The Politics of Scale: The Social and Political Construction of Geographical Scale in Korean Housing Politics*

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Abstract: This paper investigates the social and political construction of geographical scale in conjunction with Korean housing politics. Recently, attention has been drawn to the issue of the social and political construction of geographical scale. Spatial scales have increasingly been regarded as socially constructed and politically contested rather than ontologically pregiven or fixed. The scale literature has paid attention to how different spatial scales can be used or articulated in social movements, with an emphasis on ‘up-scaling’ and ‘scales of activism’ rather than ‘down-scaling’ and ‘scales of regulation.’ Furthermore, the scale literature has focused on the aspect of empowerment. However, it is worthwhile to examine how scale – especially ‘down-scaling’ and ‘scales of regulation’ – can be used not only for marginalizing or excluding unprivileged social groups, but also for controlling the (re)production of space, including housing space. Under a regulatory regime, the Korean central government gained more control over the (re)production of housing space at geographical multi-scales by means of ‘jumping scales,’ specifically ‘down-scaling.’ The Korean central government has increasingly obtained the capacity to ‘jump scales’ by using not only multiscalar strategies for housing developments, but also taking advantage of various scales of institutional networking among the central and local governments, quasi-governmental institutions, and Chaebols, across the state. Traditionally, scale has been regarded as an analytical spatial unit or category. However, scale can be seen as means of inclusion (and exclusion) and legitimation. Choosing institutions to include or exclude cannot be separated from the choices and range of spatial scale, and is closely connected to ‘scale spatiality of politics.’ Facilitating different forms of ‘scales of regulation,’ the Korean central government included Chaebols and upper- and middle-income groups for the legitimization of housing projects, but excluded local-scale grassroots organizations and unprivileged social groups as decision-makers.

Key Words: politics of scale, social and political construction of geographical scale, up-scaling, down-scaling, jump scales, re-scaling, scales of activism, scales of regulation, social inclusion, social exclusion

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1. Introduction

From the political perspective, South Korea experienced a political shift in the early 1990s, from government to governance, and from authoritarian and military regime to local autonomy regime. This change in political conditions also affected the trajectories and directions of housing policies at both national and local scales. The IMF intervention in the Korean economy after the economic crisis played a leading role in the abrupt opening of Korean real estate and financial markets to foreign entrepreneurs. Korean housing markets began to be connected to and affected by globalization and multinational corporations at the supranational scale.

Housing markets are closely or inherently associated with a myriad of institutional networks, places, geographical scales, and scale politics. The in-depth analysis of housing markets necessitates the social, organizational, or institutional networks distributed across space and geographical multi-scales. This paper focuses on how geographical scales are socially and politically constructed within an institutional context that is associated with the (re)production of housing space. The following research questions are designed to provide insights into the main component of this research, namely, the social and political construction of geographical scale in conjunction with Korean housing politics. How have geographical scales been socially and politically constructed by contentious housing agents in order to gain more control over the (re)production of housing space at geographical multi-scales in the Korean context? How do social actors and institutions operate through and across spatial scales by utilizing institutional networks in the (re)production of housing space in the Korean context?

This paper seeks to investigate the way in which geographical scales have been socially and politically constructed in Korean housing politics. The investigation is structured as follows. In
section 2 this paper mainly reviews the literature on the social and political production of geographical scale. This is followed, in section 3, by an exploration of the major agents and institutions involved in housing markets in Korea, emphasizing the interrelationships among the agents and institutions in the Korean context. The main agents this paper briefly touches upon include the Korean central government, local governments, quasi-governmental and financial institutions, and Chaebols as large house builders. These agents have been actively involved in the production of housing in Korea and they have constituted the institutional structures within Korean housing markets. The various agents in Korean urban housing markets are regulated by a framework created by central and local governments, including land use policy, land tax policy, and national economic and housing policy. In section 4 this research then touches upon the dimension of the social and political construction of geographical scale in Korean housing politics, focusing on how social actors and institutions operate across spatial scales by utilizing institutional networks in the (re)production of housing space in Korea. In this section, this paper examines the transformations of the socio-spatial organization of state power related to Korean housing policies from a multiscale perspective. An inquiry into the relationships between Korean housing politics and the production of geographical scale raises the following questions.

