

## South Korea's Middle-Power Diplomacy on the Post-2015 Development Agenda

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International development efforts are at a crossroads. The era of the Millennium Development Goals (MDGs) is coming to an end in 2015 while global efforts to form a post-2015 development agenda are now culminating in the Sustainable Development Goals (SDGs). The 70th Session of the United Nations General Assembly, which opened on September 15, 2015, was a critical juncture for declaring a new transformative development agenda for the next fifteen years.

Since 2012, the SDGs have been constructed by a series of complex consensus-building blocks undertaken via the outcomes of the Rio+20 conference, the High-Level Panel on the post-2015 Development Agenda, the High-Level Political Forum on Sustainable Development, and the UN Development Cooperation Forum (UNDCF). The SDGs feature three elements of the post-2015 development agenda: “multi-dimensionality” covering inclusive economic growth, social development, and sustainable development; “multi-stakeholderism” inviting non-state actors into the arena with governments; and “universality” implying SDGs should be applied to all nations using the principle of common but differentiated responsibilities (CBDR). South Korea occupies an important middle ground as a developing country that transformed itself from aid recipient to aid donor. It can lend insights into the global development process that address how countries can reform, grow and best capitalize on aid flows envisioned under the SDGs.

South Korea, which recently joined the donor club through its membership to the OECD Development Assistance Committee (DAC) in 2010, has emerged as a new middle power. Playing a significant role in a wide range of important development issue areas, South Korea supports the liberal international order in the field of development cooperation by broadening the middle ground where developing countries project their own views alongside those of traditional donors. South Korea considers official development assistance (ODA) to be one of the main pillars of its foreign policy and public diplomacy, and has worked to improve its national architecture of policy implementation and the quality of foreign aid, in spite of some obstacles and oscillations.

By issuing the Advancement Plans for ODA on a regular basis, the South Korean government has attempted to enhance the development effectiveness of its aid projects and tune its general direction of ODA

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policies to global normative paradigms of MDGs and SDGs. Reflecting strategic national interests and humanitarian objectives, Korea's ODA governmental agencies in April 2015 selected 24 developing countries as targeted recipients that will receive about 70% of the total bilateral ODA budget including grant-based and loan-based projects. This selection and concentration policy is a logical outgrowth of South Korea's strategic consideration for not only improving the quality of ODA but also using ODA as an effective tool to meet its national interests and the key agendas of SDGs.

### **A New Era of Global Partnership**

Extended economic stagnation in leading donor countries has hampered their efforts to increase the volume of ODA. Traditional donors—members of the OECD DAC—have been gradually losing ground in the aid industry, while new development actors like private firms, civil society organizations (CSOs), and philanthropic foundations have been spotlighted as alternative partners for development cooperation. Among the many challenges arising from the changing landscape of international development is the emergence of new donors, mainly BRICS, conducting a new formality of development projects. BRICS donors address the alternative approach to development cooperation by highlighting the importance of South-South cooperation and sharing mutual benefit, no strings attached, and non-intervention to domestic politics of recipient countries as main principles of implementing their projects. All these changes have prompted calls for a new global partnership that embraces multiple stakeholders working together on the post-2015 development agenda. In this context, the debut of South Korea as a DAC donor has spurred a new round of global partnerships on the basis of the country's own strengths in bridging the divide between the Global North and the Global South.

South Korea is one of few countries that have successfully transitioned from a net aid recipient to a net aid donor in a relatively short period of time. This track record allows it to play an important role in establishing a post-2015 development agenda in international fora like the 2010 G20 Seoul Summit and the 2011 Busan High-Level Forum (HLF) on Aid Effectiveness. In particular, hosting the HLF in Busan led South Korea to share its own development experience with developing countries, which has attracted a considerable amount of attention from both aid-giving countries and aid recipients. Also, South Korea made the most of the Busan HLF by taking the initiative in shifting the development paradigm from aid effectiveness to development effectiveness. Indeed, the upcoming post-2015 development era will serve as an opportunity for South Korea to pave as a middleman facilitating policy dialogues between donors and recipients.

### **South Korea as a Middle-Power Mediator**

At the center of South Korea's foreign aid policy is its strategic interest in linking development issues with its diplomatic deliberation as a middle power. The effective disbursement of ODA and proactive participation in global forums can aid South Korea in projecting soft power, which is useful when serving as an intermediary for traditional donors, developing countries, and newly emerging non-OECD DAC donors. Given that actors, dimensions and sectors of development cooperation are increasingly diversified beyond the traditional way of North-South cooperation in the post-2015 development era, the identification of South Korea as a middle-power mediator enables itself to consolidate its bridging role in filling the vacuum left by the widening gaps between old and new development partners. Also, such a middle-power mediator would be the optimal solution of how to use its limited scale of ODA budgets in a more strategic fashion. Indeed, South Korea has successfully proposed alternative de-



velopment norms such as development effectiveness, and took the lead in stacking building blocks of its best practices for developing countries throughout the Knowledge Sharing Program (KSP).

