former countries with pronounced spatial disparities, and weak ability to adopt to a new development path after centrally planned economic system. Over the last few decades, urban population, both in terms of absolute number and as a share of total population have been increasing in the five Central Asian countries. Especially Uzbekistan and Kazakhstan experienced a sharp increase in the number of people living in urban areas. Urban population share exceeded 50 percent of the total population in Kazakhstan, Uzbekistan and Turkmenistan in 2020 (Figure 1 & 2).

The dynamics of urban growth and underlying factors differ from country to country in all five states, yet the following challenges are common to all Central Asian countries:

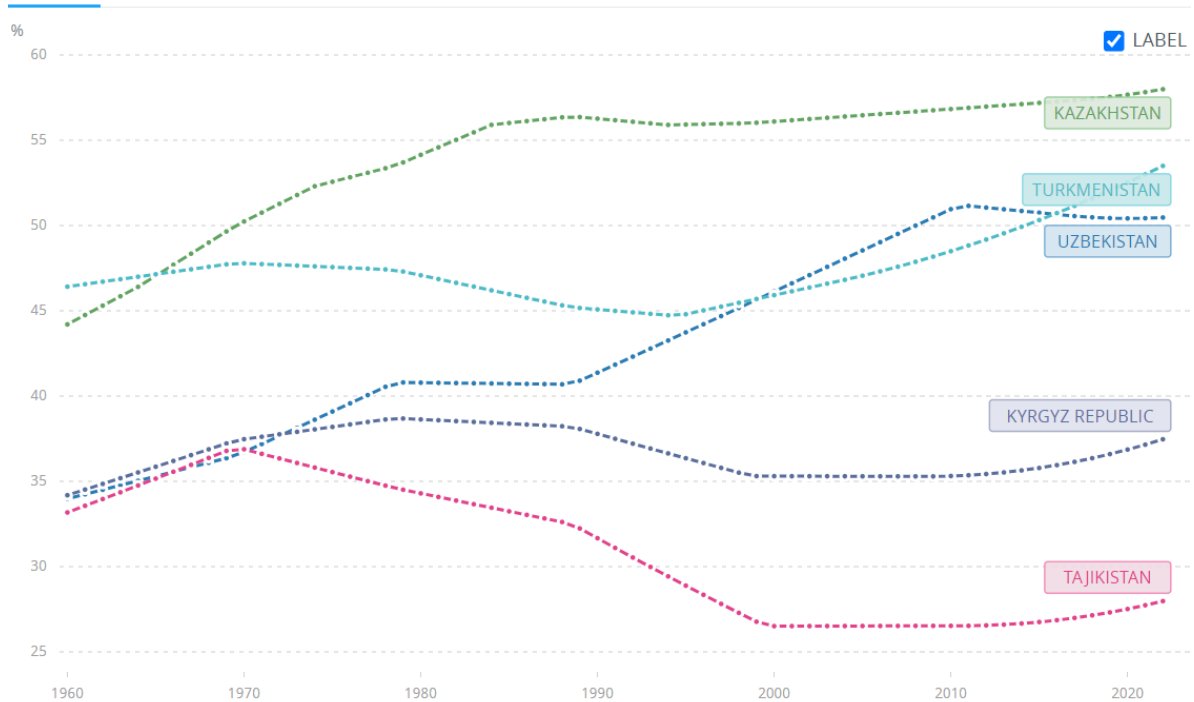
- The vast stretched land in Kazakhstan, Uzbekistan and Turkmenistan, leaving their cities broken from major urban networks and overseas markets, which also leading to high transportation and communications costs.
- Relatively high population growth and lack of job opportunities in rural areas, which is leading to out migration, and rural-to-urban migration, and pressured mid-size and large cities.
- Urban infrastructure which is pressured by these changes and now facing end of service life, which was established during the Soviet era and now approaching the end of its service life. It requires substantial investment for a massive overhaul.
- Air pollution and extreme heat in cities caused by desertification and shortage of green land area, which in turn is expected to cause wider public health and environmental concerns.

Figure 1. Dynamics of urban population in five Central Asian countries



Source: World Bank, 2020

Figure 2. Share of urban population in total population



Source: World Bank, 2020

South Korea's approach to economic development through urban planning

South Korea sets a good example for the emerging economies of Central Asia in terms of tackling regional disparities and challenges of rapid urban population growth in few big cities. Similar to the challenges that Central Asian countries are facing at the present time, South Korea also went through rapid urbanization after the war, in which capital city - Seoul played a pivotal role, attracting investment and pulling people from rural areas.

