



# KRIHS Policy Brief

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## Use of big data for balanced national development: Analysis of personal incomes and business activities in different regions

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### Summary

1. Innovative growth and inclusive growth should be accomplished by developing and implementing more concrete, complex balanced development policies such as strengthening regional innovation, promoting entrepreneurship, increasing personal incomes, and improving citizens' wellbeing.

2. The development and implementation of these new balanced development policies should be evidence-based. To do so, it is needed to collect and use more microscopic and dynamic big data and to develop and use empirical analysis models.

3. The collection, refining and experimental analysis of big data on personal and business activities allows for having a concrete understanding of gaps in personal incomes and business activities in different spatial dimensions.

\* For example, top 10% income earners are concentrated on certain areas where new business activities proliferate, whereas certain non-capital areas are densely populated with bottom 20% earners with no lively business activities.

4. Analyzing regional gaps and characteristics reveals implications that would not be obtainable by looking at statistical data disaggregated by administrative unit. Scaling up these big data-based analyses would result in richer policy implications.



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## Policy proposals

1. [Accumulate big data required to understand the level of balanced development] To ensure the well-coordinated implementation of decentralized, locally-customized balanced development policies, build a government-wide system for big data collection, processing, refining and accumulation.
2. [Develop balanced development analysis models] Support the research and development of analysis models to extract valuable policy insights from big data.
3. [Make institutional improvements to pursue evidence-based policy implementation] Develop legal and institutional support systems so that policy makers in municipalities and central government ministries can use big data to develop and implement balanced development projects.