

[Roundtable for New Strategic Partnership]

Considering Cooperation Model among Jeju Special Self-Governing Province, JDC and Jeju Local Community



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— **LEE Kwang-hee** With the arrival of the Fourth Industrial Revolution and a new South Korean administration, the Jeju Free International City Development Center(JDC) is facing new opportunities and challenges as it attempts to establish a Free International City. It should boost collaboration with local community to actively pursue the projects needed for a Jeju Free International City model appropriate for the soft power era. JDC should now play a proactive role in achieving a Jeju model of Free International City that reflects the changing environment and future values. To overcome the negative perceptions held by residents and achieve their cooperation, JDC also needs to actively pursue projects that contribute to improving income levels and happiness among Jeju residents. They are the actual constituents of the Jeju Free International City. The Jeju Free International City needs to be approached as a strategic state-level project ushering in the future of South Korea in the 21st century. This will require attention and cooperation from the central government and the National Assembly, and collaboration with the local community. Based on

this active communication and cooperation, we will work together to envision a future for Jeju and build a positive feedback loop where it can share with the local community.

— **WON Heeryong** JDC has made a great deal of effort but there are many remaining issues to be resolved before it achieves its goals as originally planned. It needs to work with the provincial government in coming up with plans to address the concerns regarding the diminishing quality of life for residents with issues caused by real estate, housing and transportation, which were created by the Free International City development process. It seems premature to reach conclusions about whether JDC's results thus far have been positive or negative. JDC needs to make an effort to actively communicate and minimize conflicts by offering residents a vision for a sustainable future for Jeju. The process of attracting investors involves working towards choosing healthy investors. Once you have attracted investments, you have to manage things closely and provide an oversight to ensure that projects go as intended. When creating a Free International City

model for Jeju, investments and the fostering of human resources are an essential part of the process in projects for renewable energy, a smart island, electric cars. This means we will have to think of ways for Jeju Special-Self Governing Province to cooperate with JDC and private enterprises.

— **KO Choong-seok** The gist of the direction for JDC's management lies in its choice of projects. The most important question is how to harmonize profitability with public interests and feasibility. Our standards when judging the area of public service should depend on whether the JDC projects maintain their public service character even as the socioeconomic environment changes while our profitability standards should be determined by whether the JDC projects are encroaching too much into the private domain and getting in the way of market encouragement. In terms of the feasibility standard, we need to look at whether JDC projects are taking full advantage of Jeju's strengths and whether they overlap with projects by other public institutions. We should conduct thorough interim assessments of JDC projects and adopt a direction for a project that is suited to the perspective of residents. Therefore, JDC needs to get away from the previous approach and pursue projects that are rooted in the cultural values of nature and the ecosystem. Also, JDC needs to stay away from immoderate projects that compromise Jeju's traditional values or cause excessive damage to the ecosystem and natural environment of the island. Local residents must be able to sense the accomplishments of the Free International City through the projects of JDC, and given the low level of awareness among residents, it needs to build a systematic strategy for publicizing those results.

JDC should also focus investment on specialized areas that are not taught at the provincial universities. This concentration must be pursued in a way that boosts the competitiveness of Jeju's human resources such as education programs to prepare for the Fourth Industrial Revolution, youth startup projects, and education projects that take advantage of the island's natural resources. JDC also needs to play

a leading role in promoting medical tourism.

— **AHN Choong-young** Since Jeju Special Self-Governing Province was selected for a Free International City, JDC has been making important contributions as a semi-market public enterprise in terms of Jeju's globalization and attracting foreign investment. However, as the Fourth Industrial Revolution arrives, Jeju Province needs to focus on things like "clean Jeju," cultural and medical tourism, and education projects, coordinating and mutually promoting a long-term vision. For its carbon-free island 2030 project, it needs to learn from the policy approaches adopted in different countries after the Paris Agreement and adapt them in a way that suits Jeju's circumstances.

Poor performance of JDC relative to its announced investment is the result of a lack of incentives for investors, permit and approval issues, and environmental change. Therefore, JDC and Jeju Province should work together on a standardized model for attracting investment. In the process, they must instill in potential foreign investors a sense of consistency and trust in their policies. To ensure harmony with Jeju's long-term vision, they need to make an effort to minimize potential investor uncertainty by establishing medium- and long-term directions and goals for attracting investment and adopting a consistent approach to policies aimed at attracting foreign investment. Given the trend toward convergence as part of the Fourth Industrial Revolution, JDC should also work to foster globalized human resources.



Policy Implications

- JDC still faces a number of challenges to establishing a Free International City and should develop a new role for itself. This will need to encompass new domains such as the environment, culture, and areas related to the Fourth Industrial Revolution. JDC will have to gain a new identity through shared growth and cooperation that transcend conflicts and differences.