The field of international development cooperation has been heavily influenced by “emerging donors”, countries which have seen significant development and which have begun to form their own international development programs. Countries like South Korea are capitalizing on their own development history to engage developing countries to learn from successful past policy experiences. However South Korea’s burgeoning knowledge sharing programs present an important set of pitfalls; the state’s quasi-monopoly over how the country’s past development is interpreted, along with the narrow conception of the development experiences to be shared both limit the effectiveness of exporting such policies. Korea can capitalize on the wealth of lessons from its past development on the international stage if it presents a convincing heterodox paradigm for development while opening up interpretations of the past to wider societal debate, and if it shifts to an understanding of its own development history which transcends sole economic interpretations.

Introduction

The past few years have seen the beginnings of two large shifts in international aid to developing countries. Firstly, the 2008 financial crisis has precipitated a gradual retreat of “traditional” Western donors from the center-stage of development aid, and has begun to place new actors closer to the spotlight. The fourth High Level Forum on Aid Effectiveness in Busan, Korea in 2011 confirmed this trend, with its focus on incorporating new strategies in planning and financing development through the private sector and emerging donor countries.\(^1\)

\(^1\) Shannon Kindornay and Fraser Reilly-King, “Investing in the Business of Development: Bilateral Approaches to Engaging the Private Sector,” *The North-South Institute and the Canadian Council for...*
Secondly, and in complement to the first trend, the gradual rise of middle-income economies such as China, India, Brazil and Turkey has heralded the rise of new development aid donors, “emerging donors” which have seen significant economic progress over the past decades and which have developed sizeable foreign aid programs. These emerging donors’ contributions to international development aid are firstly quantitative in nature: South-South Cooperation, and especially aid flows by BRIC countries have dramatically increased in the last few years. The aid flows from China, India and Brazil alone have gone from close to US $38 billion in 2006 to over US $60 billion in 2011.2

Certainly the rise to prominence of emerging donor countries is an ongoing process, and competition with the sheer scale of aid from the United States and Western Europe is still not comparable. But countries such as South Korea, China, Turkey, Brazil and others are increasingly developing their own approaches and methods to helping other countries. They are namely mobilizing lessons learned from their own histories of development, sharing experiences and adapting older policies and ideas to the new century.3

The Republic of South Korea (below, Korea) is one of these few countries to have gone from aid recipient to aid donor. In the 1950s and 60s, South Korea was just emerging from the devastating Korean War and had a per capita GDP lower than the Philippines and an industrial base all but decimated in the war. In just four decades, however, Korea graduated to middle, then high-income country status, and now leads the world in key industries such as electronics and shipbuilding.

Korea is also one of just two members of the Organization for Economic Cooperation and Development (OECD)’s Development Assistance Committee to have previously received foreign development assistance. With a rapidly expanding foreign aid budget, Korea has heavily invested in development cooperation programs that capitalize on lessons from its own past economic growth. As such understanding, packaging and bringing into action the Korean development experience is central to the future of Korea’s international development cooperation. However to ensure effectiveness, Korea will need to shape its knowledge sharing programs into more coherent, open initiatives which promote a truly pragmatic look into its rich development history.

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Korea’s experience-based aid initiatives are relatively young, and are encountering problems which could threaten their meaningfulness and positive impact on less developed countries. Korea (and by extension, all of the emerging donors who are in the beginning phases of formulating their development cooperation) must seriously reexamine and address a number of potential shortcomings endemic to their aid systems.

Analyzing Past Policies

The Korean government’s Knowledge Sharing Program (KSP) has been the flagship of its development experience-based cooperation since its inception in 2004. The program engages low- and middle-income countries on questions of economic and social development policy, finding and assisting in the implementation of policy solutions and recommendations based on Korea’s own low- and middle-income past. In 2011, the program partnered with twenty-five countries in KSP initiatives. KSP also uses researchers affiliated with the state’s Korea Development Institute School of Public Policy to publish extensive analysis on topics in Korea’s economic development, in a project called the “modularization” of Korea’s development experience.