At what scales have a myriad of housing actors tried to influence the decision-making processes, resulting in the reconfiguration of power relations in the Korean housing policy arena? At what scales have the Korean central government's housing policies been made? At what scales have the local governments’ housing policies been made? At what scales have the emerging Korean NGOs sought to influence the housing policy decision-making processes? At what scales have the housing politics of various housing agents or institutions affected the changes in housing landscapes? How did housing policy decisions made at geographical multi-scales affect the reconfiguration of housing markets and urban restructuring? How has the political construction of geographical scale of the Korean central government influenced the nature and success of housing development projects at geographical multi-scales? In contrast, how and to what extent did the NGOs strategically or politically construct the spatial scales for their interests or social movements’ goals? What are the contradictions of scalar strategies among Korean housing agents and institutions including the Korean central government, quasi-governmental institutions, local governments, NGOs, and other interest groups? Are there any contradictions between the capacities of the Korean central government and those of the NGOs in terms of scalar strategies?

Korean literature and newspapers were consulted in analyzing both how the institutional context in Korean housing markets affected the way in which housing space has been unevenly developed, and how the contending scale politics of different housing agents have reconfigured the spatiality of housing (re)production.

2. Literature Review and Theoretical Background: Social and Political Construction (Production) of Spatial (Geographical) Scale

Recently, attention has been drawn to the issue of the social and political construction of geographical scale. Spatial scales have increasingly been regarded as socially constructed and politically contested rather than ontologically


Most literature on the social and political construction of geographical scale recognized the importance of scale for strategies of social and political transformation in space and place. As Smith (1995) notes, geographical scales constitute a primary avenue to power relations and the social production of spatial scale is a highly political process.

Geographical scales are socially and politically constructed (or produced) by social actors, agents, and institutions. In other words, social practices and decisions of social actors are scaled (Jonas, 1994; Smith, 1992; Swyngedouw, 1997a). Social actors’ practices and decisions are inherently intertwined with geographical scales because their political actions automatically and essentially involve (or constitute) the matter of spatial scales.

By the same token, Agnew (1997, 101) emphasizes the dimension of scalar practices of social actors, arguing that “the mix of geographical scales at which political action is directed and takes place are the outcome of the decisions and behavior of social actors.” The social and political production of geographical scale by social actors might result in the multiscalar reconfigurations of territorial organization. Geographical scales at which political actions are deployed can make differences in spatial (re)organization and bring reconfigurations of scalar organization (process of ‘re-scaling’).

According to Lefebvre (1991), capitalist globalization is accompanied by the tensions between global integration and local fragmentation or redifferentiation of spaces. Globalization can be conceived as a driving force for the reterritorialization of both socioeconomic and political-institutional spaces (Brenner, 1999). “The current round of globalization can be interpreted as a multidimensional process of re-scaling in which both cities and states are being reterritorialized in the conflictual search for ‘glocal’ scalar fixes” (Brenner, 1998a, 459).

Brenner (2000, 362) uses Lefebvre’s theoretical framework in conceptualizing geographical scale and politics of scale, emphasizing contemporary re-scaling processes in capitalist urbanization. He points out that the urban question is inherently and closely associated with “the geographical scales and scalar hierarchies which are being profoundly rearticulated, reshuffled, and redefined throughout the world economy.” Furthermore, he argues that “geographical scales have become both arenas and objects of sociopolitical contestation as a wide range of sociopolitical forces interact to reconfigure the territorial organization of capitalism” (Brenner, 2000, 375).

Brenner (2000, 375) states that “whereas the capacity to ‘jump scales’ provides some actors and institutions with a means to widen their control over social space, processes of de- and re-scaling are currently transforming the very geographical frameworks within which such maneuvers occur, leading in turn to new scalar configurations that both differentiate and contain social relations in new, highly contentious power relations.” With respect to ‘jump scales’ and ‘up-scaling’ processes, Gough (2001, 21) points out that “the scales of organization are deeply
connected to each other, in that those at smaller spatial scale cannot realize their progressive potential without relating to the larger scales of organization.”

An example of ‘scale-up’ strategies is that, beginning with local organizing efforts, a certain initiative local agent incrementally forms a regional or national scale alliance with other agents, and expands the spatial scale or scope of mobilizations, for or against specific housing projects at the national scale.

An example of ‘scale-down’ strategies is that, beginning with national organizing efforts, a specific national-scale agent chooses specific housing projects as movement targets, and supports specific local agents in influencing the decision-making processes at the local scale.

Lefebvre (1991) emphasizes the engagement of the capitalist state in the constant ‘production of space’ that leads in turn to state territorial restructuring. By the same token, Brenner (1997b, 273) argues that “shifts in regional and urban planning policy are systemically linked to a reconfiguration of the spatial form of the nation-state under global capitalism, embodied above all in a transformation of the spatial scale on which state power is deployed.”

