

Determinants of the Quality of Life in Two South Korean Cities: In the Context of Local Politics and Public Policies*

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| 영문요약 |

This paper examines the determinants of the quality of life (QoL) in the context of local politics and public policies. Using the original survey data on two South Korean metropolitan cities, *Busan* and *Incheon*, we examine the direct and indirect effects of political ideology, territorial identities and voting history on the quality of life via public services provided by local governments. Our findings are as follows: 1) the ideological conservatives tend to have higher residential satisfaction (a proxy for QoL); 2) territorial identities about administrative levels (*Dong*, *Gu/Gun*, *Si*; country) have direct and indirect effects on residential satisfaction; however, 3) subsample analyses show that two lower-level territorial (*Dong*, *Gu/Gun*) identities have a more substantial effect than two upper-level territorial (*Si*; country) identities in *Busan*, while the effects of all the territorial identities are similar in *Incheon*; 4) the vote choice in the preceding election on the head of lower-level local government has a positive indirect effect only in *Busan*. In conclusion, we discuss practical and institutional implications of these findings for local politics and decentralization in

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South Korea: 1) the geographical proximity to Seoul can impede the formation of an autonomous local political realm; 2) the lower-level local government (*Gu/Gun*), long perceived as having secondary importance in local politics, can significantly affect residents' quality of life through indirect effects via administrative public services.

Keywords | Quality of Life, Political Ideology, Local Election, Residential Satisfaction, Livability

I. Introduction

Quality of life (QoL) is a multifaceted construct encompassing a wide range of well-being dimensions, both subjective and objective. These include physical health, psychological state, level of independence, social relationships, environmental features, and personal beliefs (WHOQOL Group 1995). Life satisfaction, by contrast, is a subjective, cognitive evaluation of one's overall life circumstances, typically measured by self-report and influenced by personal expectations and social comparisons (Diener et al. 1985). While overlapping, these constructs are analytically distinct: QoL encompasses structural and environmental conditions, whereas life satisfaction reflects a person's subjective judgment about life as a whole.

We adopt a multidimensional view of QoL, positioning residential satisfaction as a key domain within the environmental and social context of QoL. Building on the frameworks proposed by Cummins (2000) and Glatzer et al. (2015), we understand residential satisfaction to be both an outcome of objective conditions (e.g., infrastructure, services, safety) and subjective appraisals (e.g., attachment, identity). Life satisfaction, in this framework, emerges as a downstream measure affected by one's residential experience, personal ideology, and satisfaction with local governance.

While economic and social determinants of QoL have been extensively examined, political determinants have received relatively less attention. This study aims to address that gap by exploring how political ideology, voting history, and territorial identities influence residential satisfaction, and by extension, life satisfaction, through satisfaction with public services provided by local governments. In doing so, this paper contributes to a more comprehensive understanding of how political attitudes and local political dynamics shape individual well-being.

We begin by examining individuals' political ideology as one of the fundamental political factors. In a seminal study on the relationship between political ideology and quality of life, Álvarez-Díaz et al. (2010) have identified a correlation between left-leaning political orientations and higher life satisfaction, suggesting complex relationships between political beliefs, well-being, and perceptions of public service. This framework enables a nuanced exploration of how ideological preferences and public service satisfaction shape individual experiences, while facilitating broader theoretical insights into the interplay between political attitudes, social dynamics, economic factors, and service delivery in determining overall life satisfaction.

Our study makes a distinct contribution by analyzing the relationship between political ideology and quality of life, with particular attention to the mediating role of public service satisfaction. We assume in this paper that an individual's political ideology systematically affects their subjective evaluation of the quality of the government providing public services. Satisfaction with these services will systematically affect residents' subjective life satisfaction.

For our empirical study, we will analyze survey data from residents of Busan and Incheon, South Korea's second and third largest cities, respectively. This will provide an ideal framework for comparative research. While both are major port cities of similar scale, they differ significantly in their proximity to Seoul, demographic trends, and prevailing political ideologies. Using this comparative analysis framework, we will

conduct auxiliary investigations on the impact of residents' territorial identities and voting history on their subjective life satisfaction.

The remainder of this paper is organized as follows: Section II presents a review of relevant literature, Section III describes our methodological approach and data, Section IV and V present and analyze our findings, and Section VI offers concluding observations.

II. Literature Review of Previous Studies

1. Political Systems, Governance, and the Quality of Life

Political systems and governance quality fundamentally influence Quality of Life (QoL) through multiple pathways. Sen (1999) demonstrates that democratic governance enhances QoL by safeguarding political freedoms, facilitating equitable resource allocation, and fostering an environment conducive to civic participation and expression. Building on this foundation, Helliwell's (2006) empirical research reveals higher life satisfaction levels in democratic nations, attributing this correlation to citizens' enhanced trust in institutional frameworks. However, Ott (2010) presents a nuanced perspective, arguing that the foundational elements of democracy—specifically, robust rule of law and minimal corruption—carry greater significance for QoL than the mere presence of formal democratic institutions. This theoretical framework is further enriched by Rothstein and Uslaner's (2005) analysis of the relationship between societal trust levels and QoL, which illuminates the complex interplay between governance mechanisms and collective well-being.

Political stability is essential to the foundation of QoL. Economists and political scientists have examined the detrimental effects of instability and violence on QoL,

including loss of life, displacement, infrastructure destruction, and human capital erosion (Gupta 1990; Collier and Hoeffler 2004; Stewart and Fitzgerald 2001; World Bank 2011). Civil liberties and human rights are intrinsically linked to QoL. Landman and Carvalho (2009) show a strong correlation between human rights adherence and improved development indices. Nussbaum (2000) posits that QoL is connected to freedoms like expression and participation, highlighting the need for autonomy in assessing QoL. This perspective builds on the capabilities approach developed by Nussbaum and Sen (1993), which frames quality of life in terms of individuals' real freedoms to pursue valued ways of living.

Intangible elements like trust and social cohesion significantly shape QoL. Delhey and Newton (2005) assert that societies with high social trust report enhanced well-being, as trust promotes mutual respect and cooperation. Berger-Schmitt (2002) argues that cohesive societies with shared values exhibit greater resilience to adversities.

Community and interpersonal relationships play a vital role in shaping Quality of Life. Helliwell and Putnam (2005) highlight the support provided by social networks, while Putnam (2000) discusses the decline of social capital in the U.S. and its negative impact on well-being. Culture also influences QoL perceptions. Inglehart and Baker (2000) find a correlation between societies embracing secular-rational values and higher QoL, indicating that cultural shifts with modernization impact QoL perceptions. Inequalities have a profound impact on QoL. Wilkinson and Pickett (2010) show that societies with significant income inequalities face many issues, including diminished trust. Bourdieu (1984) explores how social stratifications influence life chances and QoL. Education is a powerful determinant of QoL. Oreopoulos and Salvanes (2011) link higher education levels to increased civic participation, improved health, and greater life satisfaction. Chetty et al. (2014) find that upward mobility opportunities correlate with better QoL.

Quality of life is shaped by both political and social structures. Elements such as political systems, governance quality, and societal factors—including trust, social

networks, and education—are crucial for understanding and enhancing well-being. Recognizing this complexity is vital to developing effective strategies for improvement.

2. Cross-National Studies on the Quality of Life

Investigating QoL involves theoretical and empirical challenges due to its complexity. Measuring QoL requires considering various factors because life satisfaction is subjective yet influenced by external factors like health and income. Di Tella et al. (2003) examined the effects of demographics such as gender, age, income, and education on life satisfaction. Lane (2000) studied the effects of companionship and social affiliations. Radcliff (2001) expanded this list to include household income, employment status, marital status, number of children, self-assessment of family life, and church attendance. Radcliff also examined the impact of state-level ideology on policy implementation.

Cross-national comparisons show mixed results. Easterlin (1995) found a low correlation between income inequality and QoL. He suggested that people in wealthier countries are not necessarily happier due to relative assessments. The level of satisfaction is similar across countries, with differences often due to measurement errors. Radcliff (2001) discusses *comparison theory*, where life satisfaction is assessed relative to societal norms.

Cultural theory emphasizes national creed and character traits, recognizing variations in QoL at the country level (Inkeles 2017). Inglehart (1990) argued that differences among nations are rooted in cognitive and cultural norms, with political socialization playing a minimal role. He suggests that variations in QoL reflect distinct national experiences.

