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From Aid to Development Partnership

Strengthening U.S.-Republic of Korea Cooperation in
International Development

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From Aid to Development Partnership: An Introduction

With the signing of a Memorandum of Understanding (MOU) on international development cooperation on June 24, 2011, South Korea became the first former recipient of U.S. development assistance to partner with the United States as a fellow donor. This remarkable transformation is the result of two factors: South Korea's rapid modernization and its growing capacity, as reflected in Republic of Korea (ROK) president Lee Myung-bak's pledge to double South Korea's international assistance to 0.25 percent of its gross national income (GNI) by 2015 and ROK's membership in the Organization for Economic Cooperation and Development's Donor Assistance Committee (OECD-DAC) in 2009.

The respective U.S. and ROK development agencies, the U.S. Agency for International Development (USAID) and the Korea Overseas International Cooperation Agency (KOICA), have identified the following priority areas for cooperation: global hunger and food security, climate change and the environment, disaster response and humanitarian assistance, overseas volunteerism, public-private partnership promotion, health and education, and aid effectiveness.

President Lee deserves credit for emphasizing the importance of South Korea giving back to the international community through active participation in international development. His personal story of rising from poverty to successful businessman and finally to president closely tracks with South Korea's economic development experience.

Overseas development aid is a component of foreign assistance and an instrument to achieve a country's foreign policy goals. South Korea and the United States use it to attain political, economic, and social stability, but also as a means through which they enhance their "smart power" and influence with other countries. Thus, in addition to meeting humanitarian objectives, the two countries' approaches to international development serve to achieve a combination of political, economic, and security interests.¹

Despite this shared intent to cooperate on the common goal of providing effective development assistance, the successful implementation of this agreement requires that the United States and South Korea identify the obstacles to collaboration and the opportunities, interests, and capabilities necessary to effectively pursue joint cooperation.

Currently both the United States and South Korea are examining how to improve their respective international development programs. In 2010, the United States declared its intent to raise the role of aid in its diplomatic strategy as part of its Quadrennial Diplomacy and Development Review. It called for reforms to U.S. assistance programs with a priority placed on effectiveness. South Korea became a formal member of the OECD-DAC on November 25, 2009. A relatively new donor, South Korea is working to improve the quality of its development assistance by enacting reforms designed to build its capacity to provide effective aid. As the two countries undergo these evaluations and pursue effective cooperation, they should seize the opportunity to establish a new system of partnerships between aid recipients and donors and enhance donor coordination.²

THE U.S. DEVELOPMENT INFRASTRUCTURE

The United States is the world's largest single donor country, and the history of American overseas development assistance dates from the immediate post–World War II period. In 2010, the United States provided \$39.4 billion in foreign assistance, of which \$10.93 billion went to health, education, and social welfare programs; \$10.38 billion to security-related assistance; \$5.21 billion to economic growth activities; \$4.98 billion to humanitarian assistance; and \$3.64 billion to governance programs. This foreign assistance is strengthened by U.S. private philanthropy, which contributes an even greater amount of aid to developing countries than the government does. In 2009, U.S. private philanthropy provided \$36.9 billion in foreign assistance, which was over two-thirds larger than government aid, at \$21.8 billion. Remittances of \$79 billion were three and a half times greater than government aid. When private investment is taken into account, U.S. government foreign aid was only 9 percent of total U.S. financial flows to developing countries.³

Federal expenditures on foreign assistance are determined by the executive and legislative branches of the U.S. government, with the executive branch setting implementation priorities by proposing annual aid expenditures, while the House and Senate appropriations committees use their budget authorization and oversight powers to influence priorities and allocations.⁴

Ninety percent of official U.S. foreign aid is managed by five government bodies: USAID and the Departments of Defense, State, Agriculture, and Treasury. Together with the twenty-one other U.S. departments, agencies, and programs they work alongside, they form an extremely complex and fragmented architecture for providing international development assistance.⁵ The State Department and USAID are the main administrators of U.S. foreign assistance. Taking responsibility for most of the bilateral development and relief programs, USAID, with a budget of \$20.3 billion, employs approximately 8,800 workers, more than 70 percent of whom are overseas in eighty different missions. However, despite a slight increase during the early Obama administration, the USAID budget and staff have been in decline, and much of its funding is used to outsource program planning and implementation to private contractors in the field.⁶