Brenner (1999) touches upon the re-scaling of urban governance and the processes of reterritorialization. He argues that globalization is concomitant with “the reconfiguration and re-scaling of forms of territorial organization such as cities and states” (Brenner, 1999, 431). In particular, cities are the places where the multiscalar reconfiguration of the capitalist world economy is embodied in a concrete way (Brenner, 2000; Scott, 1998). The highly dynamic dimensions of contemporary urban governance can be seen as the result of a politics of scale in the processes of urban restructuring (Brenner, 1999; Smith, 1993).

In a similar vein, the reterritorialization of urban housing markets at multiple spatial scales has resulted from the reconfiguration of socioeconomic, political, and institutional forces. More importantly, the reterritorialization of housing spaces occurs at multiple and superimposed geographical scales.

Traditionally, scale has been regarded as an analytical spatial unit or category. However, scale can be seen as means of inclusion (and exclusion) and legitimation (Kurtz, 2000). Choosing institutions to include or exclude cannot be separated from the choices and range of spatial scale, and is closely connected to ‘scale spatiality of politics’ (Jonas, 1994).

In a similar context, Fuller and Jonas (2001) emphasize the scalar-strategic choices related to social movement, and scale politics as means of social inclusion or exclusion. They examine the scalar spatiality of a credit union movement, arguing for the contradictions of spatial scale, between down-scaling and up-scaling political processes. As Walsh (2000, 1607) argues, “there is a need to unpack the relationship between scales of activism and scales of regulation.”

According to Fuller and Jonas (2001), geographical scale is related to social justice issues not only because spatial scale can be an important medium for social movements and empowerment, but also because social movements and empowerment can be constrained by spatial scale. Thus, scale can be a stimulant or a medium for organizing social movement. Simultaneously, or paradoxically, scale can be a constraint for the social movement organization.

The scale literature has paid more attention to how different spatial scales can be used and articulated in social movements, with an emphasis on ‘up-scaling’ rather than ‘down-scaling.’ However, I argue that it is worthwhile to examine how scale – especially down-scaling – can be used not only for marginalizing or
excluding unprivileged social groups, but also for controlling the production of space, including housing space.

3. The Roles of Governments, Quasi-governmental and Financial Institutions, and Chaebols as Large House Builders in the Production of Housing Space in Korea and Their Interrelationships

1) Government and quasi-governmental institutions

The politics of housing in Korea have been highly centralized in the central government and quasi-governmental institutions in order to create efficiencies in massive housing construction. For massive housing construction in a short period, the central government and quasi-governmental institutions focused their attention on the production of housing space and the quantities of houses newly built. Consequently, the number of houses built has been the yardstick to evaluate the success of housing policy. “Central and local government planning control set overall targets, in terms of the number of dwellings to be built or approved in the year, in association with land-use controls. Housing policy in Korea can be characterized as a quantitative policy or high-output policy” (Kim, 1997, 110).

The Korean central government made a lot of housing plans on the basis of filtering and vacancy chain models, without considering the different housing contexts in Korea, and without verifying whether Western models can be appropriately applied to Korean cities. Korean cities are not only different from Western cities but also different from each other in terms of urban spatial structure including economic, social, cultural, and historical development trajectories.

In the 1960s and 1970s, both the economic growth and the construction of infrastructure for export gained priority in the Korean political decision-making arena. This orientation towards national economic growth in an aggregate sense prevented the central and local governments from placing their main interests in the housing sector. The lack of expertise for housing development in the central and local governments led to the establishment of national quasi-governmental institutions devoted to long-term housing development.

2) Builders and Chaebols

For developers and builders, it is far more profitable to build housing for the upper- and middle-income households than for the low-income households. Given the limitation of controlled prices of newly built apartments, large builders try to maximize their profits by building larger-size apartments rather than small-size apartments for low-income households. In Korea, housing developers and builders have been reluctant to participate in public housing construction projects because of the lack of financial incentives. For developers and builders, the rate of return on public housing construction is too low. Since the launch of price controls, builders could not sell rented public housing at an open market price after the rental period ended. These are the main reasons why there is a significant lack of public housing in Korean cities and why low-income households cannot easily find affordable public housing in the midst of a tight housing market situation.

Newly built houses are financed by selling the houses in advance of actual construction. In other words, when developers and builders build private houses, they pass the burden of the loans
of housing funds on to prospective residents. To reduce overhead costs and increase profits, the large builders and developers favor the construction of mass-designed housing on large sites.

If the newly built houses had been sold at market price, that measure would have eliminated some of the speculative incentive in Korean metropolitan areas. But that approach would have reduced the profits of the large construction firms, and might also have led to the production of fewer new housing units.