Livability theory acknowledges the impact of political elements on QoL (Veenhoven and Ehrhardt 1995; Veenhoven 2014). Based on Maslow's theory (1987), livability theory posits that fulfilling higher needs leads to greater happiness. Populations in countries with governments that meet their needs report higher happiness levels. Radcliff

argues that states aligning political strategies with citizens' needs significantly enhance QoL. He focuses on the ideological orientation of state governments, with left-leaning governments promoting equal citizenship and mitigating capitalism's adverse effects. Radcliff shows that socialist welfare orientation and leftist ideology contribute to higher life satisfaction.

3. Political Ideology and QoL: Policy Implementation and/or Psychological Mechanism

Understanding how political ideology affects quality of life requires examining both structural policy impacts and individual-level psychological mechanisms. A growing body of psychological research suggests that individuals with conservative political orientations may report higher levels of subjective well-being than liberals. Napier and Jost (2008) attribute this to psychological mechanisms such as system justification and ideological resilience, which allow conservatives to rationalize inequality and accept existing social arrangements more comfortably. These tendencies can reduce dissonance and promote a more stable and content worldview.

Taylor (2011) supports this view by noting that system-justifying beliefs often correlate with increased subjective well-being, particularly in contexts of inequality. Schlenker et al. (2012) further argue that conservatism fosters well-being by emphasizing personal responsibility, moral clarity, and social stability. Similarly, Brooks (2008) finds that conservative individuals in the U.S. tend to report higher happiness levels, attributing this to greater life structure and alignment with traditional institutions.

However, this relationship is not universal. Studies by Radcliff (2001) and Álvarez-Díaz et al. (2010) find that individuals in more egalitarian, left-leaning environments also experience high levels of life satisfaction, likely due to stronger welfare states and institutional trust. These mixed results highlight the importance of

socio-political context in moderating the effects of ideology on subjective well-being.

By engaging this theoretical lens, our research expands the understanding of how political ideology operates not only at the level of policy preference but also as a psychological framework influencing the perception of quality of life. In particular, we underscore the need to examine not just whether ideology matters, but *how and through what mechanisms* it influences perceptions of life satisfaction. This theoretical grounding provides a foundation for reconsidering the empirical claims of Radcliff (2001) and Álvarez-Díaz et al. (2010), whose work emphasizes the role of leftist ideology and welfare policy in shaping individual happiness.

Reconsidering Radcliff's assertion about the nexus between life satisfaction and leftist ideology invites nuanced inquiry. Álvarez-Díaz et al. (2010) analyzed responses from 47,000 participants across 48 U.S. states, controlling for state and individual variables. They argue that life satisfaction is strongly linked to political ideology and welfare policies. By analyzing how states differ in their political orientations and social policies, they suggest that individuals in states with more generous welfare programs tend to report higher levels of happiness. Although this study provides a seminal contribution to understanding the political determinants of quality of life, connecting state-level policies to individual well-being, it is not without limitations. It does not establish the clear causal connection between political ideology and happiness, and fails to take into account the cultural context and individual factors that influence life satisfaction into consideration.

Napier and Jost (2008) offer findings that contrast with those of Álvarez-Díaz et al. (2010). Using multilevel regression analyses across ten countries, including the United States, they found that conservatives report higher levels of subjective well-being. This greater sense of well-being is attributed to conservatives' ideological resilience, which buffers them more effectively than liberals against the negative emotional impacts of economic inequality. These results suggest that ideological orientation plays a significant role in how individuals perceive and respond to socio-economic disparities.

This research employs a psychological framework, grounded in Napier and Jost's (2008) theoretical framework. This approach addresses the conceptual and methodological limitations inherent in Álvarez-Díaz et al.'s analysis and offers a more comprehensive understanding of the psychological mechanisms underlying political influences on quality of life. Álvarez-Díaz et al. assume that local policies reflect voter preferences directly, overlooking how voting choices contribute to subjective well-being through two pathways: *expressive satisfaction* and *instrumental satisfaction*. Expressive satisfaction arises when an individual votes for a candidate who wins and becomes the incumbent, while instrumental satisfaction relates to life satisfaction derived from the quality of public services provided by the local government. Methodologically, the study fails to capture nonlinear or indirect relationships and treats variables like welfare spending and ideological positioning as discrete, missing potential complexities.

4. Territorial Identity and the Life Satisfaction

The relationship between territorial identity and residential satisfaction has been explored in various studies across different disciplines, including environmental psychology, urban studies, and sociology. Research has shown that people's attachment to and identification with different territorial scales (from neighborhood to nation) can significantly influence their satisfaction with their living environment. For instance, Lewicka (2011) in her comprehensive review found that place attachment and identity are strongly correlated with neighborhood satisfaction, though the relationship becomes more complex at larger territorial scales.

Several studies have specifically examined how different levels of territorial identity interact with residential satisfaction. Hernández et al. (2007) found that local identity (neighborhood and city) tends to have a stronger correlation with residential satisfaction compared to broader territorial identities (region or nation). This may be because daily

experiences and social interactions primarily occur at the local level. Additionally, research by Mesch and Manor (1998) demonstrated that social ties within a neighborhood and length of residence contribute to both stronger territorial identity and higher residential satisfaction. However, it is important to note that these relationships can vary significantly across different cultural contexts and urban settings. For example, studies in rapidly developing areas have found that strong national or regional identity might actually buffer against dissatisfaction with local residential conditions, particularly during periods of urban transformation.

The preceding literature demonstrates that QoL research has evolved to incorporate not only economic and social variables but also psychological and cultural dimensions. However, the integration of political determinants into QoL analysis remains limited. Notably, few studies explicitly connect political attitudes and behaviors to subjective QoL outcomes such as residential or life satisfaction. This gap highlights the need for research that bridges macro-level political contexts with micro-level individual evaluations of well-being. Our study responds to this need by grounding residential satisfaction within broader QoL frameworks and examining how it is shaped by local political congruence, ideological alignment, and territorial identity. In doing so, we build on existing theoretical models while offering new insights into the political underpinnings of life satisfaction and perceived livability.

III. Theory and Hypotheses

In line with established models of quality of life (Cummins 2000; WHOQOL Group 1995), we conceptualize residential satisfaction as a core domain of QoL. Specifically, we treat it as a localized indicator that reflects both objective service provision (e.g., education, health, safety) and subjective perceptions shaped by identity and ideology.

This choice aligns with previous works (Phillips 2006; Lewicka 2011), which emphasize the salience of place-based evaluations in overall QoL.

To further distinguish between related constructs, our model recognizes that life satisfaction encompasses broader life domains, including but not limited to residential conditions. Residential satisfaction, therefore, is a mediating construct that links political and territorial variables to broader assessments of well-being. Our primary focus is on residential satisfaction. However, we also examine how it influences general life satisfaction in supplemental analysis. This approach situates our findings within a comprehensive QoL framework.

Building on this conceptualization, we revisit and refine the causal mechanisms proposed by Álvarez-Díaz et al. (2010). Their model established a link between political ideology and life satisfaction but lacked specificity regarding the intervening processes. In this study, we posit that political ideology systematically influences individuals' subjective evaluations of public service delivery. In turn, satisfaction with these services affects residential satisfaction—an essential component of quality of life—which may also contribute to broader life satisfaction. This mediating pathway reflects both instrumental and expressive mechanisms and is illustrated in Figure 1 below.

Figure 1. Directed Acyclic Graph on the Causal Path among Political Ideology, Satisfaction on Implemented Policy, and Life Satisfaction

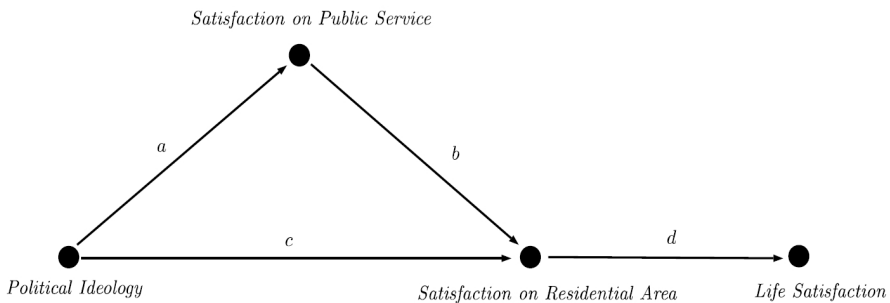


Figure 1 illustrates the causal relationships between political ideology and life satisfaction, focusing on residential satisfaction rather than overall life satisfaction. Path *c* shows that an individual's political ideology, aligned with the governing authority, directly influences life satisfaction in their residential context. This is the “congruence hypothesis,” suggesting that satisfaction with one's residential area increases when the government's political orientation mirrors their own. This relationship is termed the *expressive path*.