Other important actors in the delivery of U.S. foreign assistance include the U.S. military, the Peace Corps, and NGOs. In addition to training and equipping foreign counterparts, the U.S. military has increasingly expanded its role in providing disaster relief and development assistance in conflict zones such as Iraq and Afghanistan. It is praised for its efficiency in rapidly delivering aid. The military also augments U.S. efforts by providing assistance to highly insecure areas in which it is too difficult for civilian actors to operate programs. The Peace Corps, with a budget of \$400 million in 2010, implements the world's largest overseas volunteer program. It has a fifty-year history of over two hundred thousand volunteers, who provide technical assistance and facilitate cultural understanding through exchange. Finally, the United States continues to expand its already close partnership with NGOs. Twenty-four percent of all U.S. bilateral international development assistance in 2009 was implemented through NGO-managed projects, 80 percent of which were in the health sector.

THE SOUTH KOREAN DEVELOPMENT INFRASTRUCTURE

South Korea also has a long history of experience with overseas development assistance. However, its experience spans being both an aid recipient and a donor. South Korea's economic growth and rise from one of the poorest countries in the world to one of the fifteen largest economies is the direct result of the international development assistance it received and the effective use of aid to achieve its

national development objectives. South Korea's experience as an aid donor began in 1987, when the country began to provide concessional loans through its newly established Economic Development Cooperation Fund (EDCF). With the establishment of KOICA in 1991, South Korea has steadily expanded its aid programs and the assistance it provides. South Korea bases many of its programs on its own development experiences, including the Sae-maul (or New Village) Movement that emphasized diligence, self-help, and cooperation.

In 2010, South Korea provided \$1.2 billion in foreign assistance, of which \$884.52 million was provided bilaterally and \$313.09 million was provided multilaterally. Of the bilateral aid, \$464.81 million was allocated to project grants and technical assistance programs and \$419.71 million to concessional loans. Whereas KOICA under the Ministry of Foreign Affairs and Trade (MOFAT) is responsible for implementation of most of these grants and programs, the Korea Import-Export Bank under the Ministry of Strategy and Finance (MOSF) and through its EDCF manages Korea's international development-related loans and trust funds. Other ministries and government agencies also implement training and technical assistance projects that utilize 10 percent of the overall international development budget.⁷

South Korea's foreign assistance budget increased to \$1.2 billion in 2010, a year-on-year increase of 25.7 percent. This accounts for only 0.12 percent of its gross national income (GNI). However, the ROK government has pledged to increase this volume to 0.25 percent of GNI by 2015, which would double South Korea's international development budget to approximately \$3 billion. Although the volume of South Korea's international development remains relatively small, the program is rapidly expanding at a time when the international development budgets of many other countries are facing fiscal constraints.

Most of South Korea's bilateral assistance is implemented through government-to-government agreements. Less than 2 percent of KOICA's grant and technical assistance aid is administered through Korean NGOs,⁸ and until 2011 no government grants had been provided to corresponding non-Korean international or recipient-country development groups.⁹ Despite lacking international development experience, there are a number of Korean NGOs that are devoted to providing overseas aid. In 1999, these NGOs established the Korean Council for Overseas Cooperation (KCOC), which is receiving an increasing amount of support from KOICA. Two additional agents of Korean international development implementation are the ROK military and overseas volunteer corps. The military executes missions in postconflict stabilization and reconstruction. It has been praised for its work in development projects, which include work in education, public health care, agriculture and rural development, infrastructure building, and governance. Korea's overseas volunteer corps, World Friends Korea (WFK), was established in 2009 by unifying the country's various volunteer programs of different ministries. Korea has dispatched over seven thousand volunteers during the past twenty years, and it plans to send twenty thousand more from 2009 to 2013. The program is the third largest of its kind in the world and implements international development projects in education, health, information and communication technology, and community development.¹⁰

COMPARATIVE ASSESSMENT OF U.S. AND SOUTH KOREAN CAPABILITIES AND INTERESTS

The United States and South Korea both have significant international development-related resources and capabilities, and they share common interests and policy priorities. For example, the United States has extensive experience and a wealth of knowledge in overseas development assis-

tance. It has led the world as a donor for decades. The mere size of its program, despite its inefficiencies, reflects considerable resources with the potential for great impact. It maintains a field-based infrastructure with global reach that has gained significant experience in fragile and transitional states. The United States has a system that is increasingly maximizing its partnerships with NGOs, private enterprises, and fellow donor countries, such as the United Kingdom, Japan, the European Union, and Australia. It is also supported by the world's largest overseas volunteer program and has a military that is trained to rapidly deploy and operate anywhere in the world. The United States has long-standing relationships with local partners and NGOs that emphasize community-led development.