During the period of the Middle East construction boom in the 1970s, the Korean government supported Chaebols to actively establish construction firms as one of their affiliates within their organizational structures and to participate in the construction business in the Middle East in order to earn foreign currencies. It was the Middle East construction boom that created the momentum for Chaebols to play an important role in the construction industry both internationally and nationally.

The Chaebols then rapidly expanded their construction businesses into house building, and their construction firms grew rapidly under the patronage of the Korean central government, including financial and legal assistance. One of the main reasons for the continuing growth of the house-construction firms within Chaebols was that the firms siphoned capital within the Chaebols (Kim, 1997).

With the peculiar system of abundant affiliated companies, Korean multinational corporations (Chaebols), as designated house builders, became the main beneficiaries of the government’s housing projects. Through designating the house-building affiliates of Chaebols, the central government took advantage of the Chaebols’ high efficiencies and experiences in the construction industry. The involvement of Chaebols in urban real estate markets as designated builders was also bolstered by the trend of speculation in the 1980s.

By contrast, small house-building firms began to become subcontractors for large firms such as the house-construction firms within Chaebols, a process that was accelerated by the constraints on small firms in coping with the rapid increases in land prices and construction costs. The Korean central government considered small house builders to be too unstable, especially during recession, to carry out large governmental housing development projects. Moreover, the financial crisis in 1997 caused extensive damage to small house builders, with a result that a myriad of small builders collapsed.

Bipolarization of large house-building firms and mid-to-small house-building firms has been increasingly apparent as the large firms of Chaebols built more than half of the apartments sold in Seoul in 2001. The seven leading house-building firms, Hyundai Industrial Co., Daelim Industry, Samsung Corp., Daewoo Construction Co., LG Construction Co., Lotte Construction Co., and Hyundai Construction Co. (in the order of the number of sales of newly built house units) accounted for 50.8 percent of the total sales in 2001 (Dong-a Ilbo, November 25, 2001). Not only the number of but also the competitive rate for the house units sold by those firms was high. Those large house-building firms became the main beneficiaries as the mid-to-small builders went bankrupt after the financial crisis in 1997.

3) Financial institutions and housing finance

In Western societies, financial institutions are one of the most important intermediaries in the housing supply structure. Compared with the financial institutions in Western countries, Korean financial institutions have been strictly regulated and supervised by the Korean central
government. To achieve a rapid economic growth during the 1970s and 1980s, the Korean central government channeled capital flow to the industrial sector rather than the housing sector.

However, the Korean central government confronted both the problem of severe housing shortages in large cities and the political pressure from ordinary citizens seeking affordable housing under the situation of skyrocketing house prices. Because of the lack of funds from financial institutions for new housing construction, the Korean central government had to find an alternative in order to raise the funds for the construction of new apartments. Apartment complexes have been a good option for the central government, not only to supply enormous amounts of new houses in a short period with the concomitant effect on the stabilization of house prices, but also to avoid the citizens’ condemnation of the effectiveness of governmental housing policies.

Through the combination of the Housing-Related Saving Scheme and the high housing demand in the Seoul metropolitan area, the central government mostly achieved its initial goal of supplying enormous amounts of housing units in a relatively short period and maintained its legitimacy in the housing sector. By means of the scheme, the Korean central government, builders, and developers did not have to rely heavily on capital borrowed from financial institutions. In addition, the central government does not have to maintain an effective demand for housing in the Seoul metropolitan area because the tightness of housing markets itself is the ultimate and continuing financial source for the house-building industry in the metropolitan area.

However, one of the negative effects of the implementation of the Housing-Related Saving Scheme was that low-income households tended to be the most marginalized group because of their inability to keep paying deposits or periodic installments before owning a house. The approach the Korean government used ensured that the low-income households would be left behind.

The house-building industry in the U.S. is usually dependent on a range of financial institutions that lend money for house purchase through a mortgage loan system. In the U.S., the secondary mortgage market, with government support, makes plenty of money available for housing. In the secondary mortgage market, a special intermediary buys the mortgage and then sells it to a long-term investor. This process puts money back into the hands of the bank or other institutions that now can loan the money to another home buyer. The intermediary institution raises its money by selling bonds on the money market. Although a mortgage system was introduced in Korea in the late 1990s, the size of mortgage market is too small.

A big problem with Korean financial structure is that financial institutions have been directly under the control of the central government and have been lobbied and maneuvered by Chaebols. Many Korean financial institutions formed collusive connections with Chaebols, which enabled the Chaebols to constantly grow and easily borrow money from banks without enough inquiry into the Chaebols’ credit and financial status. Consequently, the debt ratio of Chaebols skyrocketed, which crippled the fragile national economic structure in the late 1990s.

