

Decentralization and Local Autonomy in South Korea: Lessons for Malaysia

Nor Zaini Zainal Abidin^{1*}, Kuppusamy Singaravelloo²

^{1,2} University of Malaya, Jalan Universiti, 50603, Kuala Lumpur, Malaysia

ABSTRACT

Objective – The purpose of this paper is to outline some experiences faced by South Korea in the transformation towards local election and might as well become as guideline for countries that yet to experience decentralization, such as Malaysia

Methodology/Technique – The paper offers and discusses a qualitative framework for analysis of the actors, decisions and issues involved in a local election

Findings – It considers all-embracing experience by South Korea in local election as well as some brief highlights on other countries as well. The issues are grounded in the reality of practice democracy through local election that presented mixed results of successes and failures.

Novelty – This paper adds to the literature by the illustration that most countries faced similar issues and these have been exacerbated by the current political climate uprising of strong opposition. The authors suggest for local election to be implemented in segmentation instead of full-scale operation. .

Type of Paper: Conceptual

Keywords: Decentralization; Public trust; South Korea; Malaysia; Local government.

1. Introduction

The famous saying of democracy as “The government of the people, by the people and for the people” by Abraham Lincoln continues to hold grounds for the existence of democratic government. Nowadays, people are very much aware of this notion, thus, voices of dissatisfaction, frustration, critiques of the present government have become stronger. Vocal expressions and aggressions are more frequently heard from every part of the world and some countries have started to react to change and to regain public trust.

As such, “good” democratic government is the one that practically “real” representation of people. This can be reflected through election for representatives in the central, state and regional levels. With this saying, decentralization is one of the practices in democracy by the transfer of administrative and financial powers from central government to the sub-national

* Paper Info: Revised: July, 2015

Accepted: September, 2015

Corresponding author:

E-mail: norzaini70@gmail.com

Affiliation: Faculty of Economic and Administration, University of Malaya

government. The attempt to transfer responsibility of the higher tier of government to the lower tier has been done by more than 75 countries around the world in the last quarter century (Ahmad et al., 2005). There have been initiatives to enhance accountability and delegate greater level autonomy at the local level (Haque, 2008). Ahmad et al. (2005) concludes that decentralization establishes a new relationship of accountability amid national and local policy makers and between citizens and elected representatives. This, authority and responsibility are devolved, resources and services are transferred to various levels of local governance (haque, 2008).

As shown in Table 1 below, it can be derived that the implementation of decentralization is sensitive to distorted and have mixed outcomes due to the design of the decentralization policy itself, deadlocks in implementation, and cultural restrain (White, 2011; Ghuman & Singh, 2013). Ramesh (2013) concluded that most of the findings on the impact of decentralization are largely negative.

Table 1. Expected outcomes from decentralization

No.	Positive	Negative
1	Limit the size of the public sector	Does not limit the size of public sector
2	Negative effect on corruption	Does not mitigate local-level corruption
3	More responsive to citizen preferences	Inherently destabilizing (especially when lower levels of government is expected to respond to the needs of ethnically or culturally heterogeneous population)
4	Can limit conflict and protect minority rights	Inefficient due to multiple intergovernmental transfers
5	Forces intergovernmental competition	Associated with slower economic growth and lower foreign direct investment
6	Improved the access and quality of public service delivery	Unsatisfactory access to service
7	Improved efficiency of service delivery	Deterioration in quality and not improve efficiency
8	Improved administrative innovation	Reverse decentralization or re-centralization

Source: Reorganized from White (2011), and Ghuman and Singh (2013)

Although, the plea for decentralization is seen in several effort to urge the government for decentralization, scientific studies on the effect of decentralization has not been explored and justified. This paper focuses on qualitative assessment of the decentralization process as experienced by South Korea and what/how Malaysia can gain from South Korea. This paper hopes to answer some issues regarding local election that is, (1) why local election persists although the outcomes were not encouraging? (2) Is there a need for local election? (3) Can decentralization increase public trust and accountability? Both countries possessed several similar characteristics, especially in political dimension and economic matters, although South Korea accelerated faster in its economy compared to Malaysia. As such, South Korea's experience in local election is a valuable lesson for Malaysia.