South Korea has the unique appeal of its success story. Aid recipients may turn to Korea both for inspiration and as a model. In addition to bringing its experience in agricultural development, South Korea is also capable of transferring technology that is much needed by developing countries to build their own country-led development programs. It has a technical training capacity and its programs are reinforced by the second-largest overseas volunteer program. Its military is widely recognized for its capability, approachability, and ability to work with local communities on development. Finally, South Korea has shown a determination to harmonize its policies with international donor standards and to establish itself as a leader in international development cooperation.

Both the United States and South Korea have common interests and programs in Asian and African countries. U.S. policy has prioritized investing in development-focused technologies and building the governance capacities of recipients, while also investing heavily in health, education, and social welfare. Similarly, South Korea has prioritized technology transfer, governance, public health, and rural development. A comparison of these capabilities and interests suggests that there should be opportunities for effective bilateral cooperation in overseas development assistance. The challenge is to structure such collaboration practically and strategically so that weaknesses are compensated, strengths are reinforced, and assistance becomes more effective.

| Capabilities and Interests | |
|--|--|
| United States | South Korea |
| Extensive experience and wealth of knowledge in the international development sector | Successful development experience |
| Dense field-based infrastructure | Relevant and accessible to developing countries |
| Long-standing work with local partners and NGOs emphasizing community-led development | Experience-based model that prizes diligence, self-help, and cooperation |
| Large-scale resources | Experience in infrastructure development |
| Experience in fragile/transitional states | Technical training capacity |
| Extensive partnerships with NGOs and increasing collaboration with private enterprises | Information and green technologies |
| Governance and democracy | Agricultural and rural development |
| Largest overseas volunteer program | Third-largest overseas volunteer program |
| Rapidly deployable military with global reach | Capable and approachable military |
| Focus on Africa; strategic interest in South Asia | Focus on East Asia; commitment to expand aid to Africa |

U.S.-ROK SHARED POLICY PRIORITIES

U.S. strategic guidelines regarding development assistance emphasize broad-based economic growth, democratic governance, innovation, and sustainable systems. These guidelines help to priori-

tize the next generation of emerging markets, investment in development-focused technologies, and the task of building the governance capacities of aid recipients.¹¹ U.S. international development budget allocations reflect U.S. interests in the health, education, and social welfare sectors. In 2010, the United States devoted \$10.93 billion, or 25 percent of its entire international development budget, to programs in this category. 2009 allocations show that U.S. programs also targeted Africa and Asia, devoting 28 percent and 20 percent of international development funds to these subregions.

Korea's foreign assistance program has been aligned with the country's efforts to promote its national image, go global, and become a leader in the region and world. Promoting a development model based on its successful experience, but tailored for recipients of its aid, South Korea's program has consisted mainly of loans and technical consulting. However, in an effort to conform to global standards, South Korea has set policy priorities that reflect the Millennium Development Goals (MDGs), the Paris Declaration on Aid Effectiveness, and the Accra Agenda for Action (AAA). Consequently, it has pledged to increase the number of its grants and to provide assistance not tied to private contracts from Korean bidders. The country has also targeted eighteen "strategic partner countries," of which seven are in Asia and four are in Africa, and has prioritized assistance in human resource development, public health, governance, information and communications technology, rural development, industrial infrastructure, and environment and global issues.¹² In these areas, South Korea is shifting its emphasis from building infrastructure to providing technical assistance. And it is seeking to share its experience-based knowledge in governance as well as transfer technology.

