INTRODUCTION

This paper compares Official Development Assistance (ODA) policies of Korea and Japan toward Vietnam, and is seeking to provide implications in terms of policy implementation of the ODA policies in Korea. The primary motivation behind selecting Vietnam as the center of the research is that the volume of ODA towards Vietnam stands first in both Seoul and Tokyo.

ODA of Japan surpassed the United States in 1989 and has been far most the greatest contributor since 1991. Since then, the Japanese ODA currently stands as the top five contributors to the program, alongside the United States, Great Britain, Germany, and France. Although the ODA budget in Tokyo has dramatically decreased since the millenium due to domestc economic difficulties, the current ODA platform is back to the game with holding purpose of contributing to the stability and development of the developing countries across the globe. The White Paper published by the Foreign Ministry in 2015 (2015年版開発協力白書日本の国際協力) reflects this view.

On the contrary, South Korea started as one of the poorest countries with the GDP per capita of 67 US dollars in the 1950s. However, the enormous economic development in Seoul, also known as the ‘Miracle on Han River’ placed Korea as the 11th largest economic powerhouse, and many scholars has placed the background of the miracle under U.S. assistance. Notably, South Korea has
received approximately ten billion dollar of development assistance from 1945 to the late 90s, and was one of the most beneficiaries of the USAID from 1946 to 1980. Reflecting its enormous shift in its reputation, Korea has joined the OECD in 1996, and has become the official member of the OECD-DAC. These two events can be explicitly understood as one of the greatest achievements of the ODA system, as one of the greatest beneficiaries turning into one of largest contributors. Thus, Korea is serving the ODA regime as a significant contributor to the projects, slightly behind Japan.

The research contains the following academic contributors when compared to the current literature. First, it explicitly reveals the similarities and differences of the ODA projects in Seoul and Tokyo towards Vietnam. These two countries simultaneously perform extensive ODA projects in Asia, including Vietnam. Both countries contain similar purpose behind the contributions, participating in the projects in order to stimulate international interactions and raise the reputation. Therefore, the comparison of Korea and Japan towards Vietnam ODA will indispensably highlight policy recommendations for Korea.

Second, this paper analyzes how the existing ODA policy from both countries have influenced in the substantive sense with empirical cases. The ultimate purpose of the ODA policy remains in assisting economic development and release the genuine difficulties in the beneficiary. Therefore, the case studies play the role as a magnifier, which can reveal actual penetrated effects of the ODA policies in domestic Vietnam.

The paper is organized in the following order. It commences with comparing ODA policies of Korea and Japan in the general macro-level context. The analysis is conducted accordingly to the official documents of KOICA and JICA. The research continues with literature review in order to construct theoretical understandings and hypothesis. As an extension, the paper introduces the methodology of the research, and reveals the research findings. Lastly, it wraps up with policy implications.
THEORETICAL FRAMEWORK

The ODA policies in Korea consider whether the policy can economically improve low developing country into a mid-size one, and seeks possible economic interactions with the beneficiary. Tokyo contains similar motives behind assistance, in order to establish its presence as ‘Strategic partner preserving Asian peace and prosperity.’ Despite the similarities between the two, there has not been extensive research on the area, especially on literature tackling the comparison between the two. One of the distinguished research on the comparison is by Kang and Yoon (2015). Kang focuses on ODA projects toward Vietnam in the historiographical context. He argues that the volume of ODA projects towards Ho Chi Min has increased, but does not include case studies that can reveal the realities of ODA projects in Vietnam. Jung and Yoon (2010) revealed the ODA volume, purpose, process, and performance records of Korea and Japan’s ODA towards Indonesia, but conducted analysis separately.

The reasoning behind selection of Vietnam as the variable in this research is the following. Vietnam is currently one of the largest beneficiaries of the ODA in the global context. The ODA volume increased significantly since the early 2000s, and is in the increasing stance. Moreover, the largest contributor to Vietnam is Japan, and the second in line is Korea. Thus, selection of Vietnam possess enormous possibility in further research under ODA in Korea and Japan.

Japanese ODA policy towards Vietnam started in 1959 in the southern part as a paid financial assistance. However, the platform of ODA projects expanded to non-paid and technological assistance. Since then, the ODA projects has sophisticated by containing education, medical, and economical assistance in Vietnam. Japan plans to continue the assistance since 2020. On the other hand, Korea starts the non paid assistance in 1989 with 30,000 USD, Assistance level and area has increased since setting the official diplomatic relations in 1992, and currently focuses on sustainability, human capital development, and economic infrastructure assistance.

It is explicitly evident that the comparative literature on Korea and Japan’s ODA policies toward Vietnam needs careful and extensive research, by the significant volume of ODA assistance towards
Vietnam by the two. Although current literature contains history of the ODA towards Vietnam and policy comparison, assessment of policy needs to be conducted.