2. Yes or no to a local election

The road for local self-governance by Malaysia's local government is a long and winding journey. British occupation in Malaysia is reflected in every segment of government administration. Local government is a state matter. However, federal dominance succeeded in withdrawing local election through the law that governs local government. The last local election witnessed in Malaysia was in 1965 for Kuala Lumpur City Hall (DBKL).

The call for local election has never diminished in the Malaysian scenario. This was evident and become prominent with the formation of *Pakatan Rakyat*, a group of opposition parties. Pakatan Rakyat took over several states in the general election of 2008 and 2013 (five states in 2008 and three states in the 2013 general election respectively). In these elections, the opposition manifesto included reintroducing local election. Beginning with the victory in several constituencies the opposition states ruling government demanded for local election to be held in Selangor and Penang. However, the effort to bring back local election in Malaysian local government faced a downturn when the demand was turned down by the court in 2014 based on Section 15 of Local Government Act 1976 which clearly forbids any local authorities to hold their own local election. There are two aspects in local government election in Malaysia, which is whether to concede to public demands to have local election, or, continue with the status quo.

The present political turbulence in Malaysia is mostly contributed by the prosecution of the former Deputy Prime Minister, Datuk Seri Anwar Ibrahim in 1998. Since then, there has been an outcry for “just” Malaysia, and this call has never been recorded. Demonstration in the name of BERSIH 1, BERSIH 2 and BERSIH 3 provides evidence of public dissatisfaction towards the ruling government. One of the main calls in the series of BERSIH is to have elections that are free from manipulation, and to introduce local elections. As in South Korea, the introduction of local election has opened up the local political arena for greater local participation. Several improvements and disclosure in local government has been exercised despite progressing lowly. For example, beginning 1996 local citizen can request for a disclosure of public information, can present a petition to revise or abolish local ordinances of bylaws from 2000, local government to present local budgeting process from 2004 and local government expels incompetent local executives from 2006 (Bae, 2009). Every local government in Korea maintains the same mechanism and election was done for the mayor and councilors whereas the rest of local officials are appointed based on merit (Chong-Min, 2006).

The ill-side of decentralization, if Malaysia is to adopt local election, centers around some imminent issues related to the opposition parties. It will not be a surprise if the local election is introduced by Malaysian third tier government for the political party affiliated candidates to dominate the candidacy for mayor and councilors as in South Korea. People are unhappy that candidates are mostly party-based. Then displeasure is shown through low voter turn-out and this issue is still unsettled in Korean local government. Voter turn-out for sub-national election decreased subsequently for the last eleven years. The rates were 68% in 1995, 53% in 1998, and 49% in 2002, before rising slightly to 51% in 2006 local elections (Chong-Min, 2006). Politicization of local election for the mayor and the councilors was largely criticized and downgraded the spirit of local accountability in Korean local government. Since the introduction of a local election, a majority of the mayoral candidates has been from political parties is dominating the respective regions (Chong-Min, 2006; Hermanns, 2009). As an example, the Yeongnam region is one of the strongholds of the Grand National Party (GNP). In this region the GNP contributed 50% of the mayoral candidate in 1995, 68% in 1998, 87% in 2002 and 86% in 2006 (Chong-Min, 2006). Thus, effective competition was hardly evidenced in a local election. Local issues have also not been given due attention during local election, which were instead dominated by the national issues (Chong-Min, 2006; Hermanns, 2009). In a study of five major cities in Korea, results showed general disappointment of the citizen by the politicization of a local election. A survey done in 1999 showed 56% respondents disagree with political party nomination of mayoral candidates, and this increased to 60% in 2001 before declining to 52% in 2005 (Chong-Min, 2006).

