Projection and perception of Korean development assistance: perspectives from the field

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Korean development cooperation and the rise to leadership status

From recipient to elite donor

From 1953 to 1961, Korea received 2.3 billion USD of aid, of which 85 million USD from the United States (Lie 1991; Hart-Landsberg, Jeong and Westra 2007, 212). In 1995, it ended its dependence on financial assistance from the World Bank and in 2000 it was excluded from the OECD DAC’s list of Official Development Assistance (ODA) recipients. Korea had begun to use USAID funding to invite trainees from developing countries as early as 1963 (Ikenberry and Mo 2013, 84), for foreign policy purposes. In 1982, the Korea Development Institute launched the International Development Exchange Program to share development knowledge with other developing countries. In 1987, the Economic Development Cooperation Fund (EDCF) was established to provide bilateral and multilateral concessional loans to developing countries.

The creation of KOICA (Korea International Cooperation Agency) in 1991, a government agency responsible for bilateral and multilateral grants, marked another major step in Korea’s ascension on the development scene. In the 2000s, a series of policy documents were published in order to strengthen Korea’s international cooperation framework: ‘Improvement Plan in Korea’s ODA Policies to Developing Countries’ (2003); ‘Comprehensive Plan for Improving Korea’s ODA’ (2005); ‘ODA Mid-Term Strategy’ (2007). In January 2010, Korea became the 24th member of the DAC, taking on a greater role as a development leader. A legal framework for Korean ODA, the ‘Basic Law for International Development Cooperation’, went into effect on July 26, 2010. In 2014, total ODA budget was USD 1,850.7 million (net disbursement),
divided in USD 1,391.4 million in bilateral aid and USD 459.2 million in multilateral aid (MOFA 2015). The ODA/GNI ratio has notably increased, but Korea’s ODA budget is still low compared to other DAC. The Korean government had committed itself to tripling its ODA volume to 3 billion$ or 0.25% of its GNI by 2015. Up to 2017, the total ODA budget signals that the government has failed to reach this number, while still significantly increasing its volume of ODA, a notable achievement in a crisis-ridden period for advanced capitalist states. The planned budget for 2017 was of 2.7286 trillion won (US $2.37 billion), with 2.2557 trillion won (US $1.96 billion ) allocated for bilateral cooperation to be divided into grants (1.3385 trillion won or US$ 1.16 billion) and loans (917.2 billion won or US$ 797.56 million) (Jung 2016).

After it accessed the DAC, the Korean government sought to acquire major authority in international developmental cooperation. On October 5, 2010, it adopted the ‘Strategic Plan for International Development Cooperation’, which introduced core strategies and projects of Korean ODA. Core strategies included ‘systematically documenting the development contents of successes and failures derived from Korea's development experience, strengthening ODA implementing capacities, and taking a proactive role in addressing global issues.’ Korea has been active in taking a lead role to put economic development on the negotiation table ever since the Toronto G20 Summit in 2010, an initiative that has culminated with the signature of the ‘Seoul Development Consensus for Shared Growth’ and the correlated ‘Multi-Year Action Plan on Development’ at the outcome of the Seoul G20 Summit in October 2010.

In November 2011, the 4th and final High Level Forum on Aid Effectiveness, organised by the OECD and the World Bank, was held in Busan. The Korean government promoted a shift from a paradigm of aid effectiveness to one of development effectiveness (Kim and Lee 2013) where all forms of development assistance efforts are taken into account beyond aid flows. It also included civil society participants and emphasised private sector-led economic growth. With the launch of the Global Partnership for Effective Development Cooperation, the Forum’s objective was to create a more inclusive global development forum which includes account new actors and focuses on results-oriented projects and development cooperation driven by

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partner countries (formerly referred to as aid recipients). The Lee government shaped the agenda and provided logistical support.

The Park government complemented these efforts by hosting a series of high-profile international development events. The 8th Seoul ODA Conference was held in September 2014 as part of an effort to share experience and knowledge in the field of development (KOICA 2014a). In November 2014, KOICA hosted the ‘Training for Capacity Building for Implementation of Busan Global Partnership’ with 35 manager-level officials responsible for aid effectiveness including experts from the UNDP, the OECD and EU member countries (KOICA 2014a, 9). In April 2015, Korea hosted a Development Cooperation Forum High-Level Symposium. The multiplication of these development forums and events reflects Korea’s commitment to an active member of the development community.

Structure

A major characteristic of Korean ODA policy formulation and implementation is its fragmented institutional character. Two separate ministries pursue ODA policies, and more often than not engage in institutional competition over resources allocation (interview #29), and the ideological orientation of ODA (Kim and Gray 2016, 657).

According to official explanations, ‘Korea’s institutional framework of ODA consists of a coordinating body, supervising ministries, and executing ministries and agencies. The Committee for International Development Cooperation (CIDC), founded in 2006 by presidential decree as a coordinating body, deliberates and decides overall ODA policies for greater policy coherence and systematic delivery of aid programs. Korean ODA implementation is distributed between KOICA, MOFA’s grant agency, and the EDCF, providing concessional loans and managed by the Export-Import Bank of Korea (Korea Eximbank, or KEXIM), the official export credit agency, itself under the authority of the Ministry of Strategy and Finance (MOSF).

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36. Korea’s ODA system


8. Overview of ODA structure

Source: www.odakorea.go.kr (accessed 2 March 2017)
In addition to grants, KOICA also handles dispatch of volunteers and experts (World Friends Korea), training programs for recipients, overseas emergency relief, partnerships with civil society and multilateral assistance. The EDCF focuses on economic growth and infrastructure projects in developing countries. It is also responsible for implementing Public Private Partnership (PPP) loans and co-financing with multilateral development banks. Horizontal fragmentation is also responsible for the complicated character of Korean ODA provision as twenty-seven government agencies are involved in Korea’s aid programme (Kim and Kang 2015, 783). Many regional and city governments participate in diverse projects in developing countries, as testified by the North Gyeongsang provincial government’s commitment to Global Saemaul Undong (chapter 7).