The second pathway is indirect, where political ideology affects residential satisfaction through satisfaction with public services provided by the local government (paths *a* and *b* in Figure 1). This is called the *instrumental path*, indicating that residential satisfaction only improves if public services meet expectations.¹⁾ While residential satisfaction influences overall life satisfaction (path *d*), this study focuses on residential satisfaction as one of many factors contributing to life satisfaction. In the empirical analysis, thus, this study will focus on the triangle relationship formed by *a*, *b*, and *c* as depicted in Figure 1.

In our previous critique of Álvarez-Díaz et al. (2010), we highlighted their failure to consider how respondents' electoral choices might influence public service satisfaction. The authors assumed that local governance reflects voters' policy preferences directly rather than indirectly through public service provision, an important oversight in their framework. To address this gap, our analysis incorporates not only residents' political ideologies but also whether they supported the currently elected local government officials, following the directed acyclic causal relation illustrated in Figure 1.

From this consideration, three research hypotheses on the expressive path follow:

1) In their multilevel regression analysis, Napier and Jost (2008) examined the interaction between political ideology and economic inequality on subjective well-being with economic inequality (measured by the Gini Index) as a mediator. Although our research shares a similar logical structure with their study, it differs markedly in its causal explanation and methodology, particularly the use of structural equation modeling.

H1: Residents with a conservative political ideology are likely to have higher levels of residential satisfaction.

H2: Residents who supported the incumbent mayor in higher-level local government elections are likely to experience greater residential satisfaction than those who did not.

Given South Korea's two-tier local government system, a further extension of the hypothesis to the lower-level local government follows.

H3: Residents who voted for the incumbent leader of lower-level local governments are likely to have higher residential satisfaction than those who did not.

Next, we posit three separate hypotheses drawn from the consideration of instrumental path between political ideology and residential satisfaction.

H4: Residents with a conservative political ideology tend to have higher residential satisfaction by being more satisfied with governments' public services.

H5: Residents who supported the incumbent mayor in higher-level local government elections are likely to have greater residential satisfaction than those who did not because they tend to be more satisfied with the public service the local government provides.

H6: Residents who voted for the incumbent leader of lower-level local governments are likely to have higher residential satisfaction than those who did not because they tend to be more satisfied with public service the local government provides.

Although not a political factor, this study is also interested in the effect of residents' territorial identities on residential satisfaction as a variable indicating livability. Based on administrative units, South Korean people may have four territorial identities (*Dong*, *Gu/Gun*, *Si*, country). According to Hernández et al. (2007), the size of the territory has

different effects on residential satisfaction, but this study presents the following generalized hypotheses.

H7: Residents with stronger territorial identities tend to have higher levels of residential satisfaction.

H8: Residents with stronger territorial identities tend to report higher levels of residential satisfaction, mediated by their increased satisfaction with government public services.

IV. Research Design, Data, and Variables

1. Why *Busan* and *Incheon* Metropolitan Cities?

The empirical analysis of this study is derived from a survey conducted in *Busan* and *Incheon* in 2019, aimed at evaluating the impact of local government actions on individual life satisfaction and satisfaction with residential areas. The selection of *Busan* and *Incheon* is predicated on their comparability, making them ideal candidates for pairwise comparison among South Korea's 18 metropolitan local governments.²⁾ Both cities are comparable in terms of population size, economic scale, and historical significance in the modernization and industrialization of South Korea. *Busan* is the second-largest city after Seoul in terms of population, economic strength, and social infrastructure. *Incheon* rivals *Busan* in its claim to being the second-largest metropolitan city by various metrics,

2) Resource constraints limited our survey to two metropolitan municipalities, which was necessary to ensure sufficient cases for analysis at the lowest administrative (*Eup/Myun/Dong*) level. For survey design efficiency, we selected metropolitan cities (*Gwang-yeok-si*) rather than provinces (*Do*). Among South Korea's seven metropolitan cities, we chose *Busan* and *Incheon* based on their comparability. While acknowledging this selection is not ideal, we consider it optimal given our resource limitations. A series of follow-up studies will expand the analysis to include all seven major metropolitan cities.

including population, economic power, and social infrastructure.

Demographically, *Busan* and *Incheon* are among South Korea's most populous cities, coming in second and third, respectively, after Seoul.³⁾ This population density has fostered both cities' vibrant urban cultures, rich traditions, diverse culinary scenes, and dynamic entertainment industries. Each city boasts a unique cultural identity, deeply influenced by its history and geographical location. Yet, they share a commonality in the rapid pace of urbanization and modernization that has shaped their contemporary landscapes.

Busan and *Incheon* serve as critical gateways to the outside world, with *Busan* on the southeastern coast facing the South Pacific Ocean and *Incheon* on the northwest, opening to the Yellow Sea. Their geographical positioning as port cities facilitates substantial international trade, contributing significantly to South Korea's economy. Economically, both cities are comparable in their contribution to the national economy, with robust industrial bases and well-developed infrastructures that support a range of sectors from manufacturing to services.

A notable distinction between the two cities is their geographical relationship with Seoul, which influences residents' settlement tendencies. *Incheon* is characterized by its role as a strategic entry point to Seoul, whereas *Busan*, as the central city of the *Yeongnam* region, boasts a higher proportion of "native" residents compared to *Incheon*. These geographical and demographic nuances suggest that *Busan* residents might experience higher average life satisfaction than their *Incheon* counterparts. Indeed, albeit with a marginal difference, survey results indicate that *Busan* residents report slightly higher life satisfaction than those in *Incheon* (See Table 2).

Despite the similarities, *Busan* and *Incheon* exhibit distinct political and social

3) As of January 2024, *Busan*'s population is 3.29 million, while *Incheon*'s is 3 million. However, the population rankings of *Busan* and *Incheon* are expected to be reversed shortly, as *Busan* is experiencing population outflow, whereas *Incheon* is seeing population influx.

orientations. Historically, *Busan* has been known for its conservative political tendencies, often showing strong support for conservative parties. This conservative inclination is partly attributed to the city's role in the Korean War and its economic development patterns, which have fostered a particular social values and political affiliations.

In contrast, *Incheon* has earned a reputation as an “opposition city,” with a more liberal or progressive stance on many issues. Compared to *Busan*, *Incheon*'s political landscape is characterized by the absence of consistent regionalist voting patterns, reflecting a more diverse or fragmented political orientation among its populace. This divergence in political culture between the two cities can be linked to their historical, economic, and social trajectories, which have influenced their residents' prevailing attitudes and beliefs.

Regarding urban development and quality of life, both *Busan* and *Incheon* have made significant strides in enhancing the living conditions of their residents. *Busan*'s “*Bu-Ul-Gyeong* Economic Union” aims at creating a sustainable economic zone in the southeastern region to counterbalance the Seoul-centric development model, while *Incheon* has focused on leveraging its status as a transportation hub and its proximity to Seoul to attract investment and improve public services. However, the effectiveness of local governance in addressing the needs of residents varies, with each city facing unique challenges related to urban planning, environmental management, and social welfare.

In summary, *Busan* and *Incheon* stand as two of South Korea's prominent cities, each playing a distinct yet vital role in shaping the country's economic strength and cultural identity. While they share similarities as major port cities with significant economic contributions and vibrant urban cultures, they differ markedly in their political orientations, social dynamics, and approaches to urban development. Understanding these similarities and differences provides valuable insights into the complex fabric of South Korean society and the diverse experiences of its urban populations.

2. Data, Dependent and Independent Variables

Data were collected through an online survey by Global R&C from September 26 to October 10, 2019, using a proportionate stratified sampling method referencing gender, age, and administrative level. The survey included 4,709 adults (age 18 or older) in *Busan* and *Incheon*.