Following such research motive, the current paper strongly focuses on substantive aspects of the ODA policies of both countries that can reveal actual realities and influences in Vietnam. The narrow perspective is crucial in revealing the substantive analysis, which I propose to conduct in three different analytical lens: macro-level analysis (policy compatibility), sector-level analysis (policy sustainability), project-level analysis (impact).

To begin with, macro-level analysis is focused on general context of Korea and Japan’s ODA policy towards Vietnam. Sector-level analysis is performed on transportation industry. The reason behind selecting transportation industry is that it serves as the main powerhouse in economic development of developing countries. Korea’s ODA dedicates 50% of its contributions to transportation industry, and 35% of Japan’s contribution is placed in the same area as well. Moreover, Korea and Japan both regards transportation industry as the successful precedent projects in the ODA history.

Under the project-based level, the paper focuses on bridge construction projects. The main rationale behind the selection is that the two regards the bridge construction projects as the successful cases. Furthermore, these projects are highlighted for achieving high satisfaction feedbacks from the beneficiary. Therefore, the three level analysis can be summarized as the proposed theoretical framework below,

**Figure 1 Analysis Framework**
Elaborating on the proposed level of analysis, the macro-level seeks peculiarities of the ODA policies in Korea and Japan. The goal of the analysis to find compatibility of contributors’ ODA policies and beneficiary’s domestic policy. McGillvary argues that the contributor pursues compatibility of the beneficiary’s domestic policy in order to maximize utility of the assistance. This level in result will open doors in examining whether the operated projects in the lower level are substantively serving its genuine purpose.

Moving on to the sector-level analysis, the paper focuses on transportation infrastructure. This sector has high correlation in terms of sustainability aspect, as the projects require long-term commitment and labor. Transportation industry is a key indicator in revealing the sustainability of the ODA projects, and thus the research finding in this level will relate to the general purpose in the macro-level.

Lastly onto the project-based level, the paper narrows down the analysis of the transportation industry to the bridge construction project. Bridge project selection will determine the actual ‘impact’ of the policies that can reveal the actual realities in domestic Vietnam. Inclusion of both positive and negative changes, intentional and unintentional performance results are all included under ‘impact’.

Comprising the literature review and the theoretical framework above, the proposed hypothesis are as follows,

**Hypothesis**

**H1 (Macro Level):** Compatibility of Japanese ODA policies and domestic policies in Vietnam perform better than Korean ODA policies.

**H2 (Sector Level):** Sustainability of Japanese ODA policies perform better than Korean ODA policies.

**H3 (Project Level):** Impact of Japanese ODA policies perform better than Korean ODA policies.
COMPARATIVE ANALYSIS: SOUTH KOREA AND JAPAN'S ODA TOWARDS VIETNAM

To analyze comparative approach, this paper refer primary source provided by JICA and KOICA. This paper’s aim is to know whether donor countries’ ODA policy affect recipient countries’.

First, to analyze the relevance of Korea and Japan's ODA policies, we compared the degree of engagement with the domestic policy of recipient countries. In Japan, Japan considered the suitability of the regional aid policies for the fifth SEDP. Since Vietnam announced SEDP, Japan announced ODA policy towards Vietnam in the next year. In addition, Japan's ODA policy is said the feasibility of a top priority and a recipient country's policy goals. According to the specific contents of the aid program in 2004, Vietnam’s 7th SEDP aims primary objective, focused on high-lever economic development. To that end, Vietnam government focused on economic structural reforms, strengthening the economy and integration into the global economy. To relevant to Vietnam’s domestic policy, Japan implemented CPRGS support under the leadership of Japan (Figure 2).

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<tr>
<th>VIETNAM’S SEDP</th>
<th>JAPAN’S ODA POLICY TOWARDS VIETNAM</th>
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Figure 2 ODA POLICY COMPARISON BETWEEN VIETNAM'S SEDP AND JAPAN'S ODA

On the country, South Korea's ODA policy towards Vietnam seeks to contribute to the successful execution of the social and economic development strategies of Vietnam by selecting the 1st national cooperation strategy from 2011 to 2015. In particular, South Korea's ODA policy towards Vietnam focused on the areas, environmental and green growth, technological and vocational training, and transportation infrastructure, and at least 70 percent of the total support amount is concentrated.
But this is the analysis of policy, as compared Japanese ODA policy, South Korea’s ODA policy is poor condition. In particular, Japan showed recipient country’s qualitative and quantitative changes by revealing the results of the project after the end of the project. The evaluation of Korea’s ODA towards Vietnam was conducted when the midterm inspection was required for 2~3 years from the time of the CPS establishment. It wasn’t essential system to examine ODA’s results.