Tensions over budget allocation between MOFA and MOSF are partly responsible for this competitive bureaucratic dynamics (interview #40). But philosophical and political orientations also lead the two ODA implementing organisations to be ‘at each other’s throats’ (KOICA president, quoted Folley 2010, 91). The accession to DAC in 2010 and the increasing pressure to comply with DAC norms has led to heightened tensions between the two ministries. Demands have been expressed by the DAC for Korean ODA to provide more grants, untie aid and establish a single ODA agency under KOICA’s umbrella (Kim and Gray 2016, 657). But KOICA and KEXIM have different perspectives on what ODA should aim for, with a clear divide between humanitarian leadership (MOFA) and agenda-setting leadership oriented towards economic returns (MOSF) (Kim S. 2011; Kim and Gray 2016, 657).

Priority recipients

From its official transition from an aid recipient to an aid donor in 2000, Korea has had a clear geographical focus on Southeast Asia, with key target countries such as Vietnam, the Philippines, Cambodia, Indonesia and Myanmar. The geographical focus on Asia is justified by a greater geographical and cultural proximity (interview #27). Historical bounds also explain this prioritisation, as the Korean government is emphasising its ‘pay-back’ policy for help received by Korea during the Korean War (Chung 2013, 49; Sesay 2002, 203). It is also increasing its focus on African countries, with priority recipients such as Ethiopia, Rwanda, Uganda, Tanzania and Tunisia.

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4 ‘Some historical issues are involved and we repay something to countries with which we have tight historical experiences. The Philippines deployed their army during the Korean War. So did Ethiopia and Columbia. We are definitely paying something back. This is our slogan’ (interview #27).
38. Geographical allocation of KOICA’s ODA funds (2008-2014), (net disbursements, %)

39. Bilateral ODA by Region (2008-2014) (net disbursements, USD million, %)
The ROK has also been providing significant amounts of humanitarian aid to North Korea, although it is not included in foreign aid figures since North Korea is officially not a foreign state but an anomaly in the sovereign unity of the Korean peninsula. This aid amounted to about 19.5 billion won (17 million USD) in 2014, while 742.5 billion won (663 million USD) was provided to the whole Asian region. The amount of aid provided to the North is ‘greatly affected by the political ideology of the ruling government (i.e., conservative or liberal)’ (Lim 2015, 19), explaining that after two conservative governments, the amount is significantly low.

### 40. Aid to North Korea (2007-2016)

*Orange bars represent grants and yellow bars food loans, while green bars represent civil society support.*
41. Aid to North Korea (2007-2016)

Divided in government support (grants and food loans), civil society support and total amount.


In order to respond to criticisms raised by the DAC (2012) and observers (Oh J. 2014) regarding Korea’s unusually high number of aid recipients and the possibility of its efforts being too dispersed to be effective, the government has established a Country Partnership Strategy (CPS). In accordance with the Framework Act (article 8.2.3) and the Strategic Plan prepared for the country’s admission to the DAC, the government has selected priority partner countries. For each priority recipient, an integrative CPS plan is formulated. There are currently twenty-six priority partner countries, chosen based ‘on their income, political situation, diplomatic relationship with Korea, and economic potential’. Each CPS includes ‘ODA volume, focus sectors, and implementation plans for each partner country based on Korea’s ODA strategy and the national development plans of the partner country’. The CPS is revised every three to five years to reaffirm its alignment with partner countries’ national development plans. It can also be modified within three years through the CIDC’s deliberation and decision.
42. Countries with CPS (2013)

<table>
<thead>
<tr>
<th>Year</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011 (3 countries)</td>
<td>Vietnam, Ghana, Solomon island</td>
</tr>
<tr>
<td>2012 (11 countries)</td>
<td>Bolivia, Sri Lanka, Indonesia, Mongolia, Azerbaijan, Ethiopia, DR Congo, Cambodia, Bangladesh, the Philippines, Uzbekistan</td>
</tr>
<tr>
<td>2013 (12 countries)</td>
<td>Lao, Mozambique, Peru, Cameroon, Colombia, Nepal, East Timor, Rwanda, Uganda, Paraguay, Pakistan</td>
</tr>
</tbody>
</table>

Source: [www.odakorea.go.kr](http://www.odakorea.go.kr) (accessed 5 March 2017)

The Korean government seems to favour countries that have strong commercial ties with Korea such as Vietnam, the Philippines or Indonesia. I was not able to obtain clear information about the selection process of partner countries. My interviewee at KOICA confessed: ‘it’s a black box; you don’t know how they choose. As I think, there’s no scientific evidence for how we choose those partner countries, it’s based on diplomatic reality and relations, I think’ (interview #29). Most countries Korea gives ODA to are not LDCs, and the priority are middle-income countries offering more economic opportunities for Korean corporations⁵, as the MOFA itself recognises (2008, 10).

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⁵The way of presenting these figures can be misleading, and reflects the Korean government’s intention to show its commitment to LDCs. Visually, in tables 43 and 44, LDCs are the main recipients of Korean ODA (32.97% and 38.3%). This is due to a breakdown of the Middle Income Countries (MICs) category into two sub-categories: Lower Middle Income Countries (LMIC) and Upper Middle Income Countries (UMIC). If these two categories are merged, MICs are still the largest recipients of Korean ODA (52.70% vs 32.97% for LDCs; 44.8% vs 38.3% for LDCs).
Attempting to comply with its DAC commitments, the conditions of delivering concessional loans to LDCs changed in July 2008 to meet the 90% of average grant element for LDCs, complying with the DAC Recommendation on Terms and Conditions of Aid.

