From Developmental Cities to Entrepreneurial Cities to Just Cities?: Building More Just Urban Governance in Asia

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Introduction

In today’s globalization, cities are on the rise. With the rapid movement of capital across the globe due to technological developments, saturated markets, and increased competition of current capitalism, cities have been highlighted as ‘basing points’ or ‘command and control centers’ of the globally flowing capital (Friedmann and Wolff, 1982; Sassen, 1991). These cities are no longer restricted to the national system of urban network, and they have become “the mechanisms through which global economic integration takes root and greater prosperity is achieved” (Davis, 2005; p. 99).

In addition to being highlighted as the main production sites of the global economic network, these ‘denationalized urban spaces’ are becoming the platform for politics, where the corporate capital and disadvantaged actors come to conflict, raising the issue of “whose cities is it?” (Sassen, 1996). Particularly, with the nation states falling short from adequately responding to the increasing inequality and the citizens’ demands for more livability and environmental sustainability, cities are gaining increasing attention as the potential sites to find more just responses to the social ramifications of the globalization, and to innovatively solve today’s problems. The much talked about Benjamin Barber’s *If Mayors Ruled the World* (2013) resonates such sentiment; and some of the “cities are seizing the initiative and becoming laboratories for progressive policy innovation” (Goldberg, 2014).

This paper introduces an East Asian city that showed more diverse possibilities in its urban governance and development, promoting equity goals and inclusionary processes. Specifically, it focuses on the city of Busan – South Korea’s (hereafter “Korea”) second largest metropolis. Although Busan does not shy away from megaprojects, its local government has been surprisingly open to learning from the bottom-up initiated projects and collaborating with the civil society to benefit the most marginalized in the city. In the case of Gamcheon Village, which was a deteriorating shantytown that had been built by an ascetic religious group named Taeguekdo in the early 1900s, local artists started to work together with the slum dwellers, using arts as a communicative tool. Setting an example of how socially inclusive and vibrant slum regeneration can take place, Gamcheon now became the role model of Busan’s
Sanbokdoro Renaissance, which is a new city-wide slum upgrading project prioritizing inclusive process and improving the quality of life for the current slum dwellers, pursuing equity over developmental goals. Conveying an alternative relationship between the government and the civil society from the one that had long been held under the strong paternal state collaborating predominantly with private corporations, the case illustrates how an East Asian city might be able to depart from the developmentalist and neoliberal approaches in some of its policies, with an eye to creating a more “just city.”

Urban governance in transition
The political economy of urban development in the last half century has been predominated by the concepts of growth, with cities being depicted as the “entrepreneurial cities” (Harvey, 1989) and the “growth machines” (Logan and Molotch, 1987). As the post-industrial cities in the advanced societies strove to find a niche in the new global economy amid their loss of cost-sensitive manufacturing activities, their policies and strategies involved re-creating the cities with consumer- and global corporate-oriented spaces, often under the public-private partnerships. Based on the underlying assumption of inter-city competition for mobile capital under the neoliberal ideologies, urban investments have often been preoccupied with generating growth rather than pursuing distributional or equity goals (MacLeod and Jones, 2011). Development projects such as malls, office complexes, convention centers, sports stadiums, museums, and other cultural facilities ended up dominating the urban scene, with the utmost priority fixed on competitively creating the right image as attractive places for global investment. With few exceptions (McFarlane, 2012), when it came to the marginalized urban poor, the discourse highlighted their outright displacement and neglect in the process of refurbishing urban spaces (Smith, 2002; MacLeod, 2002).

