

第1研究班 第1回研究会 資料

Current Issues on Local Decentralization in Korea

Taeyoung Kim (Kyunghee University)

1. Background

Knowledge based society demands cooperation between the private sector and the public sector

- “Government” has been replaced by “governance”
- Local governments are more suitable for delivering public services

Globalization connects local governments directly across the globe

- The role of local governments become more important
- The decentralized governments would be more effective in a new political environment

Local decentralization would promote the social welfare through encouraging competition among local governments

- Decentralization demands local accountability
- Decentralization leads them compete each other

2. Cases in Major Countries

Japan

- Local Decentralization Law adopted
- National government no longer involves local issues

France

- Authority Devolution Law adopted to effectively classify works between the local governments and the national government
- They declared on March 2003 that France is a decentralized nation being specified in the Constitution

England

- It constitutes autonomous governments (Scotland, Wales)
- It operates in a two-tier system (national, local)

3. Understanding Central and Local Relations in Korea

Comparison of Works Conducted by the Central and Local Government

- 76% by central government and 24% by local government as of 2002
- Japan and other developed countries occupy more than 30% by the local

The role of transfers is important in local finance

- The ratio of national tax to local tax is 80:20
- Only 40% of local governments are operated in their own revenues

Local autonomous system was introduced without “decentralization”

- Formal local autonomous system was introduced with no authority being devolved
- There were no autonomous education and police systems accompanied

Centralization leads the Seoul metropolitan area to “concentration”

- SMA occupies only 11.8% of the land, but contains 46.6% of population as of 2000
- About 83.6% of administrative agencies and 91% of headquarters of major corporations are located in the SMA

4. Efforts to Local Decentralization for last 5 years

Statistics on Local Decentralization

- Local Devolution Committee was established in 1999 to devolve works to local governments
- About 236 items were devolved as of June 2003
- National-Local Coordination System was introduced
- Rate of Revenue Sharing was promoted from 13.27% to 15%
- Other issues

Evaluation on the Decentralization

- The actual decentralization has yet been in progress
- There has been a national consensus still being discussed
- They should set up a systematic procedure to take over works and authority
- There are severe inequalities among local governments in financial capacities
- There is no solid mechanism to secure the public accountability for delivering public services
- They should bring up a comprehensive strategic plan to effectively devolve works to local governments and to secure the public accountability

The Basic Principles of Decentralization in the Participatory Government

- First Decentralization Last Coordination (FDLC)
- Devolve Works with Financial Resources

- Priority reserved for local governments and civil societies when confronted
- Works distributed according to the sizes and scopes
- Works taken over to the national government only as local governments can not conduct effectively such as national defense
- Works are devolved in a comprehensive package
- Regional attributes are considered for an effective operation of local government

Strategies to Decentralization

- Concentrate on the works that are expected to bring the effect quickly
- Collaborate with media, scholars, civil societies, general public to reach a consensus
- Connect to the electronic government project, tax reform action, and the administrative reform
- Channel agencies to voluntarily participate the decentralization policy through incentives
- Complimentarily measures would follow the above action

5. Policies for Decentralization

Promote the Role of Local Government through Authority Redistribution between the National and the Local Government

- Devolve authority to the local in a full scale
- Reform the system of work distribution among governments
- Reform the Educational Autonomy System
- Introduce the Autonomous Police System
- Reform Special administrative agencies

Fortify the Basic Capacity of Governing Themselves

- Promote the autonomous power on personnel, finance, organization, planning, and etc
- Secure the financial capacity through local taxes, transfers, and etc
- Fortify the local council to activate the relationship between the resident and the executive
- Encourage the educational system for local civil servants
- Promote the reform of local government itself

Secure the Public Accountability of Local Government

- Reform the audit system for local government
- Activate the resident claim system for local government
- Fortify the direct monitoring system by residents

Promote the Citizen Autonomy

- Introduce the local referendum
- Introduce the resident recall system
- Introduce the resident proposal system
- Introduce the resident suit system

Establish the Collaboration System among Governments

- Allow local governments to participate in the discussion of national issues
- Promote exchanges of personnel among governments
- Encourage the collaboration among governments

6. Issues on Discussion

Centralization vs. Decentralization

- To promote efficiency or equity?
- To proceed diffusion or decentralization?
- To move the capital city or devolve the power?

Decentralization of Authority, Power, and Finance

- To encourage regional equity or deepen the inequalities?
- To decentralize power, to concentrate money?

Move the Capital City for the Effective Decentralization?

- Issues on the capital city movement in Korea
- Japanese experience for a lesson

A policy alternative for compromising the decentralization and the balanced national development

- Understanding the issue in a Korean context
- Reform the tax system to effectively proceed the decentralization and keep the balanced development of the nation