43. Income Group Aid Share of Bilateral ODA (2008-2014) (net disbursements, %)

44. Bilateral ODA by Income Group (2008-2014) (net disbursements, USD million, %)
Focus sectors and strategy

At the 7th meeting of the CIDC in October 2010, the Korean government adopted the aforementioned Strategic Plan for International Development Cooperation. The Plan sets the strategy of Korea’s international development policies according to the following four objectives: ‘(i) to take responsibility as a member of the OECD Development Assistance Committee (DAC); (ii) to fulfil its commitment of scaling up the ODA volume; (iii) to strengthen integrated ODA system in accordance with the Framework Act’. In addition, the Plan also ‘adopted three core strategies to improve Korea's ODA performance: (i) developing ODA contents taking advantage of Korea’s development experiences; (ii) enhancing the ODA system; (iii) strengthening inclusive partnership for development’. The pursuit of economic growth is the core strategy of Korean ODA. As the fostering of independent economic development by partner countries is seen as more important than other aspects of aid such as humanitarian aid, social and economic infrastructure form the largest part of Korean ODA.

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45. Sectoral Aid Share of Bilateral ODA (2010-2014)  (Net Disbursements, %)

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KOICA puts more emphasis on education and health (KOICA 2014a). Although the overall direction of Korean ODA remains unchanged, it is weakened by policy inconsistencies due to each new president’s desire to build her own policy model of ODA (Kim and Kang 2015). This explains that Lee’s Green Growth and ‘resource diplomacy’ policies have been abandoned, as was the case with the PCNB, and has been replaced with the promotion of Saemaul Undong by the Park Geun-hye administration (Kim and Kang 2015, 785; see chapter 7; interview #31).

Korean development cooperation is delivered in a variety of ways. Financial flows are divided into loans (concessional loans of the EDCF with competitive interest rates; ‘no strings attached’ loans provided by KOICA; tied aid; see Watson 2011) and grants. In addition, ODA is also delivered through knowledge and technology transfer and elite training programs. The Ministry of Strategy and Finance is presiding a Knowledge Sharing Program (KSP) aiming to transfer macroeconomic knowledge to developing countries along with the Korea Development Institute (KDI), funded as the research arm of the Economic Planning Board in the Park Chung-hee era. The dispatching of volunteers (World Friends Korea) to foreign nations is also a distinctive feature of Korean ODA.

**Partners**
ODA executing agencies work with a series of partners to achieve development effectiveness as defined in Busan under the principle of inclusive ODA partnerships. KOICA (2014a) lists partners such as emerging and traditional donors, UN agencies, business, NGOs, academia and public agencies. Donor collaboration is central to achieving the principle of donor harmonization as established by the Paris Declaration on Aid Effectiveness. Therefore the Korean government establishes cooperative projects with other donor agencies to improve information sharing, mutual learning and division of labour in the field. Major types of collaboration with other donor institutions are regular bilateral ODA policy dialogues, donor meetings in the field, joint ODA projects, and other activities such as staff exchange, joint research and joint evaluation for mutual learning, such as the KOICA-JICA joint rural development program in Vattay Village in Cambodia in 2009 (KOICA 2014a) or the ‘6 Banks’ project to enhance aid effectiveness in Vietnam, together with the ADB, the Agence Francaise de Developpement (AFD), the World Bank, Japan Bank for International Cooperation (JBIC) and the German state-owned KfW Bank.

Private companies are also increasingly included in ODA projects. Inclusive partnerships with business are undertaken through two main channels: Corporate Social Responsibility (CSR) projects and PPPs. Civil society also participates to ODA projects, most notably in triangular cooperation between the state, corporations and NGOs (see II.C.1 for more details).

**The pursuit of comparative advantage: Korean ODA between compliance and challenge**

*Korea as a responsible DAC member*

As a DAC member since 2010, Korea is bound to comply with global aid norms as defined by the DAC and other liberal institutions. In line with its middle power strategy and promotional imperatives, it seeks to promote itself as a responsible nation, committed to the global fight

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9 While there is no single commonly accepted definition of a PPP, the World Bank’s PPP Knowledge Lab defines a PPP as ‘a long-term contract between a private party and a government entity, for providing a public asset or service, in which the private party bears significant risk and management responsibility, and remuneration is linked to performance’. Retrieved from http://ppp.worldbank.org/public-private-partnership/overview/what-are-public-private-partnerships (accessed 2 May 2017)
against poverty, and fulfilling its obligations as a member of the international community and above all of a select club of advanced nations. Therefore, in 2014, former KOICA President Kim Young-mok wrote that ‘KOICA strives to respect international aid norms and establish best practices in development cooperation, thereby contributing to initiating a new era of “Happiness for all” in order for Korea to grow further into a leading development cooperation agency that meets the needs and requirements of the international community’ (MOFAT 2014, 5).

Korea presents itself as a bridge between developed and developing countries and a facilitator of multilateral discussions, notably by organising multilateral meetings (Jojin 2014, 332). Even the UN’s ECOSOC has recognised Korea’s bridge role in development assistance (ECOSOC 2008). Respect for international norms implies participating to multilateral aid projects and institutionalising private sector development in ODA policies since ‘as a responsible member of the global community, Korea respects and complies with the international development cooperation standards to strengthen its global partnerships and plans to contribute more to multilateral organizations.’ What Kim refers to as ‘ethical/deferential leadership discourse’ of Korean ODA seeks to ‘project the nation’s international identity based on humane (inter)nationalism and respect for global norms and agreements’, but also to comply with mainstream norms in order to ‘secure the nation’s diplomatic and normative influence’ in and beyond the aid sector (Kim S. 2011, 82). This has been considered a conformist approach to global development governance (Jerve and Selbervik 2009) as opposed to more independent aid policies of (re-) emerging donors such as China and India (Fues and Cooper 2008) that are not DAC members, do not seek to become so, and therefore do not fall under any necessity to follow DAC liberal guidelines (such as accountability or partner ownership). Korea explicitly seeks to make clear that it has now become a liberal norm setter (Ikenberry and Mo 2013, 7). Lee Myung-bak proclaimed this evolution of Korean diplomacy towards a global norm setting role within the framework of global aid standards: ‘the world can be split into two groups: one sets global rules, and the other follows. Korea has successfully transformed itself from a passive follower into an active agenda setter’ (Lee 2010).