In this context of the global capitalist economy, Susan Fainstein (2001) proposed a normative planning approach of pursuing a “just city” that is centered on the core principles of equity, democracy, and diversity. The just city concept first developed from the examination of the democratized Western cities, which already emphasized much on the public participation in urban planning. Hence, the concept also made an important suggestion of the need for separately evaluating the urban outcomes from the procedural democracy. In other words, it underscores the outcome of urban justice, more so than the inclusive processes that do not necessarily always lead to desirable outcomes. However, the claim could be contextually re-examined for the East Asian cities, especially considering that they have had lopsidedly top-
down planning experiences amid their relatively recent democratization and decentralization. Here, perhaps the participatory and inclusive process in planning merits more attention, as they could bring more substantive implications to building just cities. In fact, Fainstein also mentioned that “the balance you want to place between process and outcome depends on the particular context in which you are located.”

For sure, the Korean cities had predominantly been developed and managed by the outcome-driven planning, although that outcome had focused on the development goals over justice. Cho (1998) referred to the Korean cities that accompanied the state-led economic growth of the country from the 1960s to 1980s as “developmentalist metropolis,” where the policies were focused on the construction of urban infrastructure for the economic production and industrialization. Urban development was largely dependent on the strategies devised by the national military government; and the roles of local governments and professional planners restricted to being the technical supporters of national bureaucrats and construction firms (Kim, 1996). And of course citizen participation was negligible (Kang, 1998). On the one hand, the government successfully produced urban infrastructure (such as the development of massive number of new housing units, extensive road networks, as well as the public transportation infrastructure) necessary to accommodate the rapidly increasing urban population. Despite the criticisms of being instrumental to achieving economic production, the developmental cities nonetheless ended up accommodating and benefiting relatively a large section of the urban population. On the other hand, under the economic growth as the foremost goal, the consideration for the most marginalized urban poor was almost non-existent. Their homes (in the form of slums) were more often than not ruthlessly bulldozed to make way for the concrete, mass-produced high-rise housing developments, primarily for the urban middle class.

The model of urban governance began to change, as Korea (after having achieved substantial economic development) joined the Third-Wave Democracy to democratize in 1987, and started to carry out decentralization reforms since the 1990s. The developmentalist ideology that had long prevailed under the developmental state-led economic growth, now fused with the neoliberalism. As both developmentalism and neoliberalism prioritized growth, rather than a fundamental change, the Korean cities ended up facing increasing presence of corporate interests, the intensified commodification of spaces, and the rescaling of the

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1 Fainstein, S. “Can We Make the Cities We want?” Centre for Liveable Cities Lecture Series. 22 February 2013. Singapore.
interventionist state from national to local (Park et al. 2012a). Aggressive growth strategies took place in the form of construction projects of mega-malls, convention centers, new airports, financial centers, etc., led by the popularly elected mayors with political ambitions. Showcasing the tendencies of intermixed developmental state legacies with neoliberal agendas, the urban development projects again seldom reflected the needs of the urban poor.

However, at the same time, there have been some very recent signs of the urban politics and policies taking a more dramatic turn. Emerging from the developmental state has been the rise of civil society with the expansion of highly educated urban middle class, who became increasingly vocal in their urban affairs (Bae and Sellers, 2007). Also, the fact that the authoritarian military government employed the top-down planning approach to build the developmental cities resulted in the civil society asking for more participatory governance under the newly democratized context. In short, there is a strong demand in the society for more just and progressive urban policies, with the public participation underlined in the process. And, the issues of livability and social justice have started to surface in a number of Korean cities’ new policy agendas today, around the catchy phrases of “human-centered city” and “citizen-oriented” policies.

What we seem to be observing here is the slowly dismantling of the growth-first vision, which had long been held and supported by the society at large since Korea’s rapid industrialization. Citizens are realizing that the “development at all cost” is no longer desirable. Perhaps part of it is a reactive impulse coming from the overall fatigue of the widespread massive construction activities that have marked the urban landscapes of Korea for over a half century. The slowing down of the economy amid the worsening inequality, rapidly declining and ageing population, and the emerging signs of shrinking cities, are all contributing to signaling the need for a paradigm shift out of “growth” as well. The political energy and social demand for better governance and more just urban outcomes are definitely building up, laying out the opportunities for the local governments to pursue alternative development paths. The slum regeneration policies of Busan are one of the more successful cases showing both urban justice (of equity and diversity), together with the democratic inclusive policy process.