So, Seoul's strategy on urban growth management started in the 1960s as a response to rapid urbanization and industrialization. The capital city installed vital infrastructure such as an extensive network of roads, expressways, subways, high-speed trains, harbors, and airports, among others. As Seoul rapidly urbanized, industrialization intensified and led to higher economic growth. On the other hand, this created problems such as gentrification, and displacement of lower income households with middle income ones, constrained energy consumption, waste management, transportation, housing, urban infrastructure, modes of governance, and more. Seoul's urban development between 1950s and 2000s is characterized with its property focused nature, rather than people-centric approach.

These growing challenges prompted the Republic of South Korea to experiment with the development of a 'smart city' model starting from 2000s. This new phase in urban development is marked by adoption of human-centric approach, where the practices of dialogue with public, citizen engagement into placemaking

took off. Urban regeneration projects are carried out by involving all stakeholders, encouraging active participation of residents and supporting their well-being and further self-sufficiency. The new approach places value on maintaining existing communities, cultural assets, embracing sustainability trends and taking preventive measures against forced displacement of vulnerable layers of population (Oh, 2017). City government – Seoul metropolitan government started playing an active role in initiating, implementing and monitoring the whole placemaking process.

In an attempt to tackle the aforementioned challenges posed by growing city population and urbanization, South Korean government introduced U-city (Ubiquitous city) model in which various information technology solutions were incorporated into the urban infrastructure in 2003. By 2007, there was a paradigm shift in implementing U-Cities, with its new emphasis on embedding IT to human and ecological aspects. In 2017, U-City was renamed as "Smart City," a term which is defined by law as "a communication network, intelligent infrastructure, and integrated city operation center (ADB, 2019). Nationwide adoption of Smart City strategy gave rise to emergence of several prototype new town development projects even within particular cities. Pan-gyo New Town is one such example, a smart town that functions as a central business and commercial district in Seoul's Gangnam area. There is Venture Valley within Pan-gyo New Town, which currently hosts 643 venture businesses with more than 30,000 resident employees, and continues to attract high-tech companies. Sejong is another example of urban regeneration, which represents an integrated transport system that uses ICT; and the Saemangeum project, a waterfront city in the west coast (situated close to the People's Republic of China), which is being positioned as an eco-friendly smart city that can host smart festivals, medical center, and cultural facilities. Saemangeum will also have a smart housing system that harnesses the Internet of Things, real-time water management system through big data integration, and smart poles and smart lighting that can collect various data (ADB, 2019).

Several other major construction projects took place around the Han River during rapid economic growth, which ran from the 1960s to the 1990s. The city government cleaned up the area and rid it of toxic waste. The river currently serves as one of the major water sources for over 10 million Koreans. Cheonggyecheon stream restoration is one of those development strategies, which was aimed at achieving direct (riverfront development) and indirect (improvement of the attractiveness of the place for individuals, businesses and land value increase) outcomes.

What can be learnt and unlearnt from South Korea's urban development strategies

The review urban revitalization and regional development strategies of the country suggests that the following practices have enabled Korea's successful balanced economic development across its regions (Youl, 2021):

- establishment of cooperative planning system: involving the government, civil organizations, schools, universities and private sector representatives in urban regeneration areas
- decentralization over time in budgeting and governance

- development of innovation cities as balanced regional hubs to tackle monocentric development
- human-centric approach, which focuses on people, rather than place while designing places
- good planning process with effective implementation and monitoring
- smart development which integrates IT solutions in any urban regeneration strategy
- sustainability tied into planning system: waste management, air quality, green spaces

Despite the fact that Central Asian countries present a completely different socio-economic, political, geographical context, the following elements of South Korean place revitalization experience can be integrated to the current local and regional economic development practices of these countries:

- 1) A key, flagship project (master plans) should lead urban regeneration efforts.
- 2) Strong political leadership should be established.
- 3) Overlap of roles in development planning should be avoided and an implementing organization should be clearly defined.
- 4) A commitment and technical capacity, expertise by all involved parties is crucial. Public participation and their knowledge and training on development projects is important,
- 5) Along with the long-term vision, short-term action plans need to be developed to ensure success.

To sum up, taking into account the issues that transition economies of socialist past are facing, there is potential for partnership between South Korea and Central Asian countries in smart urban planning. In particular, South Korea can set a good example in terms of improving institutional capacity for managing growth and tackling negative consequences of urbanization through state level cooperation. Integrating ICT solution into placemaking to manage urbanization, e-government development, private sector and population engagement in making planning decisions, supporting start-ups and private sector to finance smart development are the areas in which countries can establish cooperation. “Environment versus economic development” might be a dilemma that transition economies are puzzled over at the moment, the recent environmental state in some of these countries point to the pressing need to integrate sustainability into placemaking practices, in which South Korea can also offer valuable expertise.

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