

Mammoth Korean IT Initiative Aims to Improve Support Services

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The Korean government has unveiled its fourth-generation ICT policy. To succeed, this initiative must look beyond its key strategies and focus on the interrelationships among the five elements.

NEWS ANALYSIS

Event

On 2 September 2009, the Korean government unveiled its fourth-generation information and communication technology (ICT) policy at a meeting of the Presidential Council for Future and Vision. The government plans to invest \$11 billion in the Korean IT industry, combined with \$140 billion from the private sector, with the goal of turning the IT industry into the country's No. 1 growth engine. The government's policy is composed of five key strategies in the following areas: IT convergence, software, core IT devices, broadcasting communications and the Internet.

Analysis

For this blueprint to succeed, government and private sector collaboration will be essential. The government and the Korean IT industry must not only focus on the five individual strategies, but also work toward optimizing interrelationships among the various strategies.

Over the last decade, the Korean government has introduced three earlier national IT master plans, which helped make Korea a global IT player and led its citizens to embrace advanced technologies:

- The Cyber Korea 21 project (1999) focused on building Korea's IT infrastructure and creating new development engines.
- The e-Korea Vision 2006 (2002-2006) was an upgraded version of the previous project, with the objective of making Korea a global IT leader.
- The IT 839 strategy (2002-2006) was aimed at maximizing Korea's IT industry value chain.

An example of Korea's successful focus on providing IT infrastructure and services is the construction of Incheon Song-do u-city, which created new opportunities and innovation in the field of IT services. Nevertheless, services to support Korea's IT infrastructure and technologies still have not developed sufficiently. With this fourth project, the Korean government is attempting to address this shortcoming. This plan also marks the government's recognition of the importance of encouraging IT investment and convergence between Korea's strengths in heavy industry and the electronics industry. This convergence is critical to Korea's long-term competitiveness.

RECOMMENDATIONS

To succeed with this plan, the Korean government must:

- Continue to demonstrate its commitment to driving growth in the IT sector, by sponsoring further projects such as u-city and e-government. Demonstrating value to the public sector will drive demand for such services.
- Offer a road map for the software industry to ensure the IT ecosystem runs smoothly.
- Nurture an environment that supports software companies.
- Educate software engineers.

RECOMMENDED READING

- "Dataquest Insight: Adoption of New Hardware Technology in South Korea, 2008" — Gartner explores new trends in South Korea's rapidly changing PC, server, storage and printer markets. **By C.G. Lee, Andrew Kim and SJ Chae**
- "Dataquest Insight: South Korea Is a Future Solar Growth Market" — Strong government support will help position South Korea as one of the fastest-growing photovoltaic markets. **By Philip Koh**

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