The case of Busan

Busan is located at the tip of the southeastern coast of Korea, and is the second largest metropolitan city with a population of about 3.5 million. Its rapid growth had taken place during and soon after the Korean War (1950-1953) in the 1950s, when the war refugees
escaped to the city and the labor-intensive industries (such as textiles and footwear manufacturing) took off in the 1960s. Today, the city is known as one of the world’s major container ports, and for its beach resorts around the Haeundae seashore areas (including the world’s largest department store Sentum City) and international film festivals. Despite some of its notable developments, the city has been losing out in the competition from Seoul in becoming the post-industrial service center, and its fiscal independence rate is only 56.4%. The city has also been shrinking on average 40,000 population per year to the neighboring cities and to the Seoul Metropolitan Area (Park et al., 2012b).

Spatially, while the city has been spreading outward with new developments, its inner city has remained in decline. The latter had faced unplanned growth to begin with, due to the sudden injection of over one million refugees during the Korean War. Most notably, Busan’s city center is surrounded by mountains, where the war refugees and new migrants flocking to the city had built illegal settlements. These slums on the steep mountain hillsides had been densely built out with insufficient urban infrastructure. Unlike Seoul, which has been busily bulldozing away its massive slum areas since the 1970s, Busan left large part of its slums on the mountain slopes, which are now an eyesore for the city striving to become one of the global cities. The co-existence of the slums (where the most marginalized reside) and fancy megaprojects (promoted by entrepreneurial development agendas) sets the stage for examining why and how the most excluded in the city are re-introduced in the urban governance. This section examines the two cases of slum regeneration – one is a policy launched at the local government level under the banner of the creative city policy, and the other is a famous project initiated bottom-up, led by local artists.

**Re-inventing of creative city policy**

It is ironic how a slum regeneration project focusing on improving low-income residents’ living environment and their communities is under Busan’s “creative city policy.” In fact, slum regeneration is far from what the creative city implies in its concept or in its application. Following Florida’s sensational book, *The Rise of the Creative Class*, many policymakers sought to engineer creative cities. Instead of focusing on firms, the creative class argument shifted the focus to people (more precisely global talents) and the urban environment that can attract them. Florida (2002) underscored ‘diversity, openness, and tolerance’ in cities as the key

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2 Chosun Ilbo, 11,9, 2012.
factors that lure the young, talented and skilled workers, and local governments enthusiastically sought after concrete strategies to provide and publicize their cities’ high quality of life. In the process, many of the creative city development agendas ended up emphasizing place-making and city branding, hoping to compete for, and win over, the globally footloose creative class, while leaving out the less-skilled blue-collar and service workers. In other words, “creative-city strategies are predicated on, and designed for, th[e] neoliberalized terrain” (Peck, 2005: 764).

Unlike many other cities that employ the creative city as a buzzword to initiate their neoliberal and entrepreneurial urban projects, Busan is reinventing the concept with its own localized and more progressive interpretation. Realizing that the development-oriented growth agendas are no longer applicable to redeveloping the stagnant old city center and its surrounding slums, the local government has come up with a strategy to ‘creatively’ solve the urban problems of Busan. It established its own Creative City Division in 2010, in order to promote and oversee a number of strategies to make Busan a creative city, and its key task is to carry out the urban redevelopment in a creative way. The creativity here means, in essence, a departure from the old way of top-down development driven approach. Hence, public participation is prioritized under this policy, and the goal of urban regeneration has shifted to reviving the existing urban fabric and communities (often through the ‘village making’ strategies), rather than rebuilding the area anew. Also, the public arts and culture are actively used to engage with the previously excluded urban poor and to induce collaborative activities in revamping their livelihoods and neighborhood, instead of being promoted to solely cater to the urban elites and the creative class.