An alternative to traditional donors?

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But Korea’s development diplomacy also participates to a discursive shift in international relations, shared by other middle powers, to present ‘an alternative to the dominant narrative of great powers’ (Jojin 2014, 332; see Kim S. 2011, 805). It has repeatedly played upon its position as a non-Western donor in its promotional strategy. Korea’s ODA sits in a perpetual tension between its position as an enthusiastic defender of global liberal aid norms (Ikenberry and Mo 2013, 14), and a promoter of an alternative and unique development model, based on its comparative advantage as a donor-turned-recipient country. In this horizontal model of development assistance, Korea’s legitimacy as a development partner and a norm creator is reinforced by the legacy of the ‘miracle on the Han River’ (World Bank 1993). The Korean government promotes a distinctively Korean model of ODA banking upon its own developmental experience, notably through the KSP (Chung 2013). Together with Saemaul Undong (chapter 7), the KSP belongs to a series of technical assistance programs that seek to implement a distinctly Korean expertise based on the country’s experience of miraculous industrial development (KDI 2013). The idea of a ‘Korean model of ODA’ is the outcome of dialogues between the government and government-affiliated R&D institutions like the KIEP (Korean Institute for International Economic Policy), KDI and KEDI (Korean Educational Development Institute) (KDI 2011). Former KOICA President Kim Young-mok explained that ‘the countries we are working with are yearning to learn from the unique Korean experience’ (interview #28).

Korea offers a discursively distinct strategy than that of traditional Western donors. In line with the new development locus introduced by emerging donors (and taken over by traditional donors), Korea presents itself not as an aid donor but rather as a development partner (Eyben and Savage 2013, 458). It shows no pretension of conditionality, especially in the field of human rights or good governance. It presents itself as apolitical, as opposed to an invasive and imperialist Western aid: ‘We are not political, we emphasise neutrality’ (interview #27). It also claims to respect partners’ development ownership without interfering in their national priorities. The Korean government builds upon the memory of colonialism to create a non-hierarchical discursive space with developing countries, a strategy notably shared by China (Breslin 2007). The Korean administration argues that its development strategy is more
appreciated by developing countries because of a shared understanding of what getting out of poverty requires, and an emphasis on ownership:

‘We have a different aid policy from that of Western countries. Aid implemented by KOICA has received much satisfaction from recipient countries. For example, the Ministry of Health in Palestine was extremely satisfied. Our aid goes directly to people, and we do not use consultancy. [...] Our strategy is local, as opposed to that of Western countries. Even though our budget is still humble and smaller than Western countries, we have a lot of impact’ (interview #27).

Korea’s experience of being a ‘recipient-turned-donor country’ (Lee M-B. 2010) surely makes it more legitimate to take part in global discussions on development. As a senior officer at KOICA Philippines explained:

‘what’s unique with our approach or way of thinking concerning this issue is that we really want to see what the bottle neck, because we have experience, of course the situation is different but anyway we have experience of getting one community out of poverty, it took a couple of decades, we have experience. So we are confident, we’re confident that we can actually make similar story in the Philippines. It is my personal view, not on behalf of KOICA, but other donor agencies they do not have a generation who remembers poverty or at least change because it’s been already 200 years but in the case of Korea, we have generations of people who still remember those days and that’s a good…(interview #31).

Korean cultural proximity with its partners is also claimed to build the country’s comparative advantage in the field: ‘I think…What I’m going to say now can be politically incorrect but as one of Asian countries, Korea I think understands better than Western countries, about the Philippines. Philippines are different from Korea of course but there’s some values we share at a similar level […] So I think we understand better the people and the society’ (interview #31). This discursive construction of Korea as a benevolent, non-imperialist donor is asserted through a series of cultural channels such as the promotional of Hallyu (Ainslie 2016) and Korean development actors, including Korean missionaries who are at the front of exporting
Korea’s development experience (chapter 7) and who build their legitimacy through discourses of us vs the West wherein Koreans appear as genuine and humble: ‘Koreans are not racist like the white Europeans […] and we are not high and mighty like the Americans’ (Han 2011, 147).

Within Korea itself, the promotion of Korea’s development model is being criticised as a one-size-fits-all illusory promise (Chun et al. 2010; Kim, Kim and Kim 2013) and some academics point to the uncritical adoption of Korea’s developmental recipe despite its own limitations in the Korean context: ‘Despite Korea’s attempt to be a bridge between developed and developing countries, the Korean developmental model has defaults. For instance, Park Chung-hee and the technocrats of his government mobilized a lot of young women for the first economic take-off, in light industry. This is only one example among others’ (interview #32).

While traditional donors are portrayed as imposing conditionality and actually hindering the development of its aid recipients, the Southern donors emphasise the principles of country ownership and collaboration and are seen as a potential support for the development of the local private sector, as they are pragmatic (Chung 2013, 51) and prioritise economic growth and infrastructure’ (Eyben and Savage 2013, 463). In this perspective, Korea puts much emphasis on investments for huge infrastructure projects in developing countries, inspired by Korea’s own development and a focus on fostering local growth engines through infrastructure rather than aid. Additionally, a strong emphasis on self-help (Watson 2012, 82) explains that Korea puts more emphasis on concessional loans than on grants, despite its efforts to counter this balance in compliance with ODA norms as recommended by the DAC (2012). Loans are assumed to encourage fiscal responsibility in the recipient country and promote a sense of ownership and responsibility (Eyben and Savage 2013, 464).