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<tr>
<th>STATES</th>
<th>MAJOR PROJECT</th>
<th>EXPECTATION EFFECT</th>
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<tr>
<td>JAPAN</td>
<td>APPROVED PROJECT</td>
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<td></td>
<td>Coulomb (Kant) bridge construction project</td>
<td>INFRA</td>
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<td>Line 1 national Expressway detour project</td>
<td>IMPROVEMENT OF SYSTEM</td>
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<td></td>
<td>National Road bridge renovation project</td>
<td>IMPROVEMENT OF QUALITY OF LIFE</td>
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<td>Line 3 - National Expressway Network Improvement Project</td>
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<td>SOUTH KOREA</td>
<td>APPROVED PROJECT</td>
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<td>GMS South Coastal Expressway</td>
<td>IMPROVEMENT OF SYSTEM</td>
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<td></td>
<td>Hanoi - Haipong Expressway</td>
<td>IMPROVEMENT OF QUALITY OF LIFE</td>
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<td>Binteon bridge/ Vam Cong construction project, etc.</td>
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<th>CATEGORY</th>
<th>SOUTH KOREA</th>
<th>JAPAN</th>
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<tr>
<td>NAME OF</td>
<td>Vinh Thinh Bridge Construction Project</td>
<td>Nhat Tan Bridge Construction Project</td>
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<td>PROJECT</td>
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<tr>
<td>SIGN DATE</td>
<td>2008</td>
<td>2006</td>
</tr>
<tr>
<td>BUDGET</td>
<td>100 million dollars</td>
<td>659 million dollars</td>
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| PURPOSE OF PROJECT | Construction of honggang Bridge and yeongyeol Road Infrastructure in Hanoi  
The formation of a fantastic traffic shaft in the center of Hanoi.  
Efficient Development of Effective Road Networks and Development of the Capital Region in the Republic of Korea | Construction of Bridge Deck and Approaching Bridges across the City of Hanoi  
Improve logistics efficiency and reduce traffic congestion by responding to increased demand for traffic.  
Enhancement of International Competitiveness of gyeongje in Hanoi and Northern Binh Province |
| PROJECT PROGRESS | Completion (June 2014) | Completion (December 2016) |
CONCLUSION

This paper aimed to perform comparative analysis on South Korea and Japan’s ODA towards Vietnam by using three approach, which is macro, sector and project level. Although South Korea and Japan’s ODA had similar political purpose to recipient country, there was many differences.

First, when we perform comparative analysis on South Korea and Japan’s ODA towards Vietnam, Japan’s ODA towards Vietnam has more relevance than South Korea’s ODA. Since Vietnam announces domestic development policy, which called as Five-year Socio-Economic Development (SEDP), Japan is soon to establish ODA policy towards Vietnam. In addition, Japan intend to collect on-the-spot examination to contribute to enhancing the recipient country’s quality of life. Despite South Korea’s attempt to relevant to Vietnam’s Domestic Policy by selecting First Country Cooperation Strategies, It is difficult to assume that Korea ODA policy towards Vietnam has been based on relevance. While Japan has proposed regional aid plan in accordance with the national policy of Vietnam and suggest ODA policy after measuring Japan’s ODA satisfaction survey by Vietnam, South Korea merely failed to explain Vietnam’s domestic policy.

Second, Japan’s ODA towards Vietnam has more sustainability than South Korea’s ODA. South Korea’s ODA policy has been characterized by a short period of time in comparison with Japan and its smaller size, and it has not been smooth and responsive to local trials and feedback. In particular, South Korea did not project result report for each project since the end of the projects. In addition, after South Korea’s ODA towards Vietnam, we couldn’t confirm the change of recipient country. On the contrary, Japan’s ODA analyzes recipient country’s interviews, surveys and expert’s report by examining the post verification method.

Third, Japan’s ODA towards Vietnam has more impact than South Korea’s ODA. Japan’s ODA more comprehensively analyzes local impact on recipient country by implementing large-scale projects and big-budget than South Korea’s ODA.

This paper’s limitation is that their implementation and budget is different, so it can be inferred that Japan’s ODA is more positive results than South Korea’s. It also related to Japan’s ODA policy
development speed and the size of budget. While South Korea’s ODA budget is about 100 million, Japan’s ODA budget is about 10 times as much as 1.8 billion dollar. In addition, when we examine the history of South Korea and Japan’s ODA, there is a few ODA experts in South Korea. Japan started to ODA policy since 1954 and JICA is established in 1974. In 2014, JICA dispatched 6,500 experts and dispatched 36,000 volunteers to 96 countries. In particular, Japan has experienced more than 20 years of professional work among experts, and the meetings are led by experts at the negotiating table.


OECD DAC, “DAC CRITERIA FOR EVALUATING DEVELOPMENT ASSISTANCE”


日本外務省, ベトナムにおける開発とわが国の対ベトナム援助の動向.

日本外務省, 国土交通省総合政策局国際業務室. 交通分野のODA実績.

日本外務省, 政策構想フォーラム 2001. 提言 NO.43 政府開発援助（ODA）の国家戦略をつくれ.

日本外務省, 平成 27年度外務省 ODA 評価 ベトナム国別評価(第三者評価),平成 28年2月. 有限責任あずさ監査法人.

日本外務省. 平成 26年度外務省 ODA 評価メコン地域の ODA 案件に関わる日本の取組の評価(第三者 評価）報告書.