In this context then, one can comprehend why the Sanbok Road Renaissance, which seeks to regenerate the slum areas on the mountain hillsides, is one of the main projects carried out by the Creative City Division (CCD). ‘Creatively’ finding a solution for slum regeneration meant moving away from the typical bulldozing of the slums, towards a more inclusive and progressive regeneration agendas.

Launched in 2011, the Sanbok Road Renaissance seeks to improve the existing slum and low-income villages’ living conditions and their residents’ livelihoods. For the subsequent 10 years, it is to inject the total fund of 150 trillion Won (about $150 billion), covering six

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3 Started in Japan in the 1960s and 70s, the village making movement (muraokoshi) underscores the importance of the collaboration between residents and the local government in solving the problems of (or improving) their own villages.
districts, 54 neighborhoods, and 634,000 residents, which is about 20% of Busan’s residents. It has three main goals – 1) physical regeneration goal to uplift the living environment (including housing and transportation infrastructure), 2) cultural regeneration goal to leverage on the existing historical and cultural assets of the village, and 3) livelihood regeneration goal to revive the community spirit and to promote village-centered economic activities. In its governance, it underscores the partnership between the residents, the local government, experts, and NGOs, and created a committee to oversee projects with the selected members from these various stakeholders. It also established a number of residents’ committees that are to proactively lead village-making projects. Finally, it appointed and dispatched ‘village planners’ (selected from academics or other experts in the field) and ‘village activists’ (selected from social service workers, NGO activists, or someone with prior experience in village making) to slum villages, with a liaison role to facilitate the collaboration between the residents and the government (Bang, 2013).

In short, the Sanbok Road Renaissance underscores the state-society collaboration, in which the previously excluded slum residents are included as the main actors in the project, with an eye to regenerate the villages for its current residents as opposed to catering to corporate’s profit or state’s entrepreneurial interests. This is indeed a giant step towards urban justice for a Korean city, which is accustomed to perceiving slums as a nuisance to be removed in the process of urban development.

**The remaking of a dying slum into a cultural village**

Gamcheon Village, a slum town on the hillside of Busan, grew rapidly in the mid-1950s, when a group of the Korean War refuges forming an ascetic religious group named Taegeukdo was forced to relocate out of the city center during the post-war rebuilding of the city. Following the religion’s teaching of mutual prosperity, the village was meticulously planned in a multi-tiered layout with main latitudinal streets (also serving as public spaces) connecting houses. Every house uniformly had low roofs, so that it did not block the sunlight for others. The village recently earned the name of “Korea’s Machu Picchu,” because of its self-planned physical layout that is visibly remaining till today. Another name attached to it is “Korea’s Santorini.” Over the years, the poor marginalized community had shared paints (often in pastel hues that were the cheapest), and unintentionally ended up with a village of multi-colored pastel homes.

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4 Chosun Ilbo, 11,9, 2012.  
5 The data in this sub-section are based on the field interviews by the author, unless otherwise stated.
The colorful feature of the village with its unique physical layout signaled a potential for cultural attraction.

However, before local artists took notice, the village had been a representative case of decline for Busan. Its small and run-down houses, communal well and toilets, and narrow streets making it only accessible by foot, made it an island of dilapidation trapped in time, in the second largest metropolis of today’s developed Korea. Once a home of 30,000 residents at its peak, the village came to house less than 10,000, of which 20% were over 65 years of age. With the declining number of residents, many homes became deserted, resulting in over 200 units (about 5%) standing as vacant (Busan Metropolitan City, 2013).