CHALLENGES TO EFFECTIVE INTERNATIONAL DEVELOPMENT COOPERATION

In addition to challenges to their respective programs, the United States and South Korea face obstacles to effective international development cooperation. Some of these difficulties are derived from the obvious differences between the U.S. and ROK international development programs. Significant disparities exist in the two countries' respective budgets, commercial interests, capabilities, and systems. Consequently, despite the mandates by both governments to collaborate, institutionalization of cooperation and execution of joint programs in the field will face significant challenges. It is important that both countries understand these obstacles.

Foreign Policy Concerns

While USAID and KOICA are primarily focused on international development, the two organizations are vulnerable to the influence of other policy priorities of their respective governments. The U.S. program is particularly susceptible to such influences. In the U.S. fiscal year 2010 foreign operations appropriations bill, nearly 70 percent of bilateral economic assistance was earmarked by Congress as a means to accommodate special interests and/or provide directives for development policy. This practice of earmarks and directives endangers effective international development assistance, as U.S. domestic interests may conflict with the principles of the host country and local partner. Negotiations that accompany legislative provisions and earmarks also complicate program funding, which may create coordination problems if Korea is a partner donor.¹³

Competing Commercial Interests

Despite efforts by both governments to untie their aid from their commercial interests, linkages remain that require recipients of U.S. and Korean aid to purchase only the goods of the respective countries. This commercial conflict between “buy America” and “buy Korea” will not only impede bilateral cooperation; it may also hinder aid effectiveness by requiring countries to purchase inferior and/or more expensive goods.

Fortunately, South Korea has pledged to untie 75 percent of its ODA by 2015. And the United States in the past five years has more than doubled the percentage of its untied aid. Still, nearly a third of U.S. funds for program implementation are earmarked exclusively for goods and services provided by American firms. It is assumed that the interests of American manufacturers, agriculture, and labor will continue to influence legislation, which can be particularly harmful to international development priorities in food security.

Capabilities and Systems Variance

Differences in U.S. and ROK capabilities and systems may also make cooperation difficult to coordinate. In particular, South Korea’s nascent capacity and limited willingness to partner with NGOs and the private sector may inhibit opportunities for donor coordination with the United States.

South Korea lacks qualified experts in general development issues and program evaluation. This has resulted in difficulties assessing the needs of the countries it is trying to help. In some cases technology was provided where the receiving country lacked the necessary industrial infrastructure to use it.¹⁴ The inability to make technical needs assessments, coupled with a priority placed on political and economic interests that prioritize visible results and recognition over genuine development of recipient countries, has inspired criticism that Korea shows “little respect for local culture and customs.”¹⁵ Finally, an absence of evaluation capacity has resulted in over half of small-to-medium-size development NGOs failing to complete monitoring and evaluation procedures required under KOICA guidelines.

In addition to the lack of sufficient international development experience and capacity by Korean NGOs, the government has yet to establish a system of partnership with civil society organizations. Although KOICA explicitly identifies NGOs as partners in Korean international development programs, it does not provide clear policy objectives, a vision, or efficient programs for implementing such partnerships. Furthermore, it is not clear whether the Korean government views NGOs as complementary or equivalent partners in their efforts.¹⁶ The significant differences in capacity and experience combined with the absence of an established system between Korea and its own NGOs may create coordination problems with U.S. counterparts.

The United States and South Korea each face significant challenges to implementing effective international development programs both separately and jointly. However, the goal of enhancing international development cooperation that is declared in the U.S.-ROK MOU remains a worthwhile pursuit, if only as a response to the limited resources available for international development. The two countries should take advantage of this opportunity to build on existing experience to shape effective Korean and U.S. development programs and to establish a more productive development assistance model for future donor-donor and donor-recipient cooperation.

RECOMMENDED STRATEGIES FOR BILATERAL COOPERATION

The U.S.-ROK partnership in development is only beginning, and it should be nurtured as yet another facet of a comprehensive U.S.-ROK alliance. Further actions should be undertaken so development cooperation between the two countries reaches its full potential. Steps that will strengthen bilateral cooperation include the following:

Share Information and Encourage Systems Compatibility

The effectiveness of U.S. and South Korean international development programs depends greatly on the information available to both countries about recipients of their aid. Donor countries have to assess what is needed and feasible and have a cultural understanding of the situation in a recipient country. As both countries have placed priority on technology transfer and evaluations, the United States and South Korea would benefit from sharing information regarding the technology levels of recipient countries, as well as data and reports derived from their respective evaluations. The two countries should cooperate to create a shared database of information regarding respective aid recipients and projects. This database would serve as a resource to identify reliable local partners, best practices, and methods of partnership and identify additional development needs in recipient countries.