Table 1. Descriptive Statistics of All

VARIABLES	N	mean	sd	min	max
Individual satisfaction	4,693	3.425	0.972	1	5
Ideology	4,435	4.919	2.045	0	10
Congruence1	4,709	0.507	0.500	0	1
Congruence 2	4,709	0.47	0.500	0	1
Public service satisfaction	4,331	3.110	0.713	1	4
Ti1(<i>Dong</i>)	4,619	3.094	0.741	1	4
Ti2(<i>Gu/Gun</i>)	4,636	3.062	0.729	1	4
Ti3(<i>Si</i>)	4,607	3.144	0.741	1	4
Ti4(<i>State</i>)	4,599	3.311	0.691	1	4
Gender(female)	4,709	0.501	0.500	0	1
Age	4,709	43.84	13.92	19	78
Education	4,709	4.054	1.342	1	6
Marital status	4,524	1.592	0.492	1	2
Household income	4,709	5.006	2.407	1	11

Table 1 provides descriptive statistics of key variables. Note that our main dependent variable and mediator variable are constructed as latent variables from the multiple indicators, as delineated below. To compare the quality of life in *Busan* and *Incheon*, we can examine the individual overall life satisfaction. Individual life satisfaction in our survey is measured on a five-point Likert scale from strongly dissatisfied to strongly satisfied. Table 2 shows that residents of *Busan* exhibit marginally higher levels of

individual life satisfaction compared to those in *Incheon*.

Table 2. Descriptive Statistics of *Busan* and *Incheon*

VARIABLES	<i>Busan</i>					<i>Incheon</i>				
	N	mean	sd	min	max	N	mean	sd	min	max
Individual satisfaction	2,632	3.437	0.953	1	5	2,061	3.409	0.995	1	5
Ideology	2,500	5.006	2.016	0	10	1,935	4.808	2.077	0	10
Congruence1	2,643	0.489	0.500	0	1	2,066	0.530	0.499	0	1
Congruence 2	2,643	0.443	0.497	0	1	2,066	0.524	0.500	0	1
Public service satisfaction	2,420	3.128	0.703	1	4	1,911	3.087	0.725	1	4
Ti1(<i>Dong</i>)	2,596	3.131	0.745	1	4	2,023	3.047	0.745	1	4
Ti2(<i>Gu/Gun</i>)	2,601	3.107	0.734	1	4	2,035	3.003	0.719	1	4
Ti3(<i>Si</i>)	2,584	3.239	0.715	1	4	2,023	3.022	0.756	1	4
Ti4(<i>State</i>)	2,577	3.327	0.686	1	4	2,022	3.291	0.696	1	4
Gender(female)	2,643	0.509	0.500	0	1	2,066	0.490	0.500	0	1
Age	2,643	43.69	14.12	19	78	2,066	44.04	13.66	19	74
Education	2,643	4.128	1.320	1	6	2,066	3.959	1.364	1	6
Marital status	2,546	1.570	0.495	1	2	1,978	1.620	0.485	1	2
Household income	2,643	4.945	2.455	1	11	2,066	5.085	2.342	1	11

In the following analysis, we will primarily focus on residential satisfaction as a key predictor of overall individual satisfaction, positing it as the dependent variable. However, it is important to note that the summary statistics of residential satisfaction are not provided in Table 1, because it is a latent variable constructed from the following six items: education, living standard, environment, health, welfare, and local economy, all measured on a five-point Likert scale from strongly dissatisfied to strongly satisfied.

The main independent variables are the respondent’s ideological orientation (to test H1 and H4) and two congruence variables (to test H2, H3, H5 and H6). Ideological orientation is measured on a self-reported 0-10 scale, from liberal to conservative. The mean score is 4.919, indicating ideologically moderate. A two-sample *t*-test shows that

individuals in *Busan* are more conservative than those in *Incheon* ($p < 0.01$).

Congruence variables assess if the respondent's supporting political party aligns with the incumbent's. Given South Korea's two-tier local government structure—metropolitan cities/provinces (upper level) and cities/counties (lower level: referred to as *Gu/Gun*)—two binary variables are created to assess congruence at both tiers. Congruence 1 is coded as 1 if the respondent voted for the incumbent Mayor (upper level) and 0 otherwise. Congruence 2 is coded as 1 if the respondent supported the incumbent head (lower level) in the previous elections. This set of variables evaluates the congruence hypothesis independently and concurrently across both levels.

As shown in Table 2, support for the incumbent mayor and head is higher in *Incheon* than in *Busan*. Two-sample *t*-tests indicate significant differences in the means of the two congruence variables at a 0.01 significance level.⁴⁾

The mediator (*M*) is a latent variable, and the composite measure of *residents' satisfaction with services provided by local governments*, termed “public service satisfaction.” Modeling public service satisfaction as a mediator suggests that overall life satisfaction may be influenced by satisfaction with local government services. Public service satisfaction is based on respondents' ratings across seven domains: education, policing, traffic, welfare, health, local economy, and recreation, all measured on a five-point Likert scale from strongly dissatisfied to strongly satisfied.

4) Some background information on the political circumstances in 2019 is in order. In the wake of the impeachment of conservative President Park Geun-hye in 2017, the 2018 local elections were held under circumstances that posed challenges for conservative candidates. Candidates from the Democratic Party were elected as mayors in both *Busan* and *Incheon*. This trend of victories for the Democratic Party extended to the elections for local government heads in these cities. In *Busan*, the majority of local government heads, specifically 13 out of 16, were held by members of the Democratic Party. The remaining positions were occupied by two representatives from the Liberty Korea Party, the antecedent of the current People's Power Party, and one independent. Similarly, in *Incheon*, the Democratic Party secured leadership in 9 out of 10 local governments, with the remaining position held by a member of the Liberty Korea Party. Given the local election results, it is unsurprising that the support for the incumbent mayor and heads of *Gu/Gun* remained low in the traditionally conservative city of *Busan*.

Four territorial identity variables capture the effect of territorial identities of various levels on life satisfaction: South Korea (national, Ti4), *Busan/Incheon* (upper-level local, Ti3), *Gu/Gun* (lower-level local, Ti2), and *Eup/Myun/Dong* (lowest administrative unit, Ti1). Koreans generally exhibit a weak sense of local identity and attachment. Most Koreans express stronger national identity when asked to prioritize among national, provincial, or primary local layers (Yoo 2018, 519). These variables are self-reported on a 1-4 Likert scale, from “not intimate at all” (1) to “very intimate” (4). Survey respondents show the highest intimacy towards the country (national), with *t*-tests confirming that national identity surpasses other territorial identities at a 0.01 significance level. Table 1 also indicates weaker territorial identity for lower-level units (Ti1 and Ti2) than for upper-level units (Ti3 and Ti4).

At the national level, there is no significant difference in territorial identity between *Busan* and *Incheon*. However, subnational-level territorial identities are higher in *Busan* than in *Incheon*. This could be due to geographic proximity to Seoul, residents’ inclination to settle down, and varying degrees of political localism. Political localism refers to residents’ perception of local political *elites* influencing national decision-making (Andrew and Goldsmith 1998). *Busan*’s heightened political regionalism, compared to other regions’, is partly attributed to three out of seven South Korean presidents since democratization in 1987 hailing from *Busan*, including former Presidents Kim Young Sam (1993-1998), Roh Moo-hyun (2003-2008) and Moon Jae-in (2017-2022).

Other control variables include age, gender, marital status, education level, and household income. Gender and age distributions show no significant disparity between the two cities. *Busan* has higher educational attainment levels, while *Incheon* shows more pronounced marital status and household income.

V. Results

Our statistical analysis progressed in two distinct steps. We initially examined the direct and indirect effects using the entire sample and employing a structural equation model (Figure 2). Secondly, we focused on disentangling the indirect effects, first exclusively within the context of *Busan* and then exclusively within the confines of *Incheon* alone.

