This research is carried out to investigate how markets and states have interacted with each other and how the interaction influences the urban and regional planning in the industrial development in different directions. I lay out the comparison of two countries in different periods to answer the research question: North Korea's transformation toward market economy since the 2002 economic reforms with South Korea's export oriented economy in president Park Chung Hee's period as they show similar stages of transformation from virtually a closed economy to a very open economy (Griffin, 1989). Despite the limitation of not being able to conduct research in North Korea site, the research opens an interesting point: the dynamic interactions of invisible things influence visible result. Throughout the research, the housing types seem to be the primary results of the different level of state-market relationship with regard to physical planning and the way residential areas are congregated with other types of land use leads to consequent spatial planning.