To enhance South Korea's capabilities and promote systems and operational compatibility, the two countries should establish an exchange program in which a KOICA representative can be dispatched to USAID to learn about the structure and operations of the latter's functional and regional bureaus. This would not only assist South Korea in the short term with planning organization structure and programs; it would also benefit the United States in the longer term to the extent that it facilitates understanding of each other's system, or at least an awareness of the U.S. system, that would help facilitate information sharing and project-based collaboration.

Implement Joint Evaluations

Beginning with participation as observers, joint evaluations would allow the United States and Korea to gain a better understanding of the other's programs, institutional system, and challenges. Insights derived from such cooperation should assist in identifying what each country can offer and how to take advantage of relative strengths in the course of planning parallel or joint projects. A KOICA representative is currently participating in a USAID evaluation of the latter's programs in Thailand. Such participation is only a starting point toward the objective of conducting joint evaluations.

Form a Working Group to Jointly Implement Agreed-upon Programs

Strategic-level working groups, such as the one currently being constituted to promote cooperation between the two national development agencies, should be tasked with identifying geographical and program priorities and with creating a time frame, setting the agenda for cooperation, and identifying the right contacts in both countries at various levels. A field-level working group should also be created to identify schemes, challenges, impact, and design for implementation of programs. To facilitate these tasks, representatives from both countries should provide their counterparts with an inventory of their programs and capabilities (e.g., technical assistance abilities). In Korea, the Korea Develop-

ment Institute has been assigned the responsibility of creating such an inventory. Its findings would prove helpful in facilitating the mission of the working groups.

Coordinate and Implement Parallel Programs

The United States and South Korea should implement parallel programs in fields and areas where they both have expertise and programs. Both countries' development assistance programs invest heavily in health care and education, as well as in South Asia and Africa. Both Peace Corps and World Friends Korea volunteers are working in parallel with each other in ASEAN countries. And both the United States and Korea are administering assistance in Afghanistan. The two countries should consult on how to run parallel programs to enhance aid effectiveness in these sectors and areas.

One way of maximizing the short-term benefits of parallel programs is to strategically coordinate projects based on relative strengths. The two countries should leverage each other's resources and capabilities so that parallel programs are complementary. Korea's relative strength in infrastructure can be combined with USAID's strength in local capacity building through technical assistance and training and public-private partnerships. For instance, KOICA might construct a school or road, while USAID resources might finance the training of teachers and curriculum development. Another example of a complementary program would be Korea's transfer of health technology linked to a U.S.-assisted but recipient-owned and -led health strategy. Furthermore, implementation of complementary parallel programs would enhance greater trilateral cooperation between the United States, South Korea, and a recipient country in the near term by prioritizing projects and strategies that meet recipient country needs but that might have been restricted by earmarks or limited capacity had the program not been pursued through such collaboration.

The two governments should eventually consider launching joint programs. In addition to joint volunteer support to particular field projects, a potentially attractive area for consideration is joint education and training programs. The United States and South Korea could establish a joint research and education center in developing countries with programs that would emphasize work with locals and cater to their specific needs. The center could facilitate research and train local populations as a means to cultivate extension workers tasked with disseminating information and know-how to local populations. Such a system could be based on current Korean projects in rural development assistance and Korea's experience of disseminating appropriate technologies in the absence of base agricultural infrastructure and general knowledge in the field. This would correspond with the shared emphasis on trilateral cooperation and the U.S. approach of community-driven development, which is similar to the ROK approach of self-help with cooperation.

Another joint program might include cooperation between the U.S. and ROK militaries. Collaboration in aid delivery and reconstruction would capitalize on both program and agent strengths. It would also have the advantage of implementation by forces with established institutionalized cooperation, as the two militaries share a history of joint missions and a combined command structure on the Korean peninsula. For cooperation in disaster risk reduction, humanitarian assistance, and disaster relief, a joint program would involve civil-military integration in addition to military-to-military cooperation and should be modeled after U.S. support to the ASEAN regional forum teams for such operations.