Malaysia’s local election may affect accountability and public distrust. Politicization of local election has happened in most of the countries that practiced local election. Corruption, scandals, mismanagement, eroded accountability were among the issues that clouded Korean local government and Malaysia may experience the worse if political parties decide to dominate the local election. Bribery, scandals of officials and elected councilors and violation of election laws have also caused erosion of trust in the Korean government agencies. It is reported that only a quarter of Koreans trust local government and 40% consider local government officials to be corrupted (Hermanns, 2009). The Korean local government practice strong mayor, weak council system. Since the introduction of local election, the mayor has had more power, has

authority to appoint local bureaucrats, submit a budget of expenditures and revenue as well as veto power to overrule ordinances passed by local councils (Chong-Min, 2006). The mayor can outshine councilors and can offer councilors, some delegated authority in turn of their support (Chong-Min, 2006; Hermanns, 2009). In this sense, individual bureaucrats may also develop a personal exchange relationship with the mayor for individual favor (Chong-Min, 2006).

3. Discussion

Should local election be practiced in democratic countries? Can we say that the rhetoric behind the idea of local autonomy for most citizens, especially among the opposition parties are to have local election for local government, and, with this in mind, most of the idea is to get control of the government and not so much on the local level administration? The discussions on decentralization and local autonomy should not be centered on the idea of ruling party versus opposition party that in such a way may hinder the spirit of democracy and public participation. By saying this, several highlights need to be discussed and explored.

The idea of democracy is to have better representation of people in the government. Candidates for political offices are elected by the public. Countries around the globe, whether they are developed or less developed countries that practice democracy give the rights of election to the people in order to choose political leaders at central, state and regional governments. This forms one of the rights of the people. 'Democratic deficit' in Hong Kong after 1997 increase public distrust towards governance of the country (Cheung, 2013). The theory of human rights propounds that everyone has basic rights and these rights should be protected. Sen (2004), states that the human rights theory needs to be observed. In this sense, human rights relate to freedom, but it must qualify for some conditions of special importance and social influences. To name a few, Indonesia, Cuba, Uganda, India, Sri Lanka and Bangladesh or Chile experience local election. In fact, Malawi has recently reintroduced local government election for councilors in 2014 after a short lapse since 2005 (Dulani & Dionne, 2014). However, Indonesia's recent development sees the parliamentarians proposed the idea of reverting to indirect election for the provincial governors and district heads/mayors of local government (Arifianto, 2014) and the proposed bill for indirect election prevailed on September 25, 2014 voted 226 in agreement for indirect election and 135 against.

The principal of subsidiarity advocates that local people should manage and that the management should be at the local level or as close as possible to the community (Shah & Shah, 2006). Faguet (2011) argues introducing locally elected government will narrow the jurisdiction served by government and also taper with the scope of public activities at local level. Figure 1 (Bae, 2009) shows the contribution of decentralization and local democracy in South Korea. The practice of decentralization showed sharp improvement in delegation, local capacity building and citizen participation.

