

Ecosystem of Policy-related Knowledge

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I. Definition of Policy-related Knowledge

Policy-related knowledge refers to a body of knowledge that administrative or legislative or any other branches of government make use of when making decision on public affairs. People in government make use of it when they set important public agenda, establish or implement policies and asses or revise policies. As uncertainties and complexity increase in the affairs of state, the need for high-quality policy-related knowledge simultaneously rise. In this report, the meaning of high-quality policy-related knowledge refers to “complex body of knowledge” that can contribute to taking rational decision-making and problem-solving. In order to deal with ever-complicated economic, social or political environment of our society, fragmentary knowledge or simple accumulation of basic research is often inadequate. Instead, we need a high-quality policy-related knowledge that can solve problems and help make sound public policy decisions.

This report conceptualizes policy-related knowledge as intellectual infrastructure that can help maximize efficiency of governance. We analyze policy-related knowledge based on the understanding that the process of production, distribution and consumption of policy-related knowledge is similar to that appearing in the food chain in natural ecosystem. Thus the “ecosystem of policy-related knowledge” covers people and organizations that participate in the process of production, distribution, and consumption of policy-related material and interaction between these participants. In the ecosystem of policy-related knowledge, producers consist of research centers or public intellectuals; and consumers include the administrative and legislative branches of government, the political parties and pressure groups; and distributors are the media such as newspapers, broadcasters, Internet media; and environments consist of political, social and economic institutions, demand from the public for policy-related knowledge, and the overseas ecosystem of policy-related knowledge.

II. Korea’s Knowledge Ecosystem

1. Lack of diversity

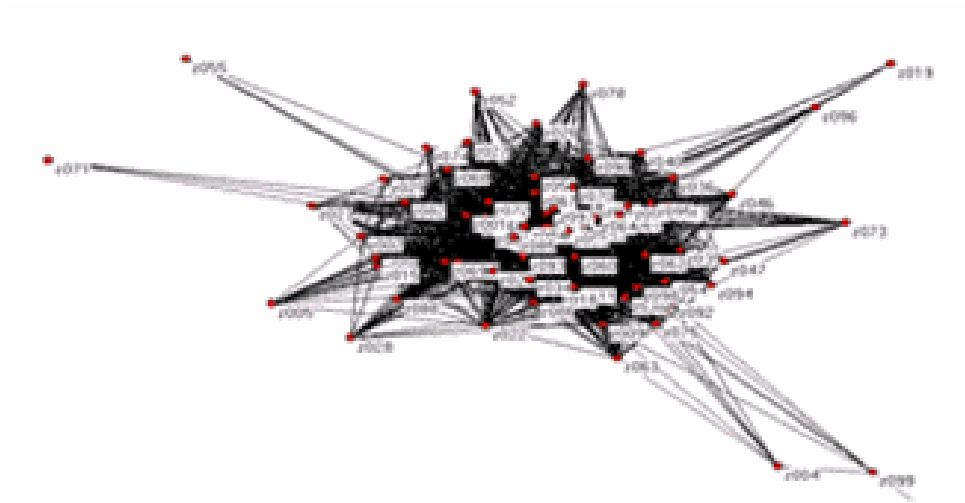
In the past in Korea, public policies were made exclusively by the public sector or government agencies. Since the country's democratization in the 1980s, however, not only state-owned research centers but also private research groups or research groups attached to civic organizations have emerged. Universities also play a role as knowledge providers. Since the Asian financial crisis of 1997, groups doing economic, political and social research have dramatically increased. At the same time, the government has begun tapping private think tanks for policy ideas.

In order to better understand their diversity, we at Samsung Economic Research Institute have examined the cases of nine significant policy issues that cropped up between 2003 and 2005 and a total of 1,249 reports related to these issues. (The nine issues we examined are debates over amendment of the National Security Law, policy decision on sending Korean troops to Iraq, the proposed relocation of the administrative capital outside Seoul, quality standardization of high schools, problems related to corporate governance, operation of the national pension program, proposal for tax increase or tax cut, the housing market speculations, and free trade agreement (FTA).)