Learn from Differences Between the American and Korean Programs

Though disparities pose challenges to executing joint implementation of development assistance, they also present opportunities for learning. The United States can learn from South Korea's experience as an aid recipient and country that has successfully utilized foreign assistance to overcome poverty and develop its domestic industries. South Korea can learn from America's experiences as an aid donor, from its long history of volunteer programs to its current efforts at public-private partnerships. USAID expressed its willingness to host a workshop on cooperation with the private sector, and a public-private partnership event is being planned for spring 2012. The two countries should pursue similar programs that leverage experience and knowledge. In addition to offering lessons, disparities may reflect complementary skills that highlight opportunities and significant benefits to joint implementation of aid. Korea's relevant rural and agricultural development experience and technical expertise may be combined with USAID's support infrastructure to launch projects in food security.

Capitalize on Strong U.S.-ROK People-to-People Relations

As the world's third-largest overseas volunteer program, World Friends Korea is a significant feature of Korea's international development infrastructure. Nevertheless, because it is young relative to the Peace Corps program, WFK stands to gain from enhanced cooperation with both the Peace Corps and former Peace Corps volunteers in Korea, who share their overseas experience in common with today's Korean volunteers.

World Friends Korea consists of seven different volunteer programs; the KOV program is its core. The KOV mission is to contribute to poverty reduction and sustainable development, and it is executed by four types of volunteer: general, NGO, and international cooperation, as well as international cooperation doctors. General volunteers are dispatched on two-year service periods, with the option to extend for one year dependent on KOICA permission. They undergo a predeparture orientation training for four weeks and local adaptation training for eight weeks. International cooperation volunteers and doctors are selected from among military conscripts and are then dispatched abroad for two years as volunteers instead of serving in the military. NGO volunteers are selected, trained, and dispatched entirely by NGOs that receive funding from KOICA through the KCOC.¹⁷

From 1990 to 2010, a total of 7,806 persons have been dispatched as KOVs, with the majority being general volunteers dispatched to Asia and Africa. These volunteers have worked in the fields of education or information and communication technology (ICT). Tables 1–4 below provide a breakdown of KOV dispatch by type, region, sector, and volume.

Table 1. Dispatch of KOVs by Type (1990–2010)

| | Total | Subtotal | KOV | | | |
|----------------------|-------|----------|---------|---------------------------|-----------------------------------|-----|
| | | | General | International Cooperation | International Cooperation Doctors | NGO |
| Number of Volunteers | 7,806 | 6,946 | 5,768 | 1,003 | 175 | 860 |
| Percentage (%) | 100 | 89 | 73.9 | 12.8 | 2.2 | 11 |

Table 2. Dispatch of KOVs by Region (1990–2010)

| Region | Total | Asia | Africa | Latin America | Eastern Europe/CIS | Middle East |
|----------------------|-------|-------|--------|---------------|--------------------|-------------|
| Number of Volunteers | 7,806 | 4,677 | 1,441 | 1,047 | 594 | 47 |
| Percentage (%) | 100 | 59.9 | 18.2 | 13.4 | 7.6 | 0.6 |

Table 3. Dispatch of KOVs by Sector (1990–2010)

| Sector | Total | Education | Health | Industry Energy | ICT | Governance | Rural Development | Environment/Gender |
|----------------------|-------|-----------|--------|-----------------|-------|------------|-------------------|--------------------|
| Number of volunteers | 7,806 | 2,404 | 1,152 | 876 | 1,482 | 315 | 886 | 691 |
| Percentage (%) | 100 | 30.8 | 14.8 | 11.2 | 19 | 4 | 11.4 | 8.9 |