The program is bringing forward alternative policies derived from Korea’s own development experience and has the potential to act as a channel for heterodox economic policy formulation and implementation in developing countries. These policies include designing export initiatives fueled by monetary policy and central bank control in the Dominican Republic, or again protecting domestic industries as a part of economic diversification in Gabon.

In many instances, the tools of policy have changed with time: KSP’s policy recommendations are not a carbon copy of the policies which saw Korea’s rise over the last half century. Protectionist trade policies, for example, are not actively or often advocated, and while emphasis is placed on developing export-orientated growth strategies, this is advocated more through gradual deregulation than through industrial policies.

Changes in the policy toolbox notwithstanding, a careful examination of

4 While the phenomenon of new development aid donors can be ascribed to the rise in the past two decades of middle-income countries and regional powers in certain parts of the world, including the BRICS, there are instances of emerging donors engaging in knowledge sharing programs as early as the 1970s and 1980s. This is the case of Japan’s Kaizen development methodology and of Brazil’s social protection programs such as Bolsa Familia.


6 Korea Development Institute Center for International Development, “Moving to the Diversification of the Gabonese Economy: Lessons Learned from Korea” (2012).
KSP policy recommendations to other countries along with the contents of the KSP modularization shows that the goals of policy remain very similar to those advanced during Korea’s low- and middle-income years. These are namely that of deepening national industrial capabilities (through economic restructuration and a simultaneous export oriented and domestic market-centered approaches) and that of creating a knowledge-based economy, which prizes research and development, information technology and higher-value inputs to increase total factor productivity.

While keeping intact the basic goals of Korean development policy in the 1960s, 70s and 80s, KSP is adapting Korea’s own development experiences to the realities of developing countries today.

**Growing Pains**

However despite the efforts of the Knowledge Sharing Program, Korea’s development experience-based cooperation efforts have several clear limitations which reduce the effectiveness and meaning in harnessing successful development stories.

Firstly, there are factors which inhibit the scale, scope and efficiency of Korean aid in a larger sense. The majority of these factors are well-known in the Korean development policy community, and have recently been highlighted in the 2012 OECD Development Assistance Committee’s peer review of Korea’s development assistance. They include low overall levels of ODA to GNI (0.12 percent in 2011) and a high ratio of tied to untied aid (68 percent to 32 percent in 2010). In addition Korean aid faces the dual challenge of aligning its thematic focuses with its various country partner strategies and better incorporating results-based management frameworks into projects on the ground in developing countries.

One other main critique, not highlighted in the Peer Review, pertains to the overall goals of Korean aid. Critics have often identified Korean aid as “flag aid”, which aims more to advance the visibility or image of the donor country than to achieve development in the recipient country. The high level of tied aid

has also led to the accusation that Korean aid serves primarily as an entry point for Korean businesses by tying assistance to deal with Korean companies. The recent emphasis being placed on public-private partnerships (PPP) for infrastructure construction in developing countries, facilitated by Korean aid money, has lent weight to this view.\textsuperscript{11}

All these limitations have been debated at length leading up to and since the 2012 Peer Review. To the extent that they inhibit the development of aid programs in general, these elements also adversely affect the operation and positioning of knowledge and experience-sharing programs.

In the wake of the publishing of the 2012 Peer Review results, there has been a concerted effort on the part of both the Korean government and Korean civil society to address the main obstacles highlighted by the review team. However, despite a general agreement in the Korean aid community on the need for reform, the specific policies in question are still a matter of debate. In response to the Peer Review, the Korean government is proposing gradual changes, focused on the size of Korea’s aid package and the way in which it monitors aid. These changes include engagements to increase overall official Development Assistance (ODA), increasing the portion of untied grant aid in Korea’s ODA allocations, and improving aid programme evaluation processes for better results-based management.\textsuperscript{12}