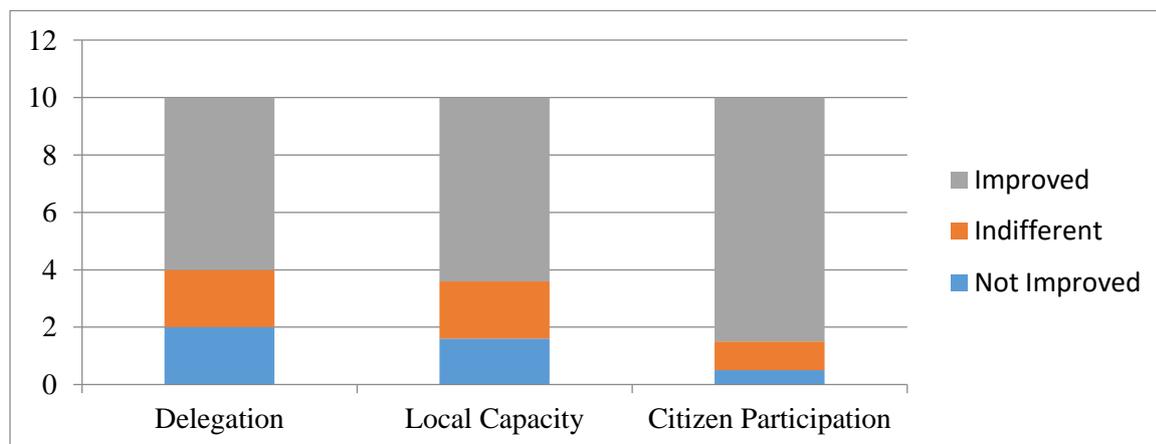


Figure 1. Contribution of decentralization and local democracy in South Korea

Can local election increase public trust in government? Studies showed that public trust fluctuates and mostly depend on the performance of government. The ruling government needs

to gain and maintain public trust through several effective mechanisms and decentralization and local autonomy is one of the solution. Public choice theory presupposed that if there is value in politics, people will invest resources and effort to capture this value (Buchanan, 2003). The public is more knowledgeable nowadays, and is professed in the determination for self-governance and local autonomy. In her study, Burlacu (2014) concluded that economic growth and good governance are both important demands in deciding the election of the government. When both fail, opposition party seems a better option.

Distinct differences exist in the topic in Malaysia and Korea. Malaysia, as a new face in this local election experience (although there has been a history of local election until 1960s) need to be handled in order to prepare for a smooth implementation towards local self-governance.

First observation is the existence of federal dominance in Malaysian governance. This dominance can be seen during the drafting of federal constitution where the first suggestion was to maintain a strong central government and states will have some kind of autonomy. The minor role of states is shown by their restricted control over the amendments to the constitution, which can only be made by the Parliament and must command not less than two-third majority support in each house (Milne & Mauzy, 1978). These limitations were evidenced in almost every sphere of government administration and revenue distribution (Kuppusamy, 2008; Wah, 2010; Yeoh, 2012). Nevertheless, the Federal Constitution of Malaysia has mentioned that local government comes the jurisdiction of state government. The situation has become worse for local government and local election seems almost non-existent or impossible since 1965. Election matters have been shifted to The National Election Commission (SPR). When the state of Selangor and Penang requested for local election to be held in their respective local authorities, it was turn-down by The Election Commission stating that it was non-constitutional.

Thus, in order to have a local election, these backlogs need to be addressed first, that is, to win the confidence of the Members of Parliament for the amendment of Article 113-120 of the Federal Constitution. As experienced by South Korea. It is better to have local election for newly established councils in the first place before moving on to the existing councils. As for Malaysia, the first step maybe in terms of local election for city councils only. This can become a mirror on how to handle the same local election for other types of local authorities.

One of the important scenarios in Malaysian politics is the emergence of opposition political party of Pakatan Rakyat (PR), Democratic Action Party (DAP) and Parti Islam SeMalaysia (PAS) to deter the dominance of Barisan Nasional (BN) in government. The Pakatan Rakyat was able to win five states during the 2008 national election and three states in the 2013 election. Thus, among the manifesto of Pakatan Rakyat is to have local election for local government in order to have better representation at the lower level, but, due to the constitutional constraints, the local election never took place in their respective states. Moreover, the coalition of these three political parties did not exist on a stringer ground. Additionally, each political party in this alliance has prominent and strong political figures that attract their own supporters. Thus, clashes of opinion and disagreement on certain policy matters keep emerging and the latest conflict is on the issue of the Selangor Chief Minister. With unresolved and ongoing conflicts, it is quite impossible for the local election to take place.