**Competitive Identity and promotional politics**

*ODA and national reputation*

The competitive character of the global development architecture is intrinsically linked to concerns about soft power and national reputation. Korea’s nation branding and ODA policies chronologically coincide with Korean chaebols’ overseas expansion, and are therefore partly aimed at creating more favourable markets for Korean capital in the developing world. But promotional politics should be understood in a larger materialist perspective taking into
account not only short-term economic interests but also implications of reputation management and image politics. It is commonly recognised by the Korean administrations and in the literature that ODA policies belong to national promotional efforts (Watson 2013, 234; Kim and Gray 2016). As Lee Bae-yong, first chairman of the PCNB, made clear: ‘the ROK will need to spend much more on ODA commitments in order to enhance its national image, national prestige and growing international reputation’ (Cho J. 2010) which in turn would bring in immediate and long-term economic benefits such as ‘rais[ing] Korea’s global citizenship, further promot[ing] its high-tech products including cars, and mobile phones and cultural assets’ (Koh 2010, 3). I emphasise the link between promotional concepts such as nation branding, competitive identity and public diplomacy, and ODA policies. The tension between compliance with aid norms and uniqueness of the developmental model observers see in Korean ODA (Chung 2013) is reminiscent of the same tensions that characterise nation branding strategies, which sit in a spot of constant tension between compliance with global capitalist normative standards and the exceptionality induced by Schumpeterian creative destruction. In exploring Korea’s promotional initiatives with regards to its ODA policies, I underline how promotional imperatives shape contemporary foreign policies and I show how this conception of states’ political entrepreneurship differs from a realist understanding of international competition. I also relate to the development of the idea of National Social Responsibility (NSR), inspired by CSR. I explain that the same scepticism with which CSR can be applied should also be used when looking at the commodification of ‘doing good’ activities at the global level. Linking this to ideas developed in chapter 2, I build upon Browning’s account of nation branding and international politics to underline the role offered to citizens in this global competitive political communication: ‘The brand therefore presents Finns as moral international citizens ‘duty-bound’ to offer solutions to the world. However underlying such beneficence is the strategic goal of enhancing Finland’s image in the pursuit of economic benefits and (self)-esteem, with global problems presented as performative opportunities to raise Finland’s global profile (Browning 2015, 209, my emphasis).

Promotional activities are now far from limited to the corporate sector (Aronczyk and Powers 2010) and the development cooperation sector is no exception. Promotional activities and
channels are increasingly used by donors to showcase their developmental offers and achievements. For instance

‘In December 2014, KOICA promoted its aid programs by operating a promotional exhibition on the side-lines of the ASEAN-ROK Commemorative Summit held at BEXCO in Busan. Under the title of “Sharing Hope, Shared Growth with KOICA”, it showcased the outcomes of KOICA’s ODA programs that are contributing to the regional integration and development of ASEAN. […] the exhibition highlighted the accomplishments from its country programs as well as the joint efforts made by Korea and ASEAN to address climate change and water issues, the outcomes of its human and institutional capacity building projects, and the results of its PPPs projects, effectively demonstrating its distinctive status […] to high-level officials from 10 Southeast Asian countries’ (KOICA 2014a, 8).

In addition, the Strategic Plan enacted in 2010 recognised the importance of public support for ODA both at home and abroad and therefore ‘the CIDC made a task force in 2010 and conducted diverse communication activities including […] (ii) development of the Korea’ ODA brand identity (BI) (August 2011); and (iii) launching integrated website of Korean ODA (January 2012)’

Many scholars argue that Korean diplomacy from 2008 has been characteristic of junggyunguk oegyo [middle power diplomacy], reflecting the emerging use of the term (Cooper 1997; Cooper and Mo 2011; Evans 2011) in Korean foreign policy discourses (Rozman 2007; Kim W.S. 2008; Lee S.H. 2012; Ikenberry and Mo 2013; Roehrig 2013; Robertson 2007, 2013; Kim 2014; Watson 2014). Korea projects itself as a ‘good citizen of the international community and as a normative power by actively participating in critical global issues, by expanding its contribution and by providing intellectual leadership’ (Jojin 2014, 338). Middle power diplomacy goes hand in hand with promotional concerns to boost Korea’s image of a peaceful

and responsible middle power in the eyes of the global public (Lee S.H. 2012; Kim 2014), and it is congruent with nation branding imperatives.

**Competitive Identity**

Promotional activities for development cooperation responds to the entrepreneurial state behaviour Anholt (2007) advocated in *Competitive Identity*. Following criticisms and scepticism about nation branding, Anholt introduced the notion of competitive identity to reconcile promotional imperatives and public diplomacy. Criticising nation branding campaigns because of their focus on superficial branding techniques, he emphasised the centrality of policy-making in promotional national politics. Competitive identity was replaced by the notion of ‘good country’ in 2014, and Anholt now promotes the virtues of the ‘Good Country Index’ to governments around the world. One could cynically dismiss these theoretical innovations as nothing more than Anholt’s trying to regain his customers’ interest. But, as discussed in previous chapters, such rankings and other performative promotional instruments produce powerful standards governing national identity according to a series of criteria understood as standards for acceptable state identity. Since ‘it’s pretty clear what kind of country has powerful brand values: a stable, liberal, democratic Western state with a tendency to neutrality, often producing several well-known branded products and a strong international presence in the media’ (Anholt 2007, 45-46, my emphasis), then nations have to act and look consequently like such. As in nation branding advocacy, citizens are understood to be central actors in the performative identity of the competitive nation, in unison with other key stakeholders such as corporations and the media. Since the CI is an encompassing strategy at the national level, citizens have to convert to the CI essence with ‘pride and purpose’, becoming brand ambassadors ‘almost by instinct’ (Anholt, 2007, 106; see chapter 3). The state becomes an innovative entrepreneur in the global marketplace: the CI strategy must ‘ensure that the country has what people want and need at the moment when large numbers of people discover what it is that they want and need. They must anticipate where the next major social change is going to be, and make sure that the country is correctly positioned in the path of that change, and in a way that provides for the possibility of success in the foreseeable future’ (Anholt 2007, 79). This explains why, banking upon its developmental experience, Korea markets its KSP to the developing world. The promotion of Korea’s ‘knowledge assets’ and expertise is one of Korea’s ‘competitive advantage’ in public diplomacy endeavours (interview #2). Indeed, Anholt told BBC journalist Lucy Williamson that Korean initiatives in development aid policy
were more likely to improve Korean nation brand and make the nation ‘relevant’ to foreigners than the empty shells of image campaigns (Williamson 2012).