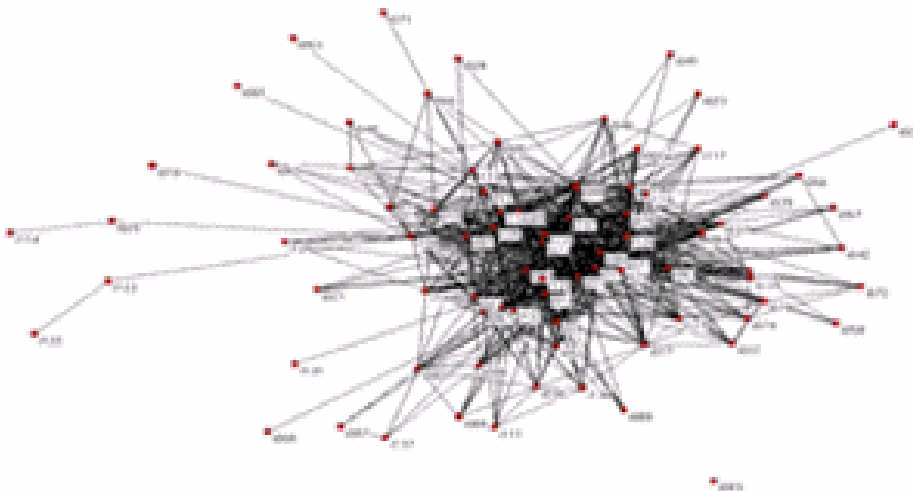
According to results of our examination, Korea's ecosystem for policy-related knowledge was not strikingly diverse, despite the dramatic growth in the number of think-tanks.

Policy issues are divided into three types: political issues, economic issues and social issues. Our research shows that network structure is dense in political and social issues. (Here, a dense network structure means that producers of policy-related knowledge have failed to provide differentiated and diverse knowledge.)

Network Structure of Debates over Relocation of Administrative Capital



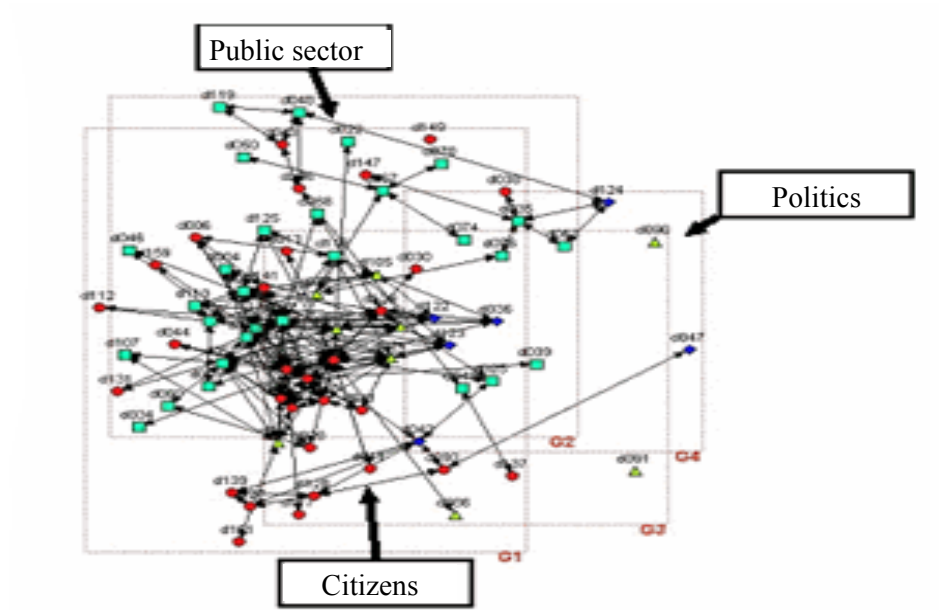
Network Structure of the Debates over Quality Standardization of High Schools



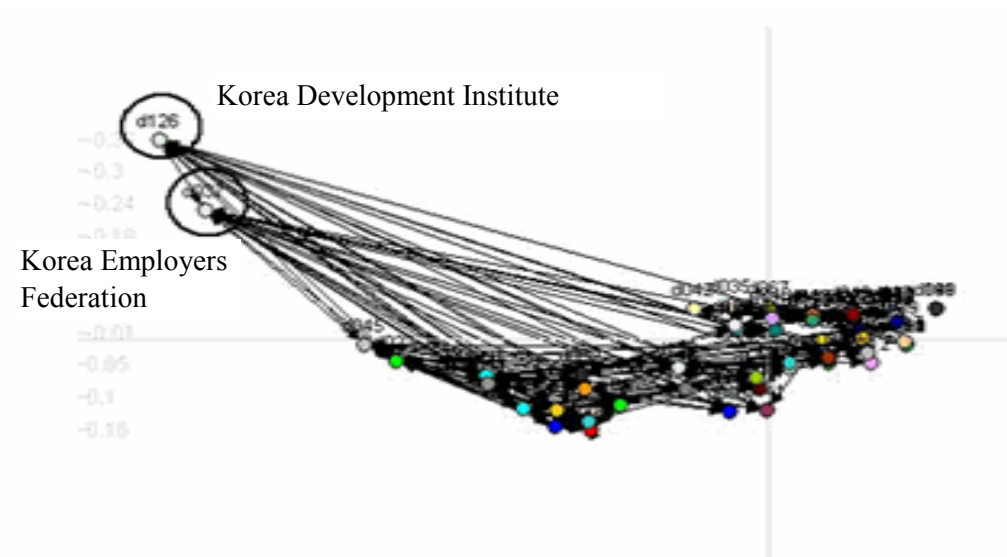
Note: Nodes appearing in the network mean intellectuals, a kind of knowledge producers, and the links refer to the interaction among intellectuals. The interaction among intellectuals is determined by the fact that how closely their reports are related.

On the other hand, intellectuals dealing with economic issues take advantage of diversified policy-related knowledge, but their opinions are not as diverse as expected. As seen in the figures below, the network structure of economic issues is less dense than those of political and social issues. However, intellectuals dealing with economic issues have mostly depended on some limited number of research papers and organizations.

Network Structure of the Debates over the National Pension System



Role of Each Research Center in the Debates over the National Pension System



2. Interaction in Korea's ecosystem of policy-related knowledge

We analyzed how frequently Korean intellectuals refer to the works of other intellectuals in their reports. According to our research, even though the number of think tanks has increased dramatically, they do not compete against each other or cooperate

with other think tanks. When analyzing how Korean intellectuals set forth their opinions about aforementioned nine major issues, their role was limited to responding to the opinions revealed by political leaders who had first set the agenda. A thorough analysis of reports related to the nine issues shows that 488 out of 807 authors available were not quoted at all by other authors. It shows that Korean intellectuals do not closely interact with each other.

Korean Intellectuals' Interaction

	Number of authors	Number of quotation	Average number of quotation
Authors quoted	319	1,195	3.7
Authors not quoted	488	0	0
Total	807	1,195	1.5

Instead of closely cooperating with other local analysts, Korean intellectuals turned out to be heavily dependent on overseas analysts. Since the aforementioned nine issues are mostly related to domestic affairs, it would have been more understandable if Korean intellectuals had quoted policy-related knowledge from reports written by local analysts. However, they quoted reports released by global organizations such as Organization for Economic Cooperation and Development and the United Nations 190 times when writing their reports on the nine issues while quoting from reports by Korean think tanks 142 times. It shows that Korea's ecosystem of policy-related knowledge is biased in favor of overseas policy-related knowledge.

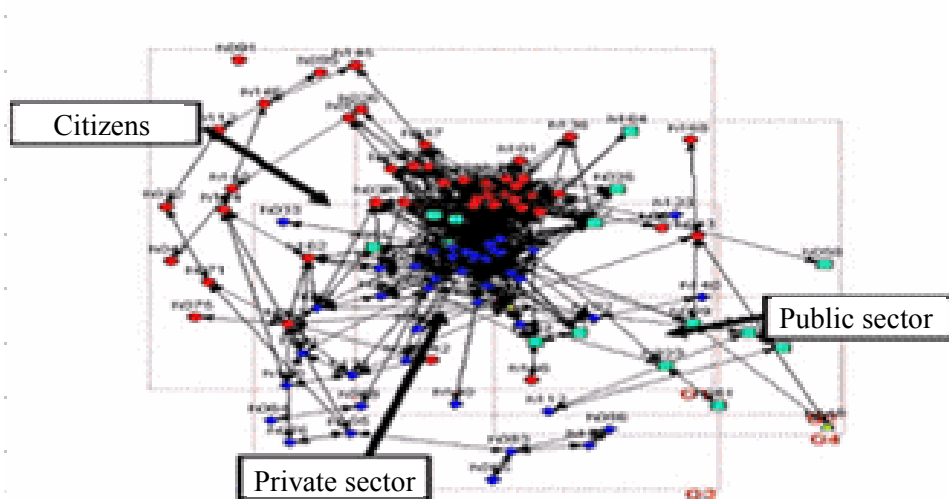
3. Selection mechanism

In the past, the government had a tight grip on production and consumption of knowledge, thus establishing state-owned research centers providing policy-related knowledge fit for the government's policies. However, the government-driven knowledge selection mechanism failed to efficiently adapt to environmental changes and have finally disappeared.

Recently, sources of knowledge production and consumption have diversified. But a mechanism to select useful policy-related knowledge in an efficient and fair manner has not been established yet. The absence of an efficient knowledge selection mechanism can be explained by the fact that the relations between knowledge producers and

knowledge consumers have failed to catch up with systematic change. For example, the political circles, which should have exerted an all-out effort to resolve problems surrounding corporate governance, have hesitated to participate in the debates. Similarly, the government, which first put FTA-related issues on the agenda, and the political circles, which should have taken the initiative in finding out solutions, have taken steps backward in the debate over FTA. The lack of close relations between knowledge producers and consumers suggests that the government might not choose a good solution which takes policy-related knowledge into consideration when setting up policies.

Network Structure of the Debates over Corporate Governance



Network Structure of the Debates over FTA



III. Conclusion

Korea's ecosystem for policy-related knowledge can grow when it is diverse, and promotes interaction between knowledge producers and consumers and selects useful knowledge.

1. Promote diversity

Korea can promote diversity of its ecosystem for policy-related knowledge by diversifying knowledge producers and strengthening the role of knowledge producers as knowledge coordinators. (Here, knowledge coordinators refer to individuals or organizations that can suggest solutions after considering all the opinions related with the issues.) In order to promote diversity, social tolerance level should be upgraded. In other words, individuals constituting a society need to tolerate different opinions. Establishing a consultative body under supervision of the president can be a good measure.

Also, the government needs to pursue ambitious projects so as to promote the growth of the ecosystem for policy-related knowledge. In the wake of the Apollo Program, the US could secure advanced space technologies. The government and the National Assembly also need to cooperate to set forth future strategies. The US Congressional Research Service can be a good model for Korea to support lawmakers' research activities. The government also needs to consider setting up a permanent agency to pursue large-scale national projects.

2. Interaction via competition

In order to promote interaction, the ecosystem for policy-related knowledge should be open to outsiders. At the same time, however, it needs to change the outside knowledge fit for the ecosystem. For this to happen, Korea should strengthen domestic research capabilities by securing budget and encouraging the private sector to donate more money. Also, it needs to expand exchange with overseas knowledge ecosystem via joint research.

For a better interaction in the ecosystem of policy-related knowledge, Korea needs to cut cost required to exchange knowledge but promote the exchange of knowledge. In

Washington, diverse research centers frequently hold seminars, thus accelerating distribution of knowledge. The free flow of knowledge in Washington can be a good model for Korea. Internet sites dealing with policy-related knowledge and a career certificate system which assesses and authenticates intellectuals' career and intellectual capacity can be efficient measures to promote distribution of knowledge.

If a policy-related knowledge cluster is set up in an area where consumers of the knowledge are crowded, it can promote better interaction of the ecosystem. At the same time, the nation needs to take advantage of the arena of debates such as National Assembly's hearing sessions and suprapartisan research activities.

3. Selection

The government can further foster Korea's ecosystem of policy-related knowledge only when it well selects useful knowledge and offers rewards for the knowledge provider. In the US, lots of public foundations and private funds donate money to finance knowledge providers and reward outstanding knowledge providers. In order to emulate the system, Korea needs to make its selection procedure transparent and involve diverse parties in its knowledge assessment process. Also, it should establish an efficient system in which quality knowledge providers are given not only financial reward and fame but also a chance to serve as public officials.

Last but not least, the ecosystem of policy-related knowledge can run smoothly when the government and knowledge consumers have a faith in the knowledge provided by specialists. In this regard, the government needs to further open its information to the public, expand public database system, and improve management system of organizations which use policy-related knowledge such as the National Assembly and political parties. ENDS.