Table 4. Dispatch of KOVs by Year (1990–2010)

| Year | Number | KOV | | | | |
|------|--------|----------|---------|---------------------------|-----------------------------------|-----|
| | | Subtotal | General | International Cooperation | International Cooperation Doctors | NGO |
| 1990 | 44 | 6,946 | 5,768 | 1,003 | 175 | 860 |
| 1991 | 37 | 44 | 44 | | | |
| 1992 | 52 | 37 | 37 | | | |
| 1993 | 51 | 52 | 52 | | | |
| 1994 | 59 | 51 | 51 | | | |
| 1995 | 106 | 59 | 59 | | | |
| 1996 | 131 | 106 | 78 | 20 | 8 | |
| 1997 | 138 | 131 | 93 | 30 | 8 | |
| 1998 | 108 | 138 | 90 | 39 | 9 | |
| 1999 | 103 | 108 | 64 | 39 | 5 | |
| 2000 | 126 | 103 | 70 | 28 | 5 | |
| 2001 | 181 | 126 | 74 | 34 | 8 | |
| 2002 | 207 | 181 | 134 | 37 | 10 | |
| 2003 | 208 | 207 | 139 | 60 | 8 | |
| 2004 | 729 | 208 | 120 | 80 | 8 | |
| 2005 | 723 | 397 | 610 | 79 | 8 | 32 |
| 2006 | 851 | 683 | 593 | 80 | 10 | 40 |
| 2007 | 964 | 774 | 684 | 80 | 10 | 77 |
| 2008 | 988 | 772 | 655 | 98 | 19 | 192 |
| 2009 | 1,000 | 822 | 708 | 99 | 15 | 166 |
| 2010 | 1,000 | 851 | 732 | 100 | 19 | 149 |
| | | 797 | 674 | 100 | 23 | 203 |

Source: Myoung-ok Kang, "Lessons from World Friends Korea (WFK)," presented at "U.S.-Korea Dialogue on Strategies for Effective Development Cooperation," Seoul, October 17–18.

The vibrancy of the KOV program is reflected in the fact that it has become the third-largest volunteer program in the world behind the Peace Corps and Japan's volunteer program.¹⁸ But there are other areas in the KOV program that complement the U.S. program. They are derived from Korea's recent experience as a developing country, and include a cadre of Americans—Peace Corps alumni of the program in Korea—who still have an attachment to both Korea and the experience and culture of being an international volunteer. This shared experience with international volunteerism provides a potential opportunity for American former Peace Corps volunteers to interact in unique ways with today's Korea Overseas Volunteers, as mentors and as human beings who share the experience of participating in international development at the grassroots level. This experience provides a potentially significant interpersonal and intercultural bond that should be encouraged by both the U.S. and Korean governments through promotion of exchanges and relationships between these two groups.

A second area where the Peace Corps and its Korean counterparts could work more actively together is in providing joint volunteer support to specific development projects in countries where they are already working side by side. For instance, Korea Overseas Volunteers are present in the largest numbers in ASEAN countries, where the Peace Corps also has active programs and where both USAID and KOICA have opportunities for closer cooperation. Both country programs might also benefit from opportunities to discuss common administrative challenges, including the issue of how to support volunteers in less secure environments or in areas that carry a higher risk of potential conflict.

Despite the apparent success of the Korean program in terms of the number, enthusiasm, and determination of Korean volunteers, South Korean program managers have expressed difficulty in raising public interest and recruiting competitive volunteers. This is explained in part by the apparent lack of recognition and benefits offered to volunteers upon their return to Korea. The Peace Corps is extremely competitive, and returning Peace Corps volunteers are highly regarded and valued by U.S. society and institutions. Though the benefits offered to returning Peace Corps volunteers, such as job placement and resume appeal, may reflect cultural priorities different from Korea's, Peace Corps volunteers sustain this priority by sharing with the U.S. public the value of their experiences overseas. This model may help Korean Overseas Volunteers: it can appeal directly to potential Korean volunteers but also raise public recognition of the KOV experience and the benefits offered to volunteers after they return to Korea.

CONCLUSION

The United States and South Korea have had a longstanding development relationship. However, the nature and forms of bilateral development cooperation have transformed themselves as Korea has moved from a recipient of U.S. assistance to an emerging donor and partner with the United States in international development. This transformation of the development relationship parallels changes in the security alliance, which originated as a patron-client relationship but is moving toward a comprehensive alliance based on common values as fellow market democracies and common interests that are deeply rooted in a U.S.-led international order. These common interests give both the United States and South Korea great stakes in perpetuating global security, stability, and prosperity. There is great potential to strengthen U.S.-ROK cooperation in global development. That relationship would draw on their differing strengths and resources and benefit from it, in the same way that the security relationship has advanced in ways that extend U.S.-ROK cooperation in international security beyond the Korean peninsula to the region and the world.