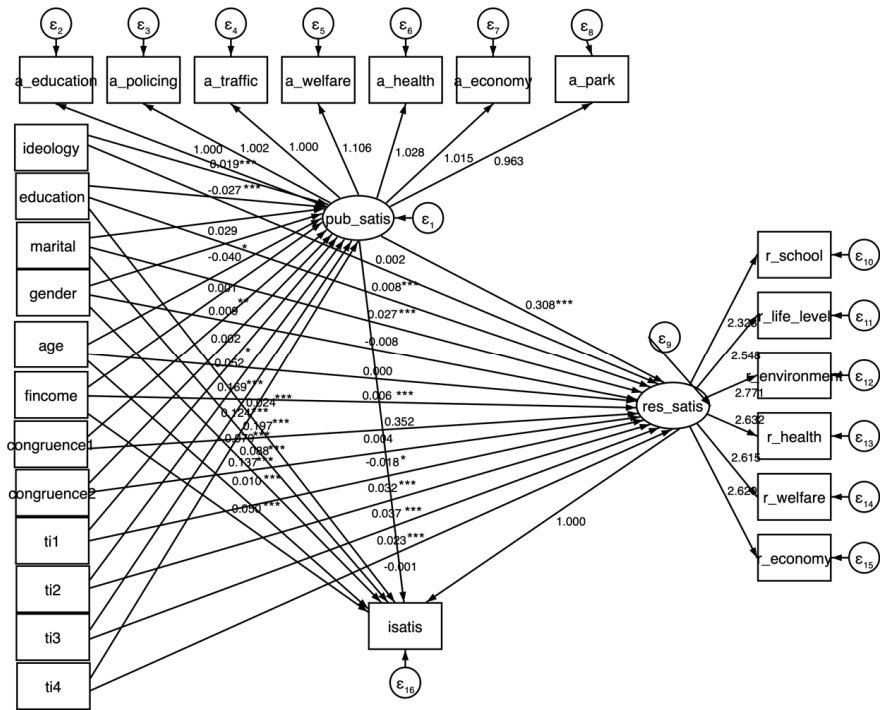
1. Overall Data

1) Direct Effect on Residential Satisfaction

In Model 1-1 of Table 3 (direct effect), married and more educated individuals report higher residential satisfaction than their unmarried and less educated counterparts. Age and gender have no statistically significant impact on residential satisfaction, while household income positively influences it. Territorial identity variables, except Ti4 (national identity), positively correlate with residential satisfaction. Ti2 (*Gu/Gun*) has the most significant impact, followed by Ti1 (*Dong*) and Ti3 (*Si*). National-level territorial identity (Ti4) shows a negative and insignificant effect. The empirical finding that a territorial identity with *Gu/Gun*, the lower tier of the two-tier local autonomy system, influences residential satisfaction is particularly intriguing. Critics of the current local autonomy system advocate for the abolition of the *Gu/Gun* level autonomy as an initial step toward streamlining the system. It is noteworthy that among the dual tiers of local autonomy, the *Gu/Gun* level, often deemed non-essential, exhibits the most significant direct positive impact on residential satisfaction. Among political variables, ideology and congruence 1 (voting for an upper-level incumbent in the preceding election) are not statistically significant, but congruence 2 (voting for the current lower-level unit incumbent) has a weakly negative effect.⁵⁾ All three hypotheses (H1, H2, and H3)

regarding the expressive path are rejected in our empirical test with the overall data. Public service satisfaction significantly affects residential satisfaction at a 99% confidence level, with a coefficient of 0.308.

Figure 2. SEM Results for All in Diagram



5) It is not clear why residents who voted for the head of local government show lower residential satisfaction. Since the level of statistical significance is only 0.1, we do not attempt an interpretation of the coefficients here. Nevertheless, it is obvious that the hypothesis regarding the expressive path from *Gu/Gun*-level electoral behavior to residential satisfaction (H3) is rejected.

Table 3. SEM for All

	VARIABLES	Direct Effect on Residential Satisfaction (1-1)	Direct Effect on Public Service Satisfaction (1-2)	Direct Effect on Individual Life Satisfaction (1-3)	Indirect Effect on Residential Satisfaction (1-4)	Indirect Effect on Individual Life Satisfaction (1-5)	Total Effect on Residential Satisfaction (1-6)	Total Effect on Individual Life Satisfaction (1-7)
Territorial Identity	Ti1(Dong)	0.032*** (0.007)	0.169*** (0.018)		0.052*** (0.007)	0.144*** (0.014)	0.084*** (0.010)	0.144*** (0.014)
	Ti2(Gu/Gun)	0.037*** (0.008)	0.124*** (0.021)		0.038*** (0.007)	0.119*** (0.015)	0.075*** (0.011)	0.119*** (0.015)
	Ti3(Si)	0.023*** (0.007)	0.079*** (0.020)		0.024*** (0.007)	0.075*** (0.015)	0.047*** (0.010)	0.075*** (0.015)
	Ti4(Nation)	-0.001 (0.007)	0.137*** (0.019)		0.042*** (0.007)	0.089*** (0.014)	0.041*** (0.009)	0.089*** (0.014)
Demographic Factors	Gender(female)	-0.008 (0.007)	-0.040* (0.0210)	0.088*** (0.026)	-0.012* (0.007)	-0.034** (0.015)	-0.020** (0.009)	0.054* (0.030)
	Age	0.000 (0.000)	0.002 (0.001)	0.010*** (0.001)	0.000 (0.000)	0.001* (0.001)	0.001* (0.000)	0.011*** (0.001)
	Education	0.008*** (0.003)	-0.027*** (0.008)	0.024** (0.010)	-0.008*** (0.002)	-0.010* (0.006)	-0.000 (0.004)	0.015 (0.011)
	Marital Status	0.027*** (0.010)	0.033 (0.0271)	0.197*** (0.034)	0.009 (0.008)	0.046** (0.020)	0.036*** (0.012)	0.243*** (0.038)
	Household Income	0.006*** (0.001)	0.009** (0.004)	0.050*** (0.006)	0.003** (0.001)	0.012*** (0.003)	0.008*** (0.002)	0.062*** (0.006)
Political Factors	Ideology	0.002 (0.002)	0.019*** (0.005)		0.006*** (0.002)	0.015*** (0.004)	0.008 (0.003)	0.015*** (0.004)
	Congruence1	0.004 (0.011)	0.002 (0.032)		0.001 (0.010)	0.006 (0.023)	0.005 (0.014)	0.006 (0.023)
	Congruence 2	-0.018* (0.011)	0.052* (0.031)		0.016 (0.010)	0.016 (0.023)	-0.002 (0.014)	0.016 (0.023)
Public Service Satisfaction		0.308*** (0.024)		0.352*** (0.034)		0.308*** (0.024)	0.308*** (0.024)	0.660*** (0.022)
Observations		3,868						
Likelihood Ratio		3225.211						
AIC		231545.096						
BIC		232002.112						
Overall R^2		0.311						

Standard errors in parentheses

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

2) Direct Effect on Public Service Satisfaction

Model 1-2 examines the direct effect on public service satisfaction. All territorial identity variables exhibit positive and statistically significant effects. The impact of the lowest-level administrative unit ($Ti1$, *Dong*) is the most significant, while Si ($Ti3$, the second largest administrative unit among the four levels examined) has the smallest effect on public service satisfaction. Unlike in Model 1-1, in Model 1-2 national-level territorial identity also positively and significantly correlates with public service satisfaction. These findings suggest that residents are relatively less aware of Si 's role as a public service provider than *Dong*, *Gu/Gun*, or nation. Additionally, the influence of Tis on public service satisfaction in upper administrative units may diminish as South Korean citizens primarily receive public services from lower-level administrative units.

The effect of ideology is positive and statistically significant, indicating that those leaning more conservative tend to be more satisfied with provided public services (Model 1-2 in Table 3). Given that liberals (often equated with progressive in South Korea) often express dissatisfaction with existing public services due to their inclination toward advocating for social change and reform, it is plausible that conservatives, by contrast, exhibit a higher level of satisfaction with the current provision of public services than liberals do. Among the congruence variables, only congruence 2 (voting congruence with the incumbent head) is positive and statistically significant, while congruence 1 is not statistically significant. As noted earlier, *Gu/Gun* offices and *Dong*-level community service centers offer public services to residents. Voting for the local head is the most crucial and readily available political action for residents to express their satisfaction or dissatisfaction with public services.

The next phase of our analysis involves untangling the indirect effects of determinants on residential satisfaction.