This bridging role has been presented on multiple levels. First of all, South Korea took initiative of declaring the Seoul Development Consensus for Shared Growth, which was endorsed by the leaders of G20 nations at the 2010 G20 Seoul Summit. In contrast with the older Washington Consensus, the Seoul Development Consensus allowed a larger role of state intervention into the market, and provided a set of principles guiding G20 countries and other global actors to achieve the MDGs, with action plans for the delivery of tangible outcomes. Secondly, the Busan HLF culminated in the gathering of multiple development stakeholders—including ministers of developed and developing nations, emerging economies, CSOs, and private sector representatives—that became signatories to the Busan Global Partnership for Effective Development Cooperation (GPEDC). The significance of multi-stakeholder partnerships further deepened GPEDC's influence over South-South and triangular cooperation. Furthermore, the GPEDC marked a critical turning point in the sense that this partnership for the first time established an agreed framework for development cooperation that embraced the BRICS and South-South cooperators together with traditional donors. The Busan legacies remain alive in Seoul's diplomatic attempt to forge MIKTA (Mexico, Indonesia, South Korea, Turkey, and Australia) as a middle-power platform that advances development cooperation. South Korea also offered to chair the Multilateral Organization Performance Assessment Network (MOPAN) in 2016 by taking over the 2015 Chair of MOPAN (USA). South Korea will assert itself further on global stage on development issues by taking the 2016 Chair of MOPAN, which is a network of 19 donor countries with a common interest in assessing the organizational effectiveness of the major multilateral organizations they fund.

## **Broadening the Middle Ground for the Post-2015 Development Era**

The concept of middle-power diplomacy continues to shape South Korea's perspectives of the post-2015 development agenda. The Busan HLF, in which South Korea held a large stake, was taken over by the GPEDC at the end of June 2012. South Korea retained its political clout and sustained its bridging role by replacing the HLF with the GPEDC. As one of the members of the GPEDC Steering Committee, South Korea emphasizes the enduring importance of development efficacy and means of implementation (MOIs) as the essential components of the GPEDC's main mission in preparing for the post-2015 development era.

The Global Partnership for Effective Development Co-operation is indeed perceived as a middle ground where South Korea's development cooperation framework can be aligned with the general trend of SDGs. This is simply because the GPEDC underscores flexible, multi-stakeholder, action-focused approaches, which can play a useful role in helping to implement the post-2015 development agenda. It also can serve as a global platform where actors come together to share knowledge and expertise—including best practices, particularly relating to how to work with a range of partners—and bring this information into the post-2015 development discussions. Indeed, the GPEDC will drive efforts at the international level to enhance the quality of the cooperation and development effectiveness principles in the post-2015 development agenda, and at the country level to foster learning and experience-sharing in achieving sustainable development results.

South Korea strategically advances the GPEDC as a major part of implementation mechanisms and monitoring frameworks, designed to achieve SDGs in the post-2015 development era. Along with the GPEDC, South Korea supports the “leave no country behind” principle, proposed as the first of five core principles for the post-2015 development agenda, as



well as the CBDR principle, tailored in favor of developing countries' demands for modifying the concept of mutual accountability. In addition, the Korean government sets in motion its own national targets closely connected with SDGs: global citizenship education, inclusive economic growth, and the reduction of inequality through job creation, the expansion of Sae-maul Undong (New Village Movement), and crosscutting issues such as gender equality, climate change, the rule of law, and good governance. The Korean government continues to fully engage itself in the negotiation forums, including by hosting the UNDCF Incheon High-Level Symposium in April 2015, which included the run-up to the Third International Conference on Financing for Development in Addis Ababa in July 2015.

### Connecting Global Platforms for Implementing SDGs

The more critical question regarding the post-2015 development agenda is not what SDGs should be, but how they can be implemented. Given the fact that the UNDCF is a global multi-stakeholder policy forum in preparation for the 2015 United Nations Summit, it has legitimacy in stacking building blocks made from the progress of MOIs and monitoring frameworks. Yet, the huge overlap between the GPEDC and the UNDCF generates competing global platforms for development cooperation and provides some partners with perverse incentives for forum shopping. Without a close consultation, each platform has conducted global surveys of developing countries with overlapped contents but in different manners, thereby saddling them with reporting different sets of survey with confusion. The continuation of parallel platforms hinders current challenges from being sufficiently addressed in the post-2015 development era.

To avoid a lack of cohesion between the two global platforms, stakeholders in the GPEDC and the

UNDCF need to delineate their different strengths and weaknesses. While the GPEDC, as a child of the OECD, is strong in action-oriented approaches (particularly regarding its monitoring frameworks and accountability mechanisms), the UNDCF, as an official organ of the UN, has genuine legitimacy with a clear UN mandate to coordinate both platforms towards implementing the post-2015 agenda. Creating one platform for all should include a constructive integration of both platforms on the basis of comparative strengths to consolidate discussions around the effective implementation of development cooperation. With regard to this mission, South Korea can promote the merging of or even partial collaboration between the two platforms, given it is currently engaged in both platforms. During the period of the post-2015 agenda, the connection of the two global platforms will be one of South Korea's main strategic targets in boosting development cooperation.

### The Tasks Ahead

As a newcomer to the DAC, South Korea still faces several challenges on the domestic front that hinder its full pursuit of middle-power development policies. Firstly, it failed to redeem its pledge that the government would increase the volume of ODA from 0.12 percent of gross national income in 2010 to 0.25 percent by 2015. The actual volume of ODA in 2015 remains around 0.17 percent, roughly equivalent to 2 billion USD. Second, there is no clear national vision for Korea's ODA policy. *The ODA White Paper*, which was first published in 2013, is unable to make a compelling case for why the Korean people should share some portion of their taxes with developing countries. Last but not least, the fragmented structure of its policy apparatus between the Ministry of Foreign Affairs (MOFA) and the Ministry of Strategy and Finance (MOSF) continues to hinder South Korea's efforts to enhance development effectiveness. The integration of



grant projects under the MOFA and loan projects under the MOFA will be one of the fundamental prescriptions for rectifying its domestic fragmentation and bolstering its external middle-power diplomacy on the post-2015 development agenda. ■

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