4) Landlords

In Korean cities where real estate is regarded as a valuable source of revenue and profit, real estate owners, especially absentee landlords, have an important role in controlling the supply rate of land and housing. In Korea, real estate owners fueled the speculation trend, especially in
the 1980s. To achieve maximum profits and increased revenue from their houses, the owners tended to buy as many houses as possible for future re-sale. The second or third houses that they owned as absentee landlords were usually rented at high rent levels without any restrictions from the Korean government such as rent control. Due to this, rent levels in Korean cities drastically increased.

4. Social and Political Construction of Geographical (Spatial) Scale in Korean Housing Politics

1) Production of housing space at geographical multi-scales

The spatial scales of housing production and state regulation in Korea have been multi-layered (Figure 1). The state regulation of urban housing markets in Korea has been implemented at multi-scales, a combination of national, metropolitan, inter- or intra-urban, and local scales. The unfolding political and spatial scales of state regulation or intervention in Korean urban housing markets have depended on the social, economic, and political conditions of both housing development projects and participating housing agents.

Shifts in national, metropolitan, and intra-urban housing policies in Korea have been closely related to the reconfigurations of state territorial organization at spatial multi-scales. Government-led housing projects in Korea were implemented and organized upon superimposed geographical scales (Table 1).

At the metropolitan scale, new towns surrounding Seoul (e.g., Bundang, Ilsan, Pyeongchon, Sanbon, Jungdong, Pangyo, Dongtan, Gwanggyo, Geomdan, Songdo) illustrate how the Korean central government, with the partnership of Chaebols, reconfigured...
state territorial organization at geographical multi-scales through hegemony over the production of housing space. At the intra-urban scale, new urban districts within the city of Seoul (e.g., Gangnam (Yeongdong), Jamsil, Yeouido, Mokdong, Sanggye, Songpa) are good examples of how the Korean central government produced geographical scales in urban housing space.
2) Politics of scale, ‘down-scaling,’ and ‘up-scaling’

The reterritorialization and reconfiguration of Korean urban housing markets can be interpreted from the viewpoint of the politics of scale. The Korean central government articulated varied scale politics for housing development projects in order to supply massive housing units in a short period and to alleviate tight urban housing markets. From the 1990s on, local governments and emerging housing-related NGOs have used varied politics of spatial scales in order to put their voices into the state-initiative housing development projects.

Because of the recently emerging power of local governments and NGOs in Korea, it is somewhat early to grasp conspicuous up-scaling strategies in Korean urban housing politics. Thus, this paper focuses on how most Korean housing policies have been affected by the down-scaling strategies of the Korean central government.

In Korea, the politics of scale within the political-regulatory institutions – such as central and local governments, and quasi-governmental institutions – have had different forms of scale strategies, depending on the interplay of different interest groups and the uneven power relations in the decision-making processes in each housing project.

The Korean central and local governments and quasi-governmental institutions have increasingly acted as the institutional intermediaries of uneven spatial development of Korean urban housing markets at overlapping geographical multi-scales. Over the last three decades, in Korea, the central government and quasi-governmental institutions have been in charge of planning and implementing major housing development projects at multi-scales, under a regulatory framework. Even though Korean housing strategies and housing politics have unfolded at geographical multi-scales, the Seoul metropolitan area has been a place where major housing development projects are implemented and scale politics of various agents are rigorously contending.

With regard to the ‘politics of scale,’ the changing strategic spatial scales of the Korean central government’s housing policies have affected how and at which geographical scales political processes of housing activities are organized. In other words, the changing strategic spatial scales of the Korean central government’s housing policies have influenced both the scales of housing development projects and the scales of political actions deployed. In addition, the changing scales of Korean housing policies have an impact on the way in which various social actors and institutions interact with one another regarding specific housing development project in Korea.

The Korean central government efficiently completed housing development projects at geographical multi-scales by taking advantage of the well-organized governmental and institutional networks across Korean cities over the last three decades. The Korean central government had the best capacity to shape and reshape scales in Korean housing politics because of the availability of the systematic institutional networks across the state, especially under a regulatory regime.