U.S.-ROK development cooperation enhances program sustainability through greater burden sharing. It facilitates program coordination by maximizing the strengths of both countries and enhances effectiveness by streamlining assistance. Collaboration also helps build South Korea's donor capacity, making it a stronger partner for the United States. As the future of development will depend on greater cooperation between traditional and emerging donors, as well as developing countries, this strategic approach to the U.S.-ROK partnership will be an important model for its success.

U.S.-ROK cooperation in international development is at its early stages, but forging such cooperation has great potential. It enables the two countries to jointly pursue their common interest in the promotion of international development, and the shared hope that stability and prosperity will extend to developing countries, many of whom are eager to take Korea's path toward modernization. It is also a potential means to both enhance cooperation with aid recipients and strengthen aid efficiency in a fiscal environment that will require development dollars to go further to achieve their objectives. Despite the bureaucratic and political difficulties inherent in pursuing donor coordination, there are important payoffs from enhanced coordination in the U.S.-ROK development relationship. The development agencies of both governments should continue to build capabilities to support enhanced coordination.

Endnotes

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1. Nevertheless, some forms of U.S. foreign aid may concentrate on serving military or commercial purposes. For an in-depth analysis of the purposes of U.S. foreign assistance, read Jean Aden, "Different Strokes for Different Folks," U.S.-Korea Institute at the Johns Hopkins School for Advanced International Studies, Washington, DC, 2011.
 2. The findings of this paper draw on a workshop hosted by the Asia Foundation Korea Office and the Center for U.S.-Korea Policy (formerly a project of the Asia Foundation, now the program on U.S.-Korea policy at the Council on Foreign Relations) on October 17–18, "U.S.-Korea Dialogue on Strategies for Effective Development Cooperation." Invited experts included representatives from USAID and KOICA, academia, research institutes, and think tanks.
 3. Carol Adelman, "Global Philanthropy and Remittances: Reinventing Foreign Aid," *Brown Journal of World Affairs*, spring/summer 2009, vol. 15, no. 2, p. 24, http://www.hudson.org/files/documents/BJWA_15%20202_Adelman.pdf.
 4. Aden, p. 27.
 5. *Ibid.*, p. 26.
 6. Edward P. Reed, "Development Assistance and Humanitarian Aid," in Scott Snyder, ed., *The US–South Korea Alliance: Meeting New Security Challenges* (Boulder, CO: Lynne Reiner, 2012), p. 338.
 7. Dollar figures for Korean assistance were converted from Korean won figures provided through the Office of the Prime Minister of the Republic of Korea.
 8. Hyuk-Sang Sohn, "Korean NGOs and Korean ODA Partnerships," presented at "U.S.-Korea Dialogue on Strategies for Effective Development Cooperation," Seoul, October 17–18, pp. 3, 8.
 9. *Ibid.*, pp. 326–27.
 10. Myoung-ok Kang, "Lessons from World Friends Korea (WFK)," presented at "U.S.-Korea Dialogue on Strategies for Effective Development Cooperation," Seoul, October 17–18, pp. 1, 3.
 11. The White House, Office of the Press Secretary, "Fact Sheet: U.S. Global Development Policy," September 22, 2010.
 12. Reed, p. 330.
 13. Aden, p. 27.
 14. Gyoung-Rae Cho, "South Korean Strategy for Agricultural Technology Transfer to Developing Countries," presented at "U.S.-Korea Dialogue on Strategies for Effective Development Cooperation," Seoul, October 17–18, p. 6.
 15. Victor Hsu, "What Works Best in NGO-ODA Agency Partnerships in Promoting Development Goals," presented at "U.S.-Korea Dialogue on Strategies for Effective Development Cooperation," Seoul, October 17–18, p. 6.
 16. Sohn, pp. 22–23.
 17. Kang, pp. 19–20.
 18. Chosun Ilbo English Edition, "Korean Overseas Volunteer Program Third Largest in the World," http://english.chosun.com/site/data/html_dir/2010/03/22/2010032200764.html.

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