National Social Responsibility

Anholt actively advocates the translation of the notion of CSR to foreign policy. This imperative corresponds to what I call ‘National Social Responsibility’ (NSR). This term has already been coined by a think tank based in Geneva, MHC International Ltd (MCHi). MCHi researchers came to the conclusion that nations should be evaluated according to their social responsibility in the same way that companies are. They argued that NSR should evaluate how well a country treats its stakeholders, its citizens and trading partners, and they devised an index to rank countries according to their NSR.\(^\text{12}\) But the think tank’s approach is essentially domestic and unintentional, while I understand NSR as an outward looking and strategic practice. CSR is usually defined as a corporate policy of compliance with a series of legal and ethical standards, this compliance being understood as socially responsible behaviour. As explained by Friedman (1970), this is desirable as this socially responsible behaviour enables the maximisation of corporate profits. The promotional imperative of brand differentiation is also crucial in CSR. But CSR is criticised by some social scientists as a practice that legitimates the disputable capitalist practices of corporations (McKibben 2006; Shamir 2011; Manokha 2006). Here I define NSR as a global-oriented practice inspired by promotional discourses applied to the nation-state. The goal of NSR is to show other players of the international system that the state complies with globally accepted legal and ethical standards, a central agenda in Korea from the 1960s (chapters 3 and 4). ODA belongs to this effort as liberal aid norms form the quintessential ethical standards of the international community. The Korean state’s stakeholders are not only its citizens, but all global citizens to which Korea should show empathy by following established regulatory and normative standards. Korea’s ODA policy, as a central part of the country’s NSR, is also a tool of brand differentiation as the country that has ‘made it’ and generously shares its knowledge with less-privileged counterparts. In NSR, as in nation branding strategies and CSR strategies, the tension is inherent and unresolved between compliance with standards and competitive differentiation. The tension at play in

Korean ODA between Korea’s DAC commitments and its unique approach stems from the fundamental conflict induced by promotional competitive imperatives in foreign policy formulation.

Pursuing NSR, states should not only brand themselves as ‘good countries’ (as defined in a particular Euro-centred understanding of liberal desirability) but also act in such a way that their images and diplomatic endeavours ‘generate returns’ (Henrikson, 2005, 68), that is positive political and economic consequences for the country. Development policy appears as a space of market competition, where the state becomes a provider of services and products, displaying its ‘good citizenship’, and exemplified by the use of a business-imbued lexicon to describe Korea’s pursuit of ‘niche diplomacy in order to utilise its comparative advantage as a middle power by dealing with soft global issue’ (Ikenberry and Mo 2013, 92). This goes further than a realist understanding of aid. Essentially, rather than being a game of power rivalry between states for material and symbolic resources, promotional consultants describe global politics a self-fulfilling zero-sum game of survival that reflects market mechanisms where companies are in a constant threat of failing and disappearing: ‘if a country wants to attract more investors, tourists, talented immigrants, allies, consumers, trading partners or anybody else, it has to be on their shortlist. And to get on their shortlist, it needs to replace one of the seven countries that are already there. This obviously has important consequences for national strategy in all these sectors: ‘it is not about becoming attractive in an abstract sense; it’s about which other country you’re going to take out’ (Anholt 2007, 81, my emphasis).

Korea’s active promotion of its development model and alternative partnership is largely embedded in this competitive character of the global development market wherein each donor seeks to project its comparative advantage (Oh 2014, 138). Realists have long recognised the importance of donors’ competition in a context of geopolitical rivalry, and this is particularly the case in the Asia-Pacific region where Japan, China and Korea competing for influence (Watson 2012, 88). Korea’s strategy as a donor is very much an emulation of Japan’s model of international development cooperation, as the Korean government has received consultancy and policy advice from JICA in order to create KOICA (interview #27). At the same time, Korea also wishes to compete with Japanese ODA (Watson 2012, 92), and more generally with advanced donors (Watson 2012, 88). Korean ODA moral pretensions are therefore part of
strategic efforts ‘to achieve the comparative advantage in the increasingly competitive international aid scene to advance its national interests’ (Kim S. 2011, 817).

**A Korea that cares**

Such prescriptions linking ODA policies to promotional imperatives influence the epistemological orientation of Korean policy towards competitive identity building abroad and at home. Diagnosing the failure of Korea’s branding strategy, Anholt was

‘all the more delighted to hear Chang See-jeong, Director of the Korea International Cooperation Agency, announce at the Jeju Peace Forum in 2009 that it was Korea’s intention to increase its overseas development assistance to 0.25% of GNI by 2015 [...] the voluntary increase is a powerful symbolic gesture that Korea is ready and prepared to start making a serious contribution to the issues that matter to humanity- and not just to Koreans’ (Anholt 2011, 295; see also Tudor, 290).