Depending on the characteristics of each housing development project initiated by the Korean central government, the collaboration among housing-related institutions in Korea has been organized at different spatial scales in particular ways. For instance, in the case of the construction of the five new towns, the Korean central government attracted foreign capital and tried to induce foreign financial institutions to invest in the Korean real estate market at the international scale.
In the context of the recent transition to urban governance in Korea, the growing importance of Korean local governments in urban politics, including urban housing policies, have made the local governments significant actors in the political and social production of spatial scales in the housing arena. Before the political transition to governance in Korea in the 1990s, Korean local governments had constraints in constructing political scales due to the lack of local autonomy in policy decision-making processes. In addition, Korean NGOs also had constraints in constructing political scales due to the lack of collaboration and networks among the NGOs. However, in the late 1990s, some Korean NGOs began to play a role in the social and political construction of geographical scale regarding Korean housing politics.

The Korean NGOs and local governments have exerted pressure on the state housing policies through different forms of collaboration, at different geographical scales. The organizational forms through which Korean NGOs and local governments collaborate have been varied.

In the late 1990s and early 2000s, a number of Korean NGOs began to utilize their resources to gain access to housing policy decision-making processes both at the national and local scales. Those housing-related Korean NGOs include Cham-Yeo-Yeon-Dae (People’s Solidarity for Participatory Democracy), Gyeong-Sil-Lyeon (Citizen’s Coalition for Economic Justice), Jeon-Cheol-Hyeop (National Council of Displaced People), and Do-Si-Yeon-Dae (Citizen’s Solidarity for a Sustainable City).

The Korean NGOs implicitly adopted politics of scale in the housing arena in order to lobby or exert pressure on central and local governments in the housing policy decision-making processes. They implicitly employed both ‘scale-up’ and ‘scale-down’ strategies in mobilizing their member organizations.

The Korean NGOs constructed political scales in order to collaborate among themselves and to increasingly put pressure upon the housing policy decision-making processes at geographical multi-scales. The Korean NGOs utilized different spatial scales. On the one hand, they exerted pressure upon the government-led housing policies at a particular local scale, focusing on local networking. On the other hand, they collaborated with other NGOs through the institutional networks at larger scale – metropolitan or national scales. Through various forms of networking, the collaboration among the NGOs shapes and reshapes scales when they mobilize housing movements.

There are contradictions between the capacity of the Korean central government and that of the NGOs in terms of scalar strategies. While the Korean central government implicitly prioritized scale-down strategies, emerging Korean NGOs tried to use scale-up strategies in influencing housing policies. Along with the use of the scale-up strategies, many NGOs use the scale-down strategies at the same time in mobilizing. Most of the Korean NGOs have not succeeded in their housing movements because they lack dynamic collaboration among themselves either by scaling-up or scaling-down strategies in the arena of Korean housing politics.

In terms of the efficiency to influence housing politics, the scaling-down strategies of the Korean central government have moved faster in constructing a political identity and mobilizing institutional networking than the combination of scaling-up and scaling-down strategies of the Korean NGOs. The contentious politics of scale between the Korean central government and the NGOs began to reconfigure the power relations in the late 1990s and early 2000s in the realm of Korean housing policy.
3) ‘Jump scales’

The Korean central government, quasi-governmental institutions, local governments, NGOs, and other interest groups have different capacities to ‘jump scales’ in mobilizing their collective political identities, due to the different spatialities in their institutional networks. Up until the early 1990s, the Korean central government gained more control over housing space by means of both ‘jump scales’ and the constant ‘production of housing space,’ under the regulatory regime.

With regard to the dimension of the social and political production of geographical scale in Korean housing policies, the Korean central government increasingly obtained the capacity to ‘jump scales’ by using not only multiscalar strategies for housing development projects, but also taking advantage of various scales of institutional networking among the central and local governments, quasi-governmental institutions, and Chaebols, across the state.

Consequently, the increasing capacity of the Korean central government to ‘jump scales,’ through the institutional networks, resulted in the increasing control over the production of housing space at geographical multi-scales, especially in the 1970s and 1980s. However, during the 1990s, local governments and NGOs increasingly participated in the Korean housing policy decision-making processes. So, they began to play an important role in the political and social production of spatial scales in Korean urban housing policies and markets.

Regarding the aspect of ‘jumping scale,’ the Korean central government jumped mainly from the national scale to the local scale when implementing housing policies, due to the inherent nature of a top-down regulatory regime. In contrast, in the late 1990s, some Korean NGOs jumped mainly from local scale to national scale in mobilizing their social movements and in influencing Korean housing policy decision-making processes.

4) Scale spatiality of politics and ‘re-scaling’

The outcome of politics of scale and the high capacity of jumping scales of the Korean central government are multifaceted. The prominent spatial consequences of the scale politics of the Korean central government are both the construction of five new towns in the Seoul metropolitan area at the national or metropolitan scale, and the construction of new urban districts within the city of Seoul at the intra-urban or local scale. The production of Korean housing space has been created by the politics of scale of the Korean central government. In other words, the local production and reconfiguration of housing space in Korea has been significantly influenced by the state’s ‘scale-down’ strategies.