When an artist J (a representative of the Art Factory in Dadaepo) first visited Gamcheon, he looked beyond the poor living environment, and found the strong social network and viable community life that still managed to exist in today’s metropolitan city of Busan to be very charming. He and a group of artists, together with a few art department faculty members from a local university, sought together how to regenerate the village while maintaining its traditional neighborhood qualities. The artists based in Busan often travelled to Japan to hold exhibitions, and had seen the Japanese ‘village making’ movement. They understood that the villages could be preserved and regenerated at the same time working closely with the village residents. In particular, they sought to regenerate Gamcheon using art, simply because it was what they were the most familiar with as artists. Here, the case illustrates how the policy transfer can take place not only at the local government level, but also through the civil society.

However, unlike the government, artists lacked the formal legitimacy to carry out urban revitalization projects. Because a group of artists could not suddenly propose to build art structures in the village, they took the time to connect with the slum residents, communicating with them and becoming friends even. Starting in 2007, the artists brought the residents together and held seminars, in order to work with the local community. Their goal was to use the culture and art as bait, and brand the community and the village, with an ultimate goal of improving its residents’ living environment. A breakthrough came when the artists of the Art Factory in Dadaepo bid for the public art competition organized by the National Ministry of Culture, Sports, and Tourism in 2009, with a project named “Dreaming Busan’s Machu Picchu”, and won $100,000. With this small fund, the artists began to decorate

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6 The Art Factory in Dadaepo is a name given to a group of artists working in vacant factory buildings clustered in Busan’s Dadae-dong. An owner of a private small company initiated it, by providing funds to transform the factories into art spaces and studios for local artists.
the village by installing public art pieces. In 2010, they again succeeded in winning another
competition led by the Ministry, under the title “Miromiro Alley project.” By the time of these
winning bids, slum residents were supportive of the artists, and the four out of ten art pieces
came to be jointly produced by the artists and the residents. Additionally, as the artists
themselves had also become familiar with village’s stories, the art pieces ended up embodying
the local history and characteristics.

As village’s art-themed makeover began to attract tourists, the Busan metropolitan
government became interested. It began to fund for renovating homes and infrastructure in
2011. In 2012, Gamcheon officially became part of city’s new Sanbok Road Renaissance, which
became an important funding source for the village (Busan Metropolitan City, 2013). Through
the project’s fund, some of the vacant houses have been bought and turned into art galleries,
residency homes for artists, and other commercial uses (i.e., art shop, café, and restaurant)
that are run by the slum community. With a head start, Gamcheon quickly became the
flagship project of the Sanbok Road Renaissance.

Gamcheon is well-known for resident-participatory model of urban regeneration, and
its residents have taken the key positions in a number of committees set up to pursue various
new regeneration projects (Busan Metropolitan City, 2013). The changes that are brought to
(as well as brought by) the residents are significant. For example, residents began to publish
monthly village newspapers. Aiming to become a self-sustainable community amid its elderly
population, crafts making has been promoted. Many elderly, who used to make living by
collecting recyclable wastes on the streets, are now learning to make simple crafts (such as
accessories, potteries, clothe dyeing) with the help of artists, and selling their hand-made
crafts in community art shops. Additionally, with the increasing number of visitors, some
residents have taken the opportunity to open up small convenient stores and shops. And
others, especially enthusiastic children and the long-time residents of the village with rich
stories to share, become tour guides. In many ways, Gamcheon represents the remaking of
village via art and culture, not only inviting active participation of local residents in the process
but also contributing to improving their livelihoods and conviviality.

Today, Gamcheon is visited by 300,000 domestic and international tourists every year.
It has been publicized as a popular tourist attraction in international media including CNN
(2013.7.10) and Le Monde (2013.5.15). Having engaged in the regeneration process since the

7 The Gamcheon-dong Cultural Village Management Committee was created, comprising 5
residents, 5 artists, and 1 civil servant from the local district government (Baek et. al, 2011).
very beginning, the residents feel the pride and ownership in their village’s exciting transformation. The collaborating artists, local residents, and the local government placed the appreciation of the viable community at the forefront, successfully turning what once was an embarrassment to Busan into one of its proud historical and cultural local asset.