In a prescriptive article on Korea’s contribution diplomacy under Lee Myung-bak, Kang Seong-jou, Director of Department for International Economy and Trade Studies of the Institute of Foreign Affairs and National Security, explains that providing ODA to developing countries or participating in UN peacekeeping operations is a way to promote Korea’s national interests. It is most particularly a channel to boost the sales of Korea-made products in the developing world, and is ‘comparable to ‘corporate social responsibility’ (Kang 2008), presenting a country that takes global issues at heart and does not hesitate to share its wealth and experience with its international counterparts. ‘Contributive Korea’- referring to the country’s increasing contribution to global development assistance- was listed in the five priority areas of the PCNB (Kim and Kang 2011, 810). Promotional consultants I met in Seoul mocked earlier promotional initiatives such as the global promotion of Hangeul¹³: ‘there was this story of an Indonesia tribe who adopted it, but they actually never adopted it. It just sounded like a Korean ahjussi¹⁴ in his suit going to the desert and telling a Bedouin tribe “Hangeul

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¹³ Korean alphabet.

¹⁴ Middle-aged Korean man.
might be useful for you’. But they recognised that ODA policies had the potential to promote a positive image of Korea and generate profits: ‘ODA is big thinking’ (interview #7).

A former head of Korea Foundation, influenced by thinkers such as Nye and Melissen, explains that ODA is ‘an important means to promote Korea’s branding; it’s an international responsibility to augment assistance, especially ODA’ (interview #3). He emphasized that Korea ‘should have a responsibility of meeting standards, like the global standards of DAC’ and identified KOICA as the second major organisation responsible for soft power and public diplomacy together with the Korean Foundation (under the responsibility of the Ministry of Culture) (interview #3). The last head of the PCNB explained to me how ODA increase was central for Korea to adopt the behaviour of a truly global and cosmopolitan state, not refuting Anholt’s earlier enthusiasm for a Korea with a global outlook: ‘G.W. Bush talked about a “gentler and kinder Korea, a Korea that cares.” This explains our continuing urge for the government to increase ODA; that we treat foreign workers much better; that we accept foreign refugees.’ He added: ‘It’s helping yourself to do ODA, not so much helping them, and the smart ones realise that.’ He linked nation branding and ODA policies to the necessity of Koreans becoming global citizens, which he defines as such: ‘globalisation is about that: the measure of empathy. […] That’s globalisation, that’s becoming global citizens, especially with the increasing number of young Koreans working in the most remote parts of the world’ (interview #4). This exemplifies what Browning calls ‘global problems presented as performative opportunities’ (Browning 2015, 209) to display the desirable responsible neoliberal subjectivities of citizens Vrasti and Montsion (2011) discussed in the context of global volunteerism. Indeed, in the context of aid, ‘ethical foreign policy allows political elites, bureaucratic elites and professionals to generate a sense of national identity, of shared political
purpose and mission to buttress the moral authority of donor governments’
(see also Chandler 2003, 2006; Gallagher 2011).

Promoters of Korea’s developmental expertise also emphasise the growing demand on part of developing countries for Korean knowledge. Professor Eun-mee Kim, specialist of the political economy of Korean development, explained:

‘The reception of my work or the perception of my work has changed dramatically. I could feel that the reception is now very different in the last 2-3 years, maybe after Pusan when I give talks about Korea’s ODA or Korea’s development experience that is relevant for 21st century developing countries. In the past I could feel a sense in the audience “Oh, interesting case, Korea is interesting , and they’ve done well”, but in a kind of patronising attitude, but now when I do the same presentations people are taking notes and hanging on my every word and ask me questions “How did Korea really do this, and how did Korea really managed the relationship with USDAID and Japan, how did you convince your donors to let you use the money for your own development trajectory, how did you balance industrial development with agricultural development? and so on”, so they’re really asking for advice. And that’s a very different attitude’ (interview #35).

Public opinion and Korean Perceptions of ODA

The support of the Korean public is also central for Korea’s continued investment in development cooperation. There was a shared feeling among my interviewees (referred in chapter 4) that it is natural for Korea to pay the world back and to help developing countries achieve economic development: ‘We’ve been supported a lot, we received a lot of aid from abroad.’ Furthermore, ‘there are lots of people who go help individually, the private sector as well, so government also has to do it, especially for national branding as well, for our image’ (interview #16). The survey I have undertaken reveals that a majority of Koreans approved an increased provision of aid to poor countries. Men were more favourable to ODA budget

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increase than women, Korean women being more attached to domestic welfare budget (chapter 4), as they predominantly bear the burden of economic hardships in the country.

46. Should Korea provide more aid to poor countries?

The KIEP survey of 1,000 respondents, commissioned by the Prime Minister’s Office in 2012 (Kwon et al. 2012) revealed that nearly 90 per cent of respondents supported the idea of the government providing foreign aid, with four out of every five people trusting its effectiveness to help recipient countries. But despite the overall favourable evaluation of and support for ODA, only 14.5 per cent approved a budget increase from the current level; the remaining 85.5% opted for the status quo or a reduction. This is notably due to the fact that ‘our own social security doesn’t help idea of helping other people in the world and also the low level of trust of governmental projects and fund allocation’ (interview #36). With regards to the

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16 The seemingly dramatic difference between the KIEP survey results and my results is probably due to a different formulation of the question. I did not use the word ‘budget’ but talked about ‘aid’ in general. This might appear less as a competing budget sector for allocation for respondents.
objectives of the Korean government in providing aid, my findings, as shown below, confirm that Koreans see ODA as a strategic activity for the country.

47. Why do you think the government gives aid to poor countries?

The support for Korean aid is also linked to the notion of ‘economic nationalism’, where miraculous development narratives and the promotion of national economic accomplishment serve as a cement of Japan, Korea and Taiwan’s modern national identities (Crane 1999, 218). ODA works as an important reservoir for national pride. Among the generation that participated to the country’s development (Han 2011), observers note that ‘there is often an underlying sense of “national triumphalism” in “having made it”’ (Watson 2012, 83; Han 2011). As one Korean academic explained: ‘ODA now is very important for Korean people: it is giving Korean people lot of confidence, giving people the feeling that we are somewhere. Competitiveness idea is that Korea should be on par with European countries. It’s national self-confidence.’ A young Korean researcher considered that ODA should be understood as the ‘outcome of national competitiveness drive and Korean progress. The idea that “Now we’re here”’ (interview #37).

There is a notable difference between Korean aid practitioners and high-ranking government officials or ODA-enthusiastic academics. While KOICA officials in Laos have explained that they see themselves ‘as salespersons for Korea, promoting its brand image and delivering its culture to overseas countries’ (Bae 2012), the practitioners I met in Manila were uneasy about
associating their work with promotional imperatives. When asked about the returns in terms of image promotion for Korea, KOICA’s Deputy Representative answered:

‘Hum… [hesitates] I will be very frank on this issue. I have two issues to address. One is from a development cooperation perspective, I think personally I’m doing the job because it’s in return for what we’ve received from the Philippines when we are at war, so that’s… […] Also, from an economic point of view, the Philippines are one of the largest economic partners to Korean government to come to Korea. It is natural that we should provide because Filipino population is helping Korean economy too in a sense, that’s all mingled together. The other issue I want to address is that development cooperation is…it’s not… because it cannot be publicised as a TV commercial, because I think development cooperation, I think has to be implemented in a humble way, do you understand what I mean? We do publicise for our tax payers, not for Filipino people’ (interview #31).

But the promotional imperative mattered much more at the administrative level than in the daily activities at KOICA: ‘each administration has its own issues. For instance with President Park, Saemaul Undong is very important, and it was important in the former administration too. Because we… it’s like, it’s sort of like branding, you know? We’ve been doing things ever since but now they say it is the Saemaul approach but in essence it is the same as the rural development projects we’ve been implementing since KOICA was established. We’ve been doing these things ever since, but the governments, they try to address…From the administration point of view, I think, […] the branding is also necessary. I personally agree but what we do is the same. Because it’s about poverty’ (interview #31).

Despite its continued commitment to ODA, some commentators suggest that Korea might be losing its comparative advantage in the development intellectual market: ‘Korea has lost its narrative, it’s no longer recipient-to-donor, the newest G20 member and so forth, so there’s a gap here. In Southeast Asia Korea still has credibility because it has “made it”, especially in middle income countries’ (interview #34). As the Philippine Saemaul Undong (PSMU) team recalled about Saemaul in Iloilo,
‘people in the communities are excited about SMU. About South Korea, they know nothing about Korean history or culture; at best they know K-pop so we don’t really know if Korean image changed… But the people hear about SMU, they get interested “Oh really, that’s what Korea did?” They realise we shared the same experience of Japanese colonisation. It’s a good image for Korea, it’s surely part of their branding. I also think they’re grateful for what we did during the Korean War so they’re pouring a lot of money in the country now’ (interview #47).

Sitting of an office in the Iloilo city hall, surrounded by a library containing, among others, books by Jeffrey Sachs, books on Korean public administration and development assistance and a book entitled The Marketing of Nations, one of the founders of PSMU explained how participating in a training program in Korea really changed her perspective on Saemaul and Korea’s presence in the Philippines:

‘- It’s not easy, even the first orientation. At the level of agricultural officers some people resisted. Some are excited but some do not understand the concept. […] It’s a common experience, at the start everybody is excited, but if there’s no good leadership, eventually it dissipates and will die of natural death. Every month there should be an activity, to change their minds. But it’s different when you really experience it, it’s a life changing experience, even more than the international training I attended. In Daegu¹⁷, we had a 5 or 6 days training at the centre, it was a very good experience. […] The Forum in Daegu was very grand, I was very proud to be a Filipina, and I realised with a comparison that the Philippines are still fortunate compared to Uganda, Burundi etc.

- Did it change your image of Korea?

- Hum…Yes, maybe. I thought about Koreans, we didn’t like them at all here. But they always said Filipinos are friends, they call us “bloody

¹⁷ Global Saemaul Leadership Forum held in Daegu, November 2015.
brothers” because of the Korean war soldiers, there’s a sense of gratitude still there. They treated us very well in Korea. It influenced my way of thinking, and my reaction towards them positively. I also thought “Hum, why are they doing all this? Maybe they want something from us when they gave us things, even KOICA, but I think they are sincere. They say Filipinos are friend and partners, and “we don’t consider them as recipients but partners.” It also changed our way to look at our task force for livelihood with the Korean investor in San Dionisio18; we were thinking this Korean investor will use us, he has no plan, couldn’t present his company properly, we were doubtful but then we realised he has good intentions’ (interview #49).

But there is also a growing scepticism in many recipient countries about the Korean development experience and its promotion: ‘for Sub-Saharan Africans, they see it as a new form of imposition. Having “made it” was Korea’ big credibility argument but it doesn’t work anymore’ (interview #34). This ‘backlash against Korean development cooperation on the ground’ is linked to Sub-Saharan ‘seeing Hyundai and Samsung arriving and they’re afraid’ (interview #34). My own discussions with participants to the Global Saemaul Undong Forum 2015 confirmed this impression. As a Kenyan local government official spontaneously commented to me: ‘they know well, you know, we only hear about Korea, Korea this, Korea that, Korea there, so when we come back home we’ll speak about Korea and they know it. That’s a good way for them to penetrate in Africa, in our markets’ (interview #55). In addition, as K Pop spread, people started to realise the costs of Korea’s miraculous development, such as the country’s environmental and cultural losses, or the worrying rate of suicides, especially among the youth and the elderly. ‘Until then, this side was not noticed, the miracle on the Han river was prominent, this was not looked at under Lee Myung-bak, but now it’s looked at more closely, and it’s a super sensitive issue’(interview #34). At the Global Saemaul Forum, a dubious South Asian journalist turned to me and said ‘This is branding, if I can be honest. Ok, Korea developed. But they have a high rate of suicide, 43 a day, that’s worse than the war, and they have the longest working hours…so…makes you think’ (interview #56).

18 The other SMU municipality in Iloilo province.