Because the Korean central government has exclusively been in charge of housing policies at geographical multi-scales, local governments and housing-related NGOs have been relatively marginalized in the housing policy decision-making processes. In some sense, the weak power of local governments and NGOs in Korean housing politics, until the mid 1990s, had been attributable to the efficient politics of scale (down-scaling) of the Korean central government.

In terms of ‘scale spatiality of politics,’ the construction of the new towns around the Seoul metropolitan area was accompanied by the strategic interplay between the politics of ‘the local’ scale and the politics of ‘the national’ scale. In the case of the new towns, an example of the politics of the local scale was the tensions among local residents – especially, between landowners and tenants – who had different political viewpoints on the development of the new towns.
An example of the politics of the national scale in the case of new-town development was the tensions between the Korean central government and the NGOs. The Korean central government sought to legitimize the development of new towns by mobilizing its institutional networking and gaining political supports from upper- and middle-class groups. However, the NGOs protested against the government by asserting that the development of the new towns would not benefit low-income households because the majority of the new houses would be built for upper- and middle-income households. Actually, despite the massive supply of new houses in the new towns, house prices generally went up in the Seoul metropolitan area, except for house prices right after the economic recession in 1997.

In contrast, in terms of the scalar context, the Korean central government and the Seoul city government chose mainly the capacity of metropolitan-scale institutional networks both in constructing new urban districts in the city of Seoul (e.g., Gangnam (Yeongdong), Jamsil, Yeouido, Mokdong, Sanggye, Songpa) and in rejuvenating dilapidated districts in the city of Seoul (e.g., Bongcheon, Sillim). Thus, the scales of politics pertaining to the new urban districts and redevelopment projects in the city of Seoul ranged mostly from ‘the local’ to ‘the metropolitan’ scales.

The re-scaling and reterritorialization of Seoul and the Seoul metropolitan area over time can be regarded as a spatial consequence of the politics of scale of the Korean central government, local governments in the Seoul metropolitan area, and participating interest groups. Furthermore, the spatial re-scaling and reconfiguration of Seoul and the Seoul metropolitan area have been reinforced by the cognitive images of Seoul and metropolitan urbanites. For example, not only most residents in Seoul but also those living in Bundang and Ilsan new towns consider the two new towns as parts of the city of Seoul. These re-scaled configurations of Seoul’s territorial reorganization in turn have affected not only the reallocation of real estate wealth in the re-scaled Seoul but also the conditions of forthcoming urban restructuring in Seoul.

5) ‘Scales of regulation’ and ‘scales of activism’

Walsh’s (2000) distinction between ‘scales of regulation’ and ‘scales of activism’ can be applied to Korean housing policy context in the following way. In terms of politics of scale, the Korean central government’s housing policies used ‘scales of regulation’ in order to achieve quantity-oriented housing policy goals in a short period, in a series of authoritarian regimes, without confronting any significant obstacles from other interest groups such as NGOs in the 1970s and 1980s.

By contrast housing-related NGOs – and sometimes local governments – began to exert pressure on the decision-making processes in central government-led housing policies by using ‘scales of activism’ and their institutional networks. The use of ‘scales of activism’ by the NGOs and local governments are based on the recent formation and rise of local autonomy and civil organizations in Korea in the late 1990s.

6) Scale as means of inclusion and exclusion

In terms of the political construction of geographical scale, the increasing capacity of the Korean central government to ‘jump scales’ led to its hegemony in housing policy decision-making processes, the legitimization of housing projects, and the exclusion of certain interest groups in decision-making processes.

Jonas (1994) and Kurtz (2000) argued that
choosing institutions to include or exclude cannot be separated from the choices and range of spatial scale, and is closely connected to ‘scale spatiality of politics.’ For instance, in the case of the construction of five new towns around the Seoul metropolitan area, the Korean central government chose the capacity and networks of national- or international-scale financial and construction institutions – such as the Korea Housing & Commercial Bank, the Korea Land Development Corporation, the Korea National Housing Corporation, and Chaebols. In addition, the Korean central government borrowed a significant amount of foreign currencies, using international institutional networks, at the transnational scale. The Korean central government, however, excluded local-scale grassroots institutions and civil organizations as decision-makers.

In collaboration with the Korean central government for the massive supply of new housing, Chaebols – such as Hyundai, Samsung, Daewoo, LG, Lotte, and Daelim – became the beneficiaries of the large-scale housing development projects in Korea. Because profit-oriented Chaebols wanted to supply mainly upper- or middle-class oriented housing in suburban new towns, low-income households had difficulties in gaining access to the new housing development projects in Korea.