4. Conclusion

Alexis de Tocqueville (1835) stressed that local democracy is “in the township as everywhere, the people are the source of social powers, but nowhere do they exercise their power more immediately” (Hermanns, 2009, 218). In order to exercise healthy democratic system, local government and civil society are integral parts in democracy and decentralization is the best practice to change the relationship between the state and society. In this sense, Europe, North America, Asian countries, China and some Islamic countries faced pressure for political and administrative decentralization in the 1970s. For better representation and to encourage accountability, some countries have introduced certain forms of local democracy (Bae, 2009). Experiences of countries around the globe in decentralization and local autonomy should be a guideline for Malaysia in its move towards local election. Public outcry for better

representation at the local level should not go unnoticed. Better precautions and strong leadership at the federal level can bring local election close to reality.

Acknowledgements

The author thanks the MARA University of Technology under the Ministry of Higher Education, Malaysia, for the financial support on this research.

References

- Ahmad, J., Devarajan, S., Khemani, S. and Shah, S. (2005). Decentralization and service delivery. *In World Bank Policy Research Working Paper 3603*.
- Arifianto, A.R. (2014). Is Indonesia experiencing “Democratic rollback?” ISEAS Perspective: 1-8 www.iseas.edu.sg.
- Bae, Y. (2009). Decentralization and transformation of central-state in South Korea: The role of local and civil society. *In paper delivered at the Korean Studies Association in Australia Bi-Annual Conference*, 465-477.
- Buchanan, J.M. (2003). Public choice: Politics without romance. *Policy, the Quarterly Review of the Centre for Independent Studies*, 1-6.
- Burlacu, D. (2014). It’s not only the economy, stupid! Good governance matters in election. *Electoral Studies*, 36, 173-185.
- Cheung, A.B.I. (2013) Public governance reform in Hong Kong: Rebuilding trust and governability. *International Journal of Public Sector Management*, 421-436.
- Chong-Min, P. (2006). Local governance and community power in Korea. *Korean Journal*, 46 (4), 9-32.
- Dulani, B. & Dionne, K.Y. (2014). Presidential, parliamentary, and local government elections in Malawi, May 2014. *Electoral Studies*, xxx, 1-8.
- Faguet, J-P. (2011). Decentralization and governance. *In Economic Organization and Public Policy Discussion Paper Series No. 27*. London: London School of Economics.
- Ghuman, B.S. & Singh, R. (2013). Decentralization and delivery of public services in Asia. *Policy and Society*, 32, 7-21.
- Haque, M.S. (2008). Decentering the state for local accountability through representation: Social divides as a barrier in South Asia. *Public Administration Quarterly*, 33-58.
- Hermanns, H. (2009). The reorganization of local administration in South Korea: The debate on democracy and efficiency in local governance. *In Proceedings of the Sixth Biennial Conference Korean Studies Association of Australasia* (p.217-229), Sydney.
- Kuppusamy, S. (2008). Sustaining local government finance: A comparison of Malaysia, Cambodia and China. *In Facing the China Challenge International Conference on “Administrative Experiences and Regional Cooperation in the Era of a Growing China*: UM: ICS.
- Milne, R.S. & Mauzy, D.K. (1978). Politics and government in Mlaysia. Kuala Lumpur: Federal Publications.
- Ramesh, M. (2013). Decentralization in Asia: Survey. *Policy and Society*, 32, 1-5.
- Shah, A. & Shah, S. (2006). The new vision of local governance and the evolving roles of local governments. In A. Shah (ed), *Local governance in developing countries*. The World Bank.
- Sen, A. (2004). Elements of a theory of human rights. *Philosophy and Public Affairs*, 32 (4), 315-356.
- Wah, F.L.K. (2010). Restructuring federal-state relations in Malaysia: from centralised to cooperative federalism. *The Round Table*, 99 (407), 131-140.

White, S. (2011). Government decentralization in the 21st century: A literature review. *A Report on on CSIS Program on Crisis, Conflict and Cooperation Centre for Strategic and International Studies (CSIS)*, 1-17.

Yeoh, P. (2012). *States of reform: Governing Selangor and Penang*. Penang: Penang Institute
www.spr.gov.my.