3) Indirect Effects on Residential Satisfaction

Model 1-4 examines the indirect effects on residential satisfaction of demographic, political, and territorial identity variables. All four territorial identities are statistically significant at a 99% confidence level. The results reveal that territorial identity with a lower-level administrative unit has the most substantial effect on residential satisfaction, echoing the findings from Model 1-1 for direct residential satisfaction and Model 1-2 for public service satisfaction. Conservative ideological orientation also positively affects residential satisfaction, while the effects of vote choice are insignificant in this model. Only H4 about the instrumental path is confirmed in our empirical test with the overall data.

The comprehensive analysis unveils the complete picture of the direct, indirect, and total effects on public service and residential satisfaction (see Model 1-1, Model 1-4 and Model 1-6 in Table 3). Territorial identity variables, particularly at the lowest administrative unit, demonstrate significant effects on residential satisfaction, with the country's identity influencing satisfaction solely through public service satisfaction. It is plausible that residents' identification with their country does not exert a direct influence on their residential satisfaction. Furthermore, the estimation results from Model 1-6 suggest that the coefficient representing the total effect of territorial identity increases as the territorial level of hierarchy decreases. Given that lower levels of territory are more tangible and perceptible to residents as components of their living space, this finding makes perfect sense.

Ideological orientation impacts residential satisfaction solely through the instrumental path, while vote choice variables show limited direct effects. However, their total effects on residential satisfaction appear insubstantial. Upon analyzing the subsamples from *Busan* and *Incheon*, we will endeavor to provide a comprehensive interpretation of how political ideology and voting behavior impact residential satisfaction. Now, the analysis will dissect the effects for *Busan* and *Incheon* separately.

2. Subsample analyses: *Busan and Incheon*

Table 4. SEM Results for *Busan Only*

	VARIABLES	Direct Effect on Residential Satisfaction (2-1)	Direct Effect on Public Service Satisfaction (2-2)	Direct Effect on Individual Life Satisfaction (2-3)	Indirect Effect on Residential Satisfaction (2-4)	Indirect Effect on Individual Life Satisfaction (2-5)	Total Effect on Residential Satisfaction (2-6)	Total Effect on Individual Life Satisfaction (2-7)
Territorial Identity	Ti1(Dong)	0.043*** (0.011)	0.197*** (0.025)		0.061*** (0.010)	0.174*** (0.019)	0.104*** (0.015)	0.174*** (0.019)
	Ti2(Gu/Gun)	0.044*** (0.011)	0.142*** (0.027)		0.044*** (0.009)	0.138*** (0.020)	0.087*** (0.015)	0.138*** (0.020)
	Ti3(Si)	0.016 (0.011)	0.046* (0.027)		0.014** (0.009)	0.046** (0.020)	0.030** (0.013)	0.046** (0.020)
	Ti4(Nation)	-0.006 (0.010)	0.116*** (0.026)		0.036*** (0.009)	0.071*** (0.020)	0.030** (0.013)	0.071*** (0.020)
Demographic Factors	Gender(female)	-0.002 (0.011)	-0.002 (0.027)	0.083** (0.033)	-0.001 (0.008)	-0.003 (0.020)	-0.002 (0.013)	0.080** (0.038)
	Age	0.000 (0.001)	0.002 (0.001)	0.012*** (0.002)	0.001 (0.000)	0.002* (0.001)	0.001 (0.001)	0.013*** (0.002)
	Education	0.007* (0.004)	-0.035*** (0.010)	-0.002 (0.013)	-0.011*** (0.003)	-0.016** (0.008)	-0.003 (0.005)	-0.018 (0.015)
	Marital Status	0.029** (0.014)	0.079** (0.035)	0.216*** (0.044)	0.024** (0.011)	0.081*** (0.026)	0.053*** (0.017)	0.297*** (0.050)
	Household Income	0.005** (0.002)	0.010* (0.006)	0.042*** (0.007)	0.003* (0.002)	0.012*** (0.004)	0.009*** (0.003)	0.055*** (0.008)
	Ideology	-0.001 (0.003)	0.021*** (0.007)		0.006*** (0.002)	0.013** (0.005)	0.005 (0.003)	0.013** (0.005)
Political Factors	Congruence1	-0.005 (0.016)	-0.056 (0.041)		-0.018 (0.013)	-0.042 (0.030)	-0.022 (0.020)	-0.042 (0.031)
	Congruence 2	-0.005 (0.016)	0.133*** (0.04)		0.041*** (0.013)	0.083*** (0.030)	0.036* (0.020)	0.083*** (0.030)
	Public Service Satisfaction	0.309*** (0.029)		0.354*** (0.043)		0.309*** (0.029)	0.309*** (0.029)	0.663*** (0.030)
	Observations	2,173						
	Likelihood Ratio	2019.667						
	AIC	129681.926						
	BIC	130096.848						
	Overall R^2	0.338						

Standard errors in parentheses

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Tables 4 and 5 illustrate the SEM results of sub-samples from *Busan* and *Incheon*, respectively. Table 6 summarizes the results of hypothesis testing conducted using the pooled sample and two subsamples. While these tables offer a comprehensive view of the SEM outcomes, our focus in this section will be on the crucial distinctions between the two metropolitan cities. These disparities primarily emerge in demographic variables (gender and marital status), territorial identities (especially, Ti3), and some political factors (political ideology and congruence 2)

In terms of demographic variables, differences between the two SEM results are evident in gender and marital status. Firstly, in *Busan*, gender does not consistently impact residential satisfaction (Model 2-1, Model 2-4, and Model 2-6 in Table 4). Conversely, females in *Incheon* exhibit lower residential satisfaction compared to males (Model 3-6 in Table 5), a discrepancy primarily mediated by public service satisfaction (no direct effect in Model 3-1 and a negative indirect effect in Model 3-4). This suggests that dissatisfaction among women in *Incheon* with public services translates into lower overall residential satisfaction. Secondly, married residents in *Busan* report higher levels of residential and individual life satisfaction than unmarried individuals (Model 2-6 in Table 4). This satisfaction is both directly attributed to marital status (Model 2-1) and indirectly influenced by satisfaction with public services (Model 2-4). While married residents in *Incheon* also display higher levels of individual life satisfaction than unmarried counterparts (Model 3-1), marital status directly affects residential satisfaction, potentially influenced by factors beyond government-provided public services (Model 3-2 and Model 3-4). While detailed information on the quality of public services for married individuals in both cities is lacking, it is plausible that satisfaction with services contributes to higher levels of residential satisfaction among married individuals in *Busan*. Our empirical findings show that *Busan* is perceived as a more favorable location for women and married couples than *Incheon*. This interpretation aligns with the observed impact of territorial identities and political ideology on

residential satisfaction as below.

Table 5. SEM Results for Incheon Only

	VARIABLES	Direct Effect on Residential Satisfaction (3-1)	Direct Effect on Public Service Satisfaction (3-2)	Direct Effect on Individual Life Satisfaction (3-3)	Indirect Effect on Residential Satisfaction (3-4)	Indirect Effect on Individual Life Satisfaction (3-5)	Total Effect on Residential Satisfaction (3-6)	Total Effect on Individual Life Satisfaction (3-7)
Territorial Identity	Ti1(Dong)	0.023** (0.009)	0.129*** (0.027)		0.043*** (0.009)	0.108*** (0.020)	0.066*** (0.012)	0.108*** (0.020)
	Ti2(Gu/Gun)	0.033*** (0.011)	0.084** (0.033)		0.028** (0.011)	0.088*** (0.024)	0.061*** (0.015)	0.088*** (0.024)
	Ti3(Si)	0.027** (0.011)	0.125*** (0.032)		0.042*** (0.011)	0.110*** (0.023)	0.069*** (0.014)	0.110*** (0.023)
	Ti4(Nation)	0.008 (0.010)	0.162*** (0.028)		0.054*** (0.010)	0.115*** (0.021)	0.062*** (0.013)	0.115*** (0.021)
Demographic Factors	Gender(female)	-0.018 (0.011)	-0.084** (0.034)	0.109*** (0.041)	-0.028** (0.011)	-0.073*** (0.024)	-0.046*** (0.015)	0.036 (0.047)
	Age	0.001 (0.001)	0.001 (0.002)	0.006*** (0.002)	0.000 (0.001)	0.001 (0.001)	0.001 (0.001)	0.007*** (0.002)
	Education	0.009** (0.004)	-0.017 (0.013)	0.057*** (0.015)	-0.005 (0.004)	-0.002 (0.009)	0.003 (0.006)	0.055*** (0.018)
	Marital Status	0.034** (0.015)	-0.037 (0.046)	0.136*** (0.052)	-0.012 (0.016)	0.010 (0.033)	0.022 (0.020)	0.146** (0.060)
	Household Income	0.006** (0.002)	0.004 (0.007)	0.058*** (0.009)	0.001 (0.002)	0.009* (0.005)	0.008** (0.003)	0.068*** (0.010)
Political Factors	Ideology	0.006** (0.003)	0.016* (0.009)		0.005* (0.003)	0.016*** (0.006)	0.011*** (0.004)	0.016*** (0.006)
	Congruence1	0.012 (0.017)	0.078 (0.050)		0.026 (0.017)	0.064* (0.036)	0.038* (0.023)	0.064* (0.036)
	Congruence 2	-0.029* (0.017)	-0.046 (0.050)		-0.015 (0.017)	-0.059* (0.035)	-0.044* (0.023)	-0.059* (0.035)
	Public Service Satisfaction	0.333*** (0.040)		0.324*** (0.031)		0.333*** (0.014)	0.333*** (0.014)	0.658*** (0.034)
Observations		1695						
Likelihood Ratio		17655.944						
AIC		101286.427						
BIC		101677.779						
Overall R^2		0.293						

