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**Master's Thesis of International Studies**

**Assessing the Determinants of Korea's  
ODA Allocation**

**- Focusing on Bilateral Aid from 1991 to 2020 -**

한국의 공적개발원조 배분 결정요인 분석:  
1991년부터 2020년까지 무상원조를 중심으로

**February 2023**

**Graduate School of International Studies  
Seoul National University  
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# **Assessing the Determinants of Korea's ODA Allocation**

**- Focusing on Bilateral Aid from 1991 to 2020 -**

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**Submitting a master's thesis of  
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# Abstract

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This paper studies the crucial motivations of Korea ODA, concentrating on the bilateral aid granted by KOICA during the last 30 years. The empirical research analyzes major determinants- political, economic, and humanitarian factors-to see what and how these factors have affected Korea's aid allocation to recipients' countries through fixed-effects regression model. Based on traditional International Relations theory, the result showed that both political, economic, and humanitarian factor, significantly affect how Korean government allocates ODA. Moreover, it was found that Korea allocates more to countries that will bring more economic incentives. When it comes to humanitarian motives, it showed that whether the recipient country had lower GNI per capita also positively affected the amount of ODA distributed to. The result on political motive turned out to be negative and this contrasts previous studies on ODA allocation determinants. The study sheds light on how Korea, becoming member of the OECD DAC in 2010, has granted aid to recipient countries for the last 30 years.

**Keyword :** ODA, Aid Allocation, Determinants, Republic of Korea, Bilateral Aid, IR Theories

**Student Number :** 2020-27577

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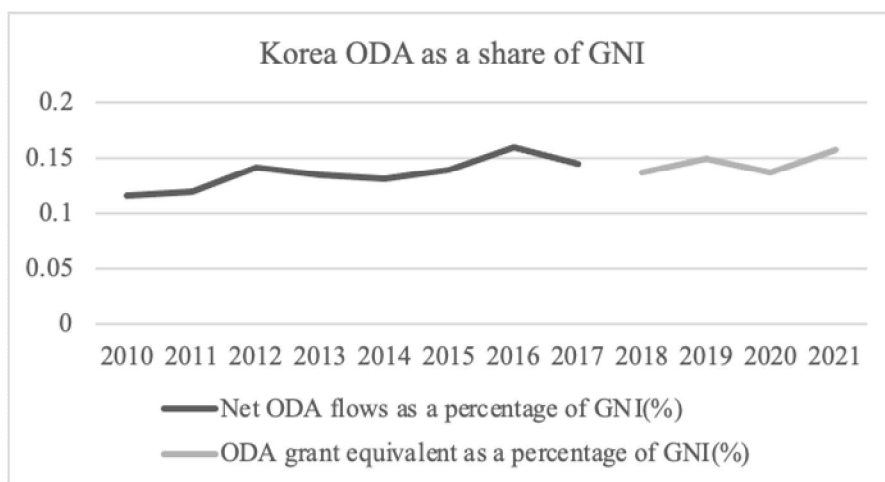
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# I. Introduction

## 1.1. Study Background

As the first aid recipient to join Development Assistance Committee (DAC), the OECD foreign aid committee<sup>①</sup> in 2010, South Korea has made noticeable contribution to international development. Korea has evidently increased its aid volume for the past 30 years. Since 2010, Korea's average ODA commitment lies at the top among OECD DAC members. Based on the OECD Development Cooperation profiles, Korea contributed 2.9 billion USD in 2021 and to calculate this by percent of gross national income (GNI), it is equivalent to about 0.16%. Korea aims to lead the international development scene by increasing the amount of ODA amount twice by 2030 and continue its reputation as a successful model of a former recipient country.

**Figure 1.** Korea ODA share of GNI



Source: OECD ODA Statistics

<sup>①</sup> Development Assistance Committee (DAC) is part of the major poles of OECD's three committees. DAC first started off as the Development Assistance Group (DAG) in 1960. It was later replaced by the DAC in 1961.



South Korea's ODA dates to its emancipation from Japan in 1945, receiving total amount of 12.7 billion US dollars referred in Table 1 (Korea ODA Website, 2022). Initially, the form of aid included grants, relief supplies, and military defense. Following was loans (concessional) in the 60's and non-concessional throughout 70's and 90's (KOICA ODA White Paper, 2017). As a matter of fact, Korea's ODA history is notable in that Korea both served as a recipient and donor from early on. As early as in the 60's, Korea dispatched experts for training programs and invited government officials from developing countries.

**Table 1.** Acceptance of ODA Korea (Unit: USD Million)

Aid Flow	1945-1960	1961-1975	1976-1990	1991-1999	Total
Bilateral	2,518.4	3,777.3	3,312.2	2,200.0	11,807
Multilateral	579.5	164.1	198.6	26.2	968.4
Total	3,079	3,941.4	3,510.8	2,226.2	12,776.3

Source: ODA Korea

Although Korea ODA history dates to the 1960s, the time when government-level ODA systematically began was in 1987, when Korean government inaugurated Korea International Cooperation Agency, known as KOICA and Economic Development Cooperation Fund, known as EDCF in 1991. Since then, EDCF and KOICA are two major governmental aid agencies which serves the purpose of Korea ODA-to offer aid to foreign countries to achieve economic and social development. EDCF is responsible for bilateral loans for supporting partner countries. The EDCF's lending are ministered by the EXIM Bank of Korea (OECD, 2022). KOICA oversees bilateral grants.

With continuous effort and dedication, Korea finally reached the OECD in 1996 and fulfilled a full-fledged member in the Development Assistance Committee (DAC) in 2010.

Due to its history and significance, Korea's ODA draws wide attention among countries and scholars since Korea may set exemplary case for the new donor countries including China and India.

## **1.2. Purpose of Research**

This study examines grants acknowledged by KOICA, a unified grant provider of Korea. Since its establishment in 1991, KOICA continues to be a key implementing agency for Korea's bilateral aid. The study will focus on conducting empirical analysis regarding the motives of Korea foreign aid allocation.

Specifically, through fixed-effects regression model, it focuses on analyzing relations between Korea's political, economic, and humanitarian motives based on IR theories, and selection mechanism of recipient countries.

Analyzing the criteria on donor country selection might clarify the practical standards, which are seriously taken into consideration by KOICA, the key implementing agency for bilateral ODA in Korea.

Such research is important in the following respects. First, since ODA is nominally intended to meet the needs of aid recipients but is recognized as one of the donor countries' 'economic statecraft'<sup>②</sup>, this study will contribute to understanding the characteristics of Korea foreign policy and will also check the general ODA trend.

Furthermore, this study aims to clarify the nