

Abstract

A Study on the Evaluation of Public Policy in Seoul

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The amount of government expenditure has increased over the 3 years. The rate of economic growth has been about 3% in the same period. A view has emerged that the government needs to improve the value for money in the coming years. This study reviews the Public Policy Analysis and Evaluation System in Korea. Through that review, this study provides a new Policy Evaluation Frame. This study evaluates the two public programs conducted by Seoul Metropolitan Government through the application of this Frame. The first program evaluated is Program of Public Rental Housing. The second program evaluated is Program of Public Child Care Center.

The Public Housing Program which was provided by Seoul Metropolitan Government from 2010 to 2014 contributed to the provision of decent affordable housing to vulnerable groups. It also contributed to not only an increase in housing stability but also to an increase in residential satisfaction. The economic feasibility of this program was measured by Cost-Benefit Analysis. The value of B/C ratio is ranged from 0.73 to 1. Furthermore, we estimated the economic effect of this program on the Seoul Metropolitan economy. The effect on Production inducement was estimated to be about 11.5 trillion won; the effect on value added inducement was estimated to be about 5.2 trillion won; and the effect on employee inducement was estimated to be about 24 thousand people every year.

The Public Child Care Center Program which was provided by Seoul

Metropolitan Government from 2012 to 2014 resulted in greater satisfaction among its users compared to Private Child Care Center users. The value of B/C ratio is 1.06 when we considered the only direct benefit of this program. When we added the indirect benefit to direct benefit, however, the value of B/C ratio is 1.59. Lastly, we estimated the Economic effect of this program on Seoul Metropolitan. The effect on Production inducement was estimated to be about 1.14 trillion won; the effect on value added inducement was estimated to be about 0.47 trillion won; and the effect on employee inducement was estimated to be about 1.4 thousand people every year.

This study finds that it is necessary to build a new Policy Evaluation Frame which is applicable not only for ex ante analysis but also for the ex post evaluation. This study recommends that the government consider more various policy instruments to meet the shortage of public rental housing. Furthermore, our society needs to overcome the low fertility trap by the supply of public child care facilities.

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