Other voices in the Korean aid community, notably in civil society, are pointing out that while progress on certain fronts (notably in increasing the size of overall ODA) is being made, other more fundamental issues are being left by the wayside. Civil society has held campaigns for more accountable and efficient Korean aid, most recently advocating that Korea join the International Aid Transparency Initiative.\textsuperscript{13} Furthermore, civil society continues to advocate that the Korean government solve the problem of aid fragmentation in accordance with the recommendation of the Peer Review, by consolidating its various tied- and untied- aid agencies under one single organization.\textsuperscript{14}

\vspace{1em}
\textsuperscript{11} The involvement of foreign companies in development projects, normally practiced by all aid donor countries, has led to several high profile scandals in the case of Korea, notably in 2012 in Cameroun, where the selection of the African country as a Priority Partner Country was linked to share-rigging in a diamond mining operation linked to Korean business interests.


\textsuperscript{13} This advocacy was done through several social media channels, garnering press coverage as evidenced in the following story: “The Government Must Become a Signatory to the IATI” http://m.mt.co.kr/new/view.html?no=2013082614268278136 (Accessed October 10, 2013).

Despite stated willingness by government actors to act on certain provisions for improving the quality of Korea aid, existing tensions among agencies have inhibited comprehensive and deep-reaching reforms for more efficient aid.\(^\text{15}\)

There are still other limitations to Korean aid which touch directly on Korea’s knowledge-sharing initiatives, possible solutions to which could give direction, not just to Korea, but to other emerging donors with similar aid architecture and orientations. Development experience-based aid programs are susceptible to politicization and monopoly by the state of a contested past, as well as being prone to adopting an overly narrow economic view of development, which may limit an otherwise rich repertoire of development lessons.

**Politicizing the Past**

Korea’s knowledge sharing initiatives are bearing the ill effects of the monopoly that the Korean state holds over interpreting and re-producing the Korean development experience. Given the continued political significance of certain historical policies and given the serious fragmentation problem of Korean aid, this means that not only is serious doubt placed on the idea of a single unified “Korean model” or a single “Korean experience,” but formulating development policy based on aspects of Korean development can be highly politicized, and may in turn suppress any new innovative interpretations of how Korea developed.

The clearest example of how knowledge sharing can be politicized in Korea is the *Saemaeul Undong*, or New Village Movement. The New Village Movement was an integrated rural development movement initiated by Korean strongman Park Chung-Hee’s government in the early 1970s. Through state subsidies of agricultural production and heavy investment in rural infrastructure, the movement sought to close the rural-urban gap by having rural people take an active role in building their communities.\(^\text{16}\) However, this model of rural development has also been criticized for its totalitarian nature; Park also used the movement as a method of control to solidify the country’s military dictator-


ship and tighten Korea’s Republican Party’s influence, effectively making the New Village Movement an extension of authoritarian power.¹⁷/¹⁸

This history makes trying to export the New Village Movement program to other countries a singularly political affair. Since the election of Park Chung-Hee’s daughter Park Geun-Hye to the presidency last year, the Korean executive branch has been promoting the use of Saemaul Undong as an aid program by encouraging its aid agencies to boost spending for similar rural development programs¹⁹ and by engaging the UN to incorporate New Village-like activities in its development policies.²⁰

Yet within Korea there has been much opposition to the state’s interpretation of the New Village Movement and to the Ministry of Strategy and Finance’s designation of the movement as a “successful case.”²¹ The very diagnosis of the movement’s success is effectuated very differently by the Korean government and by civil society organizations. On one hand, the government identifies three basic success factors in the movement: the state’s ability to supply villages with raw materials (such as cement), the competitiveness among villages which lead to more efficient work, and the spirit of cooperation within villages that made community cohesion possible.²² These factors can be applied, according to the government, in developing countries which are experiencing rural poverty and where the state is able to generate the above three factors.

On the other hand, analyses to come out of civil society and some academia present an alternative view and alternative lessons from the experience of the New Village Movement. In many instances the importance of the coordinating role of the government is put forward. During the 1970s, it is argued, rural

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18 Ibid.