Standard errors in parentheses

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

This table summarizes the empirical findings from the study on determinants of residential satisfaction in Busan and Incheon, South Korea. It includes direct, indirect, and total effects of political and territorial factors on residential satisfaction.

Table 6. Summary of Empirical Findings on Determinants of Residential Satisfaction

Variable	Effect Type	Data Set			Hypothesis Test Results	
		Overall	Busan	Incheon		
Political Ideology	Direct	X	X	O (+)	H1 confirmed only in Incheon	
	Indirect	O (+)	O (+)	O (+)	H4 confirmed	
	Total	X (+)	X (+)	O (+)	Significant Total Effect only in Incheon	
Voting History	Upper-Level Head (Congruence 1)	Direct	X	X	X	H2 rejected
		Indirect	X	X	X Weak (+)	H5 rejected
		Total	X	X	O Weak (+)	Total Effect in only in Incheon
	Lower-Level Head (Congruence 2)	Direct	O Weak (-)	X	X Weak (-)	H3 rejected
		Indirect	X	O (+)	X	H6 confirmed only in Busan
		Total	O Weak (-)	O Weak (+)	X Weak (-)	Total Effect in only in Busan but weak
Territorial Identity:	Ti1 (Dong)	All effects	O Strong (esp. strongest in Total Effect)	O Strong (esp. strongest in Total Effect)	O Moderate	H7 and H8 confirmed (esp. in Busan)
	Ti2 (Gu/Gun)	All effects	O Strong	O Strong	O Moderate	H7 and H8 confirmed (esp. in Busan)
	Ti3 (Si)	All effects	O Moderate	O Weak Indirect & Moderate Total Effect	O Moderate	H7 and H8 confirmed (esp. in Incheon)
	Ti4 (Nation)	All effects	O Indirect & Moderate Total Effect	O Indirect & Moderate Total Effect	O Indirect & Moderate Total Effect	H8 confirmed

O = Supported/Significant | X = Not supported or Insignificant

Regarding territorial identities, the total effects of independent variables indicate that in *Busan*, identities at the *Dong* and *Gu/Gun* levels significantly impact residential satisfaction more than those at the *Si*/national levels (Model 2-6 in Table 4). Conversely, in *Incheon*, all four territorial identity variables exhibit similar magnitudes of effect based on their total impact (Model 3-6 in Table 5). Specifically, there is a significant difference between *Busan* and *Incheon* concerning the influence of Ti3, which corresponds to the metropolitan city/province level in administrative districts, on residential satisfaction. In *Busan*, only indirect effects of Ti3 are evident (Model 2-1 and Model 2-4), whereas in *Incheon*, both direct and indirect effects have been observed (Model 3-1 and Model 3-4). A thorough interpretation of the positive direct effect of Ti3 on residential satisfaction in *Incheon* is essential and warrants further elaboration.

Given that the models were estimated separately for each subsample, we cannot draw the conclusion that the observed direct effects of territorial identities have *causal* effect on residential satisfaction in *Incheon*. We suspect instead that territorial attachment may be the precondition for residential satisfaction, and that residential satisfaction can only increase when there is strong territorial identity. On the basis of this reasoning, we could argue that the residents in *Busan*, where Ti3 has no bearing on residential satisfaction, may be more fortunate than those in *Incheon*, who need a strong identification with their city to feel more satisfied. This phenomenon may be attributed to the unique characteristics of *Incheon* as a city experiencing a high influx of residents and serving as a gateway to the capital city, Seoul.

The disparities between *Busan* and *Incheon* are also notable in how political ideology influences residential satisfaction. In *Busan*, conservative individuals tend to express higher satisfaction with public services and, considering the total effect of political ideology, report greater individual life satisfaction. However, political ideology does not significantly affect residential satisfaction. In contrast, in *Incheon*, conservative individuals exhibit inclinations towards greater residential satisfaction, with those

satisfied with public services also reporting higher satisfaction levels.

The influence of political ideology on residential satisfaction exhibits similar pattern to those observed with Ti3. In *Busan*, the effect of political ideology manifests indirectly through satisfaction with public services, whereas in *Incheon*, it exerts both a direct effect on residential satisfaction and an indirect effect via public service satisfaction. Again, the key issue here is in interpretation of presence or absence of a direct effect of political ideology. As in the interpretation of the coefficients of Ti3, we cannot simply say that conservative residents in *Incheon* are more satisfied with their residential environment compared to their counterparts in *Busan*, based on the comparison of the coefficients. Drawing upon Napier and Jost's (2008) psychological framework, which explains why political conservatives may experience higher levels of subjective well-being, the results suggest that in *Incheon*, the resilience of conservative ideology effectively mitigates the adverse hedonistic impacts of economic inequality. Conversely, in *Busan*, the perception of economic inequality may not be pronounced enough for the buffering effects of conservative political ideology to manifest.

Our interpretation aligns with the ideological contrasts between the two cities discussed in Section IV.1. It might be perceived that residents of *Busan* are more fortunate than those in *Incheon* in the sense that they experience less economic inequality. However, the economic realities in these cities are markedly different. Specifically, *Busan* is currently experiencing economic stagnation, whereas *Incheon* is undergoing economic growth. Given that economic growth tends to go with deepening economic inequalities, we believe this interpretation can be warranted.

The influence of two variables related to residents' voting choices on residential satisfaction appears negligible across both cities, as demonstrated in Models 2-6 and 3-6 in Tables 4 and 5, respectively (see Table 6 for a summary). This suggests that the local political dynamics associated with local elections do not play a significant role in enhancing residential satisfaction. Specifically, the election outcomes—whether the

candidates chosen by residents were victorious—did not materially influence their life satisfaction in either city. This observation aligns with the consistently low voter turnout in local elections and the secondary status of local autonomy in South Korea, despite its 30-year duration since the reinstatement of local elections in 1995. However, in *Busan*, the residents' voting choices for local government heads (*Gu/Gun*-level elections) indirectly contribute to residential satisfaction, improving in proportion to their satisfaction with the public services rendered by the elected officials. This disparity between the two cities may stem from their respective proximities to Seoul, residents' inclination to settle down, and varying degrees of political localism (as mentioned in section IV.2), suggesting that *Busan* might offer more space for local politics than *Incheon*. This finding corroborates our earlier results indicating that in *Incheon*, the effects of territorial identity on residential satisfaction are consistent across different levels, whereas in *Busan*, the impacts of Ti4 (*Dong*) and Ti3 (*Gu/Gun*) are substantially stronger than those of Ti2 and Ti1. The implications of these findings for potential reforms to the Korean local autonomy system will be examined in more detail in the forthcoming discussion.