5. Conclusions

The main objectives of this research were to investigate roles of housing agents in the (re)production of housing space in the Korean context and their interrelationships, and the social and political construction of geographical scale in conjunction with Korean housing politics. Furthermore, this paper seeks to examine how urban housing markets are closely or inherently associated with places and geographical scales within a myriad of institutional contexts in Korea.

Particular attention was given to the way in which Korean housing politics have affected and reinforced the spatial inequalities through the unequal power relations among housing agents and the politics of scale. This research has demonstrated how the institutional context in Korean housing politics affected the way in which housing space has been unevenly developed, and how the contending scale politics of different housing agents have reconfigured the spatiality of housing (re)production in Korea.

Founded theoretically on the politics of scale, this research conceptualized not only how social actors operate across spatial scales by utilizing institutional networks, but also how geographical scales have been politically constructed by contentious housing agents in order to gain more control over the (re)production of housing space at spatial multi-scales in the Korean context.

The spatial disparities among and within Korean urban housing markets have been reinforced by Korean housing policies in which spatial scales of housing development projects have been socially and politically constructed by a myriad of social actors and institutions. Social actors’ practices and decisions are inherently intertwined with geographical scales because their political actions automatically and essentially involve (or constitute) the matter of spatial scales.

The state regulation of the production of housing space in Korea has been multi-scaled. Government-led housing projects in Korea were implemented and organized upon geographical multi-scales. Both new towns at the metropolitan scale and new urban districts at the intra-urban scale are good examples of the reconfiguration of state territorial organization at spatial multi-scales.

The high capacity of jumping scales of the Korean central government is attributable to not
only the partnership between the state and Korean multinational corporations (Chaebols) for massive supply of new housing, but also the close collaboration among the state, quasi-governmental institutions, and financial institutions at geographical multi-scales.

This research will contribute to the Korean housing market analysis by further investigating how various agents or social groups affect the (re)configuration of Korean urban housing markets. This research has provided important theoretical and practical insights about the meaning of geographical scales, places, institutional contexts, and politics of scale in the analysis of housing markets. Former research on housing markets has been lacking in synthesizing the concepts of geographical scales, places, institutional configurations, and politics of scale although these concepts are closely linked to the operation of housing markets.

The scale literature has paid attention to how different spatial scales can be used or articulated in social movements, with an emphasis on ‘up-scaling’ and ‘scales of activism’ rather than ‘down-scaling’ and ‘scales of regulation.’ However, it is worthwhile to examine how scale – especially ‘down-scaling’ and ‘scales of regulation’ – can be used not only for marginalizing or excluding unprivileged social groups, but also for controlling the (re)production of space, including housing space. In this sense, this research provides a good example of how ‘scales of regulation’ have been deployed by the Korean central government in order to gain more control over the production of housing space at geographical multi-scales.

In addition, this research can contribute to the literature on the politics of scale by examining how different housing agents involved in Korean housing politics have differently used strategic spatial scales in order to reconfigure power relations. This research can provide insight into understanding not only the construction of spatial scale in housing politics but also the resultant reconfigurations of state territorial organization in divergent spatial scales in conjunction with housing policies.

Housing markets are closely or inherently associated with a myriad of institutional networks, places, geographical scales, and politics of scale. The in-depth analysis of housing markets necessitates the social, organizational, or institutional networks distributed across space and geographical multi-scales. However, former studies have not devoted any effort to conceptualize the meanings and roles of both multi-layered geographical scales and the politics of scale in reconfiguring or reterritorializing Korean urban housing markets. In this sense, this research can contribute to conceptualizing how social actors and institutions operate through and across spatial scales by utilizing institutional networks in the (re)production of housing space in Korea.

Given the recent emergence of local autonomy in urban politics and civil society in Korea, it will be worth unfolding the contradictions between down-scaling processes from the Korean central government and up-scaling processes from local governance and NGOs in housing policy decision-making.

An avenue for future research would be to investigate how the emerging Korean NGOs use the changing strategic spatial scales in order to reconfigure the power relations in the housing policy decision-making processes, and how they construct a collective political identity in order to bring pressure on those processes.

Further research is also required to examine how the contemporary globalization context will cause a transformation of the spatial scale on which the Korean central government’s housing policy is deployed. In addition, further research should explore at what scales the Korean central
government, quasi-governmental institutions, local governments, NGOs, and other interest groups (for example, developers and builders) mobilize their collective political identities in the housing policy arena.

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