19 This very recent expansion in New Village Movement operations overseas has not yet made the subject of any clear strategic position paper by Korea’s development actors. It has however made the object of working plans to expand the budget to New Village Movement programs in certain countries, namely in Rwanda and Nepal. A May 2013 conversation between the author and KOICA Rwanda’s Deputy Representative has confirmed that the country office is currently working to expand the scale of village-based rural development interventions in direct response to the new Korean administration’s stated interest in New Village Movement development projects abroad.

20 President Park’s engagement of the United Nations, namely through official meetings with the (Korean national) U.N. Secretary General Ban Ki-Moon, has made echoes in the Korean press and in popular commentary.

21 Korea Development Institute School of Public Policy and Management, “Modularization of Korea’s Development Experience: The Successful Case of the Korea’s Saemaul Undong (New Community Movement)” (2011).

22 Ibid.
incomes were boosted mainly through state subsidies of both domestic agricultural supply and demand.\(^23\) The lessons to be taken from this point underline the state’s role in market coordination, and involve state-centered policy recommendations for developing countries which are less emphasized or even omitted from the Korean state apparatus’ own analyses.

Still more scholars and non-governmental organizations have made the claim that the renewed push to expand Korea’s New Village Movement programs overseas is more heavily informed by political and diplomatic considerations than by country needs analyses and diagnoses.\(^24\) The state, as both the formulator of national development policy and the main source of funding for Korean aid programs abroad, naturally defines and directs the content and elaboration of its programs. However, it is not clear that the state’s interpretation of the New Village Movement is intrinsically more valid than competing interpretations from civil society or academia. Furthermore, doubt can be cast on the very legitimacy of a model of development which prioritizes diplomatic and political considerations above questions of development effectiveness.

But even within the state there are differences in vision and policy which contribute to muddling attempts at constructing a unified ‘model’ of development. Korea’s aid is highly fragmented, with more than 30 different government bodies involved in international development aid.\(^25\) The multitude of actors can create a dissonance that belies the state’s desire to construct holistic and government-wide models. The example of the Saemaul movement applied here as well: no fewer than five government entities actively participate in funding and implementing Saemaul movement activities in developing countries.

While there have been several attempts to consolidate Saemaul programs and other Korean-experience-based initiatives into coherent models,\(^26\) they have all stalled. The policy papers emerging from Korea’s aid agencies on the New Village Movement propose a slew of contradictory guiding principles (running the gamut from participatory development-centered\(^27\) to centralized and state-

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\(^25\) Organization for Economic Co-operation and Development “Peer Review: Korea” Development Assistance Committee (2012).


driven.\textsuperscript{28} There now exist multiple New Village Movement ‘models’, each differing according to the implementing agency: the Ministry of Strategy and Finance, the Korean International Cooperation Agency (KOICA), the government of Kyungsang Province, and the Ministry of Food, Agriculture, Forestry and Fisheries are all directly involved with “New Village” activities, each activity equally different in conception as in implementation.

**Absent from the Debate: Civil Society**

Korea’s state control over experience-based development policy and its severe aid fragmentation show how problematic it is to consolidate a single model for export in the context of development cooperation. The absence of a single model does not mean that effective knowledge sharing is impossible, as long as the void is filled with a constructive, cross-cutting social dialogue that seeks to bring out the nuances of Korea’s past and ongoing development.

The interpretation of any country’s past carries important political implications for its present; the government’s formulation of policy for development cooperation with foreign states becomes \textit{de facto} an issue of domestic policy. Given a history of rapid industrialization and economic growth under authoritarian rule like Korea’s, it could be expected that social movements and civil society actively voice any disagreements in content and interpretation of said development policies, especially should this development cooperation purport to revive old authoritarian-era economic policies.

However, while the Korean government is advancing an agenda for experience-based knowledge sharing on theoretical and implementation fronts, Korean civil society and especially Korean development NGOs are not making their presence felt on either front. The relative silence of civil society on development knowledge sharing has several causes. Firstly, there are few Korean NGOs which actively monitor and engage with Korea’s development policy (the main ones being ODA Watch, the People’s Solidarity for Participatory Democracy’s International Cooperation Committee and the umbrella organization for Korean development NGOs, the Korean Civil Society Forum for International Development). This translates in practice to fewer policy papers and smaller, less diversified civil society representation at multi-party events and panels: in short, lower visibility and impact.