This case illustrates how and why the bottom-up approach can be pivotal in pushing forward projects with an eye to pursuing equity, diversity, and democracy, especially when the poor are disconnected from the local governments, with little (if at all) means to engage with the city officials. As Walnycki et al. (2013) noted, “the urban poor are often seen as a problem, rather than as individuals who contribute much to city economies and communities. This leads to unjust and ineffective policies.” Likewise, this has been the case in Korea, where much effort has been put into swiftly and massively removing slums out of sight from the metropolitan cities. Transforming such perception of slums as excluded spaces to be bulldozed away to potentially valuable local assets with rich history, social capital, and communal life has been ignited by a number of socially-aware and progressive local citizens, who were more open and creative when it came to understanding and engaging with the poor communities. They thus made the inclusive and pro-poor urban projects possible.

Conclusion

Known for its strong (authoritative) developmental state orchestrating economic and urban developments throughout the latter 20th century, and now in a race to compete for global capital, the concept of just cities is not what one would readily attach to the cities in Korea. In fact, a number of Korean cities today have shown rather reckless development of mega-projects and bidding to host mega-events, under the strong growth coalition between the government and the private corporations, more often than not neglecting the urban poor. After a period of intense megaproject and event promotions however, citizens are beginning to realize that such growth-oriented development projects are not solving their key urban problems, and doing little to improve their social and economic life in cities. This paper examined one of the successful cases of Busan and its ‘creative’ slum regeneration policy.

The local government of Busan embraced both different end goals (equity and diversity) and processes (participatory and inclusionary) in solving its urban problem of slums under the neoliberal ‘creative city’ banner, ironically pursuing justice for the most marginalized in the city, and overcoming the top-down bureaucratic approach that had pervaded in the urban development and planning in Korea. Against Korea’s urban development that has long
been predominantly led by the coalitions between the state and the private corporations, the new, more bottom-up governance of the local government collaborating mainly with local residents, artists, academics, and other field experts was readily welcomed. It was perceived as an antidote to the prevalent (and increasingly problematic) development model with its legacies from Korea’s past authoritative developmental state. In a way, the decades of experience of forceful and fast-paced urban developments, in conjunction with authoritative government that put aside local citizens’ interests over economic priorities, is allowing opportunities to create cities with more vigorous energy to achieve more just cities, as a counter-reaction.

However, this is far from implying a complete departure from the megaprojects and other growth-oriented policies. For example, at the same time with the Gamcheon and Sanbok Road Renaissance, the local government of Busan is currently pushing its plan to develop the Opera house (benchmarking Sydneys’ Opera House) as a landmark in its harborfront redevelopment—a typical neoliberal urban development project—despite much criticism from the citizens. Perhaps then, instead of categorizing a city into one or the other (e.g., a just city or an entrepreneurial city), it should be acknowledged that both types of cities can, and are in fact more likely, to coexist in one, as the local governments in today’s globalization juggle with multiple complex problems and challenges. As Crossa (2009, p.45) also noted in her study of the street vendors in the Mexico City as an entrepreneurial city, “urban governments engage in multiple and often incoherent urban development strategies that, in many cases, do not coincide with the neoliberal agenda or the entrepreneurial city.”

The fact that the policies with different ideologies and agendas are often simultaneously launched and implemented in a city gives wider opening for diverse urban possibilities to take root, whether in Korea or elsewhere. While a large-scale comprehensive reforms might be possible, what is more likely to take place is the citizens and local governments seizing various opportunities to push for policies that are more just, around various selected urban issues. The important factors that would set apart those cities that resemble more of “just cities” than others would be the active political energy and demand for just urban policies, especially when it comes to pursuing equity and empowering the most marginalized, and the local governments that accommodate such social pressures and work with the various stakeholders to solve the “real problems.” At the end of the day, what ends up mattering is the substantive policy experiments and outcomes that contribute to making a
more just city, rather than the loud claims made by politicians of building “progressive,” “just,” or “citizen-oriented” cities.

References:


