

Korea's motivations of official development assistance (ODA): aid allocation as a middle power?

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This study aims to analyze South Korea's (hereafter Korea unless necessary to distinguish from North Korea) aid flow from late 1980s in accordance with its history from 1960s. In mid-1990s, Korea successfully transferred itself from a long time recipient to a growing donor. It is moving forward to be an advanced participant in terms of ODA quantity and quality by joining the Development Assistance Committee (DAC) in Organization for Economic Cooperation and Development (OECD) in 2010 and has been noted to have the 11th largest Gross Domestic Production (GDP) as of 2002. Since then, "Korea as a Middle power" and "national prestige" have frequently used in government documents, policy related materials and various articles. In terms of statistics, it clearly illustrates Korea as one of the leading middle power in the world in terms of social and economic status. However, it has not been tested whether Korea is behaving as a middle power yet. This research is designed to shed light on a question raised in debate about the motivations of Korea's ODA in the middle power behavior/diplomacy argument.

Why do governments allocate their limited resources to promote development in other countries? There are two main motives: self-interest and humanitarianism. Self-interest includes national interest, economic self-interest and politico-strategic interest, whereas humanitarian motivations are more concerned with motivating a donor's development assistance policies. These policies include promotion of trade, outward foreign direct investments (FDI), donor reputation in international society, national security, as well as democracy and civilization in recipient countries. Many scholars note economic or political self-interest as a critical role in early phases of foreign aid programs. However, more recently there are studies have focused on governance of recipient governments. Middle power diplomacy and middle power behavior is another thriving aspect scholars have chosen to explain reasons of motivation. Middle powers play or, at least, want to play a leading role on these issues with "good international citizenship." Canada and Australia are the most frequently referred examples for internationalists and activists in the international system.

As an emerging donor, and a relatively new-comer in OECD DAC, it is quite significant to study the motivations of Korea's ODA. In addition, as international development and development cooperation schemes become important, the role and participation of emerging donors have gained attention. With those backgrounds, this study tests an empirical model of development assistance policies of Korea's ODA since 1963 and analyzes determinants of several aspects of foreign aid policy related to middle power behavior. In particular, this study focuses on the changes of motivations in accordance with evolving political and economic environment in the international and domestic arena.