Secondly, there is as of yet little connectivity between domestic, development policy-focused Korean NGOs and their counterparts which directly

implement and supervise programs in developing countries. This means that civil society contestations of the Korean state’s development policies are not necessarily linked to evidence from Korean development NGOs overseas. For example, the Korean NGO Good Neighbors International is engaged in implementing community development projects abroad, purportedly based on Korean rural development, and funded by KOICA. However no discursive or policy production (events, co-written papers, public debates) have linked Good Neighbors’ work, the successes and/or failures of the project, back to the critiques made to the New Village movement model by domestic Korean NGOs.

Lastly, there exists an important gap in connectivity between civil society organizations working on domestic development issues and development NGOs. A country’s development experience can be accessed and analyzed through a number of intermediaries (including state ministries and foreign aid organizations), but civil society is one of the few alternative, non-state sources of “development history”. They are well placed to put forward an alternative, nonofficial story on the effects of state development policies. These organizations include trade unions, business cooperatives, government oversight groups and more. However, these organizations’ interaction with domestic development NGOs to produce a broader contestation of the state’s discourse of development cooperation is very restricted in Korea. Instead, development NGOs are much more active in building alliances with international civil society and have developed tight ties with certain state development apparatus (as evidenced by the regular appearances of development NGO papers in KOICA publications, namely International Development Cooperation).

These three points all drive home the absence of any prolific contestation of the state’s analysis of Korea’s development history. While there are certain examples of Korean NGOs and think tanks putting forward alternative versions of Korean development and alternative policy recommendations these are few in number. The state still very much holds a monopoly on policy implementation and discourse surrounding Korea’s development experience.

A Narrow Vision of Development

Furthermore the idea of a Korean model of development, as well as the packaging of that model, has confined itself to a narrow, mostly economic interpretation of development. Korea’s astounding rise from abject poverty to the world’s thirteenth economy certainly does have relevant policy lessons to give in terms of economic development.

But the Korean example is also germane in many other fields, which are very important to the development of a country. An examination of the most coherent effort to map Korea’s development history and lessons for other countries, the KSP Modularization work, demonstrates this lack of thematic diversity. Topics close to industrialization and economic development abound (public works construction, tax code reform, productivity improvement). Yet there are some key themes that are not at all touched on by the project, such as organized labor and the press. It is nevertheless worth noting that certain social development themes are featured, albeit not prominently, in the publications. These include welfare policy and environmental conservation. The project privileges themes close to the state and close to economic development.

Yet Korea has not just seen gains in its GDP since 1960. Growth was accompanied, at different stages, with labor movements, freedom of the press initiatives and many other social advancements; how did this progress come about? What was the relationship between, for example, industrialization and environmental conservation? What factors fostered the meteoric growth of civil society organizations in the period just after democratization in the late 1980s and early 1990s, and what effect did this have on Korea society? All these questions are vital to a holistic understanding of how Korea enacted such a rapid social and economic change in so little time.

These questions are also central to addressing the possibility for a more holistic approach to the Korean development experience by Korean aid actors. In certain cases, the overt focus on a single dimension of the Korean experience can shroud larger development-related considerations. This is the case of Korea’s ‘Green ODA’ initiative, attempting in part to bring forth Korea’s lessons in environmental conservation during its period of industrial development.

Under the name of ‘Green ODA’, Korea has engaged in dam construction projects, including the on-going Karian reservoir Project in Indonesia. The

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32 Korea Development Institute School of Public Policy and Management, “Modularization of Korea’s Development Experience: The Operation of Nationwide Health Insurance and its Implications” (2011).
33 Korea Development Institute School of Public Policy and Management, “Modularization of Korea’s Development Experience: The Operation of the Environmental Charging System in Korea” (2012).
project in question has involved the forced expulsion and resettlement of over 3,000 households from the area. While it may succeed in its primary goal of providing both steady water and energy supplies to the country, it remains unclear that the forced relocations have benefited the population in the immediate surrounding area. The project in question could perhaps have benefited from mobilizing other aspects of the Korean experience, including an understanding of the evolution of property rights law during the 1970s in Korea, when cases of eminent domain contrasted landowner’s rights with the state’s industrial development projects. Other aspects of the Korean experience could be brought forward to minimize negative externalities.

These questions are also equally important to understanding the effects of economic policies in broader society. There is a noticeable gap in the empirical literature on Korean economic development, as most of it skirts around or does not lend serious weight to intrinsically social impacts of economic phenomena. This is very valuable to developing countries today, which are increasingly looking beyond simple prescriptions for growth and towards mechanisms to lower social risk, redistribute wealth and build up resiliency.

Conclusion-Policy Recommendations

In summary Korea’s development experience, despite its great promise for developing countries, is not living up to its potential. The following policy recommendations for Korean state development policymakers are put forward based on the identified shortcomings of Korea’s knowledge sharing for development.

Firstly, Korea must show the value added that its development history brings to the makeup of international development cooperation. In a post-financial crisis world, where contestations of financial liberalization as well as neoclassical economic principles are gaining in popularity, this means making the bold move of promoting the heterodox economic stances and principles (especially with regards to industrial policy) which contributed in such large part to the country’s success. In a recent article, economist Dani Rodrik empha-

38 Ha-Joon Chang, “The Political Economy of Industrial policy in Korea,” Cambridge Journal of Eco-
sized this point as a key value added in the development cooperation policies of emerging donors:

“Their own development experience makes countries like China, India, and Brazil resistant to market fundamentalism and natural advocates for institutional diversity and pragmatic experimentation. They can build on this experience to articulate a new global narrative that emphasizes the real economy over finance, policy diversity over harmonization, national policy space over external constraints and social inclusion over technocratic elitism.”

Secondly, Korea must work towards and open and pragmatic methods for interpreting the past. It must shy away from preferring political and national strategic interests to development effectiveness. This also means opening up to a national discussion on its development history, fostering dialogue where it is lacking among civil society organizations and enabling non-state organizations to collaborate and bring forward different, competing interpretations and actualizations (through implementation in the field) of the Korean development experience. The government needs to be pragmatic in this approach, ready to change up old toolboxes and methodologies, but also willing to call into question the development paradigms within which it is working.

Together with these measures, NGOs need to increase their presence in debates and play a larger role, not just in bringing constructive critiques to existing frameworks, but in shaping future aid policy. In order to involve a broader swath of civil society in the aid debate, existing umbrella organizations such as the Korean Civil Society Forum on International Development Cooperation (KoFID) must frame its policy debates, advocacy efforts and academic research in a way that can appeal to various other types of domestic civil society organizations. One possible unexplored avenue for this kind of cooperation is the linkage between migrant workers in Korea and Korean-led development efforts in the workers’ home countries. Expanding the actors present in these debates will bring a more holistic interpretation of Korean experiences to bear on development policy.


Lastly, Korea stands to make a stronger contribution to international development cooperation if it challenges the boundaries of where and how its development history can be applied. Beyond economic policy, there is a trove of lessons regarding the development of Korean society, in success and failure, which respond to new needs and interests of developing countries. This recommendation aligns well with the previous one: it is only by engaging a broad cross-section of society on the question of Korea’s past development that various social issues can be brought to light.

These policy recommendations are formulated based on the Korean example, but the underlying idea that a country’s development experience needs to be analyzed and interpreted in a holistic manner, thinking beyond the state when necessary, applies to all emerging donors. Countries such as Brazil, Turkey, Japan, China, South Africa and others have real contributions to make to the international community, and must shape their development cooperation policies accordingly. Knowledge sharing for development must not be a single-minded drive to define and operationalize the past, but a whole-of-society approach to explore and share its nuances and contingencies.