VI. Conclusion

In this paper, we explored the key determinants of residential satisfaction by analyzing original survey data from two major metropolitan areas in South Korea: *Busan* and *Incheon*. We performed structural equation modeling (SEM) to assess the direct effects (H1, H2, H3 and H7) and indirect effects (H4, H5, H6 and H8), mediated through public service satisfaction, of three political factors on residential satisfaction. The analysis solely confirmed the hypothesis (H4) concerning the indirect influence of political ideology (see Table 6). Contrary to the political explanations posited by Radcliff (2001)

and Álvarez-Díaz et al. (2010), which align with the livability theoretical framework suggesting liberal residents would exhibit higher satisfaction, it was conservative residents in South Korea (*Busan* and *Incheon*) who reported greater residential satisfaction mediated by higher public service satisfaction. This finding aligns with Napier and Jost (2008), who suggest that this is attributable to ideological resilience, a psychological trait predominantly associated with conservatives.⁶⁾

The empirical findings from the overall dataset suggest that the impact of local politics on residential satisfaction is relatively insignificant. The analysis indicates that neither the electoral success of residents' preferred candidates nor the quality of public services provided by the local government's executive significantly influences their residential satisfaction. Although we should be careful not to overstretch the empirical findings to cover the entire country because we analyze only residents of *Busan* and *Incheon*, the empirical findings are deemed credible as they align with the context of South Korea, characterized by relatively low voter turnout in local elections, which are considered of secondary importance within the country's political landscape.

These empirical results from the overall data raise an important question: Are the pessimistic critiques of South Korea's local autonomy system justified? The empirical analysis of the sub-sample data of *Busan* and *Incheon* shows a very different picture, which shows that the impact of local politics on resident satisfaction can vary from region to region. In other words, the differences between the two cities suggest that the local autonomy system plays its role and injects dynamism into local politics in each area.

First, both *Incheon* and *Busan* show a positive indirect effect of political ideology on residential satisfaction through satisfaction with public services. However, the direct influence of conservative political ideology on residential satisfaction is observed only in *Incheon*. We interpret it as the outcome of the ideological resilience of conservatism

6) From a cultural rather than psychological perspective, we believe this finding indicates that South Koreans predominantly align with liberal democratic values rather than social democratic principles.

operating in mitigating residents' unhappiness in *Incheon*, where the influx of population has led to overpopulation and heightened competition for living spaces. This interpretation aligns with the finding that *Incheon*'s residential satisfaction is statistically significantly lower than that of *Busan*, as evidenced by descriptive statistics.

Second, the effect of territorial identities on residential satisfaction also showed differences between the two subsample analyses of *Incheon* and *Busan*. In the case of *Busan*, the effect of identity toward the most basic administrative unit, *Dong* (Ti4), and the lower-tier local government, *Gu/Gun* (Ti3), on residential satisfaction was nearly twice as much as the effect of identity toward the upper-tier local government, *Si* (Ti2), and the nation. On the other hand, in *Incheon*, the effect sizes of territorial identity were consistent across various levels. Moreover, there was a noticeable variance in the direct effects of *Si* (Ti2) identity on residential satisfaction. Specifically, residential satisfaction among *Incheon* residents increased with a stronger city identity, whereas in *Busan*, the residents' degree of city identity did not significantly influence their residential satisfaction. As Mesch and Manor (1998) pointed out, this disparity is attributed to differences in population dynamics between the two cities. *Busan* is characterized as a stagnant and aging city, whereas *Incheon* serves as a strategic gateway for migration into the metropolitan area and further into Seoul.

Ultimately, the differences between the two cities can be attributed to the residents' perceptions of the efficacy of local politics. In *Incheon*, residents' choices in local elections do not appear to influence their residential satisfaction. In contrast, in *Busan*, residential satisfaction is positively impacted when the candidate favored by the electorate wins in the *Gu/Gun* elections, an effect mediated by improved satisfaction with public services. This pattern is consistent with the previously noted influence of territorial identity on residential satisfaction in *Busan*. These findings suggest the presence of political localism in *Busan*, a phenomenon absent in *Incheon*. The geographical proximity of *Incheon* to Seoul may result in its local politics being subsumed within the

capital's political vortex, as posited by Henderson(1968), thus impeding the formation of an autonomous local political realm.

This study has several limitations, particularly in terms of its generalizability to other contexts. Future research would benefit from longitudinal datasets that span multiple mayoral terms across different political affiliations. Nevertheless, the findings offer practical implications for local politics. While not all hypotheses were supported across all data and subsamples, the demonstrated relationships between territorial identities, vote choice, and residential satisfaction suggest important considerations for local politics and decentralization in South Korea. As a first practical implication, lower-level local governments (*Gu/Gun*) have been perceived as having secondary importance in local politics over the last 30 years since the revival of the local autonomy system in South Korea. However, the findings of this study reveal that these basic local governments (*Gu/Gun*) significantly affect the quality of life of residents through indirect effects via administrative public services (*Busan*, for example). As previously noted, critics of the current local autonomy system advocate abolishing *Gu/Gun*-level autonomy as an initial step toward streamlining local governance. However, these research findings suggest that efforts to reform the current local government system to enhance residents' quality of life should prioritize the reform of higher-level local governments (metropolitan cities (*Si*)/provinces (*Do*)).

As a second institutional implication, the launch of four special cities (*Suwon*, *Goyang*, *Yongin* in *Gyeonggi-do*, and *Changwon* in *Gyeongsangnam-do*) in South Korea on January 13, 2023, following the full revision of the Local Autonomy Act on January 12, 2021, can be considered in the right direction of institutional reform for South Korean decentralization and local autonomy. The newly established special city system is not about elevating populous general cities to the level of metropolitan cities and provinces but rather about maintaining the status of basic local governments while granting them additional administrative powers and financial support distinct from one of the basic local

governments, the city (*Si*). This measure is supposed to allow for more effective implementation of region-specific policies. In line with the findings of this study, which indicate that basic local governments significantly impact residents' quality of life, this reform that expands the powers and resources of basic local governments will directly impact improving residents' quality of life.

Given the central role of public service satisfaction in mediating the effects of political and territorial factors on residential satisfaction, local governments should prioritize policies that enhance the quality, responsiveness, and accessibility of public services. This includes expanding citizen participation in service design and evaluation, improving transparency and communication, leveraging digital platforms for service delivery, and adopting continuous feedback mechanisms. Tailoring these initiatives to the unique political and social context of each locality - such as the differing patterns observed between *Busan* and *Incheon* - can further strengthen their effectiveness. By implementing such strategies, local governments can more effectively raise public service satisfaction and, in turn, improve residents' overall quality of life.

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한국 도시 주민들의 삶의 질 결정 요인: 부산·인천 지역 정치와 공공 정책의 맥락에서

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본 논문은 지역 정치와 공공 정책의 맥락에서 삶의 질(Quality of Life)을 결정하는 요인을 분석한다. 한국의 대표적인 두 광역시인 부산과 인천의 설문조사 데이터를 사용하여 정치적 이념, 지역 정체성, 투표 이력이 지방정부가 제공하는 공공 서비스를 통한 삶의 질에 미치는 직간접적인 영향을 살펴본다. 연구 결과는 다음과 같다. 1) 이념적으로 보수적일수록 주거 만족도(삶의 질 대리변수)가 높은 경향이 있고, 2) 행정 수준(동, 구/군, 시, 국가)에 대한 영토 정체성이 주거 만족도에 직간접적으로 영향을 미친다; 그러나 3) 하위표본 분석 결과, 부산에서는 두 개의 하위수준(동, 구/군) 영토 정체성이 두 개의 상위수준(시, 국가) 영토 정체성보다 더 큰 영향을 미치는 반면, 인천에서는 모든 영토 정체성의 효과가 유사하고, 4) 직전 선거에서 하위수준 지방자치단체장에 대한 투표 선택이 부산에서만 긍정적인 간접효과를 보였다. 결론에서는 본 연구 결과가 한국의 지방정치 및 지방분권에 대해 갖는 두 가지 실질적이고 제도적인 함의를 제시한다. 1) 서울과의 지리적 근접성은 자율적 지방정치 영역의 형성을 저해할 수 있다, 2) 광역자치단체와 비교해 상대적으로 부차적인 지방자치단위로 여겨졌던 기초자치단체(구/군)는 오히려 공공서비스 제공을 통해 지역 주민의 삶의 질을 향상시키는 데 긍정적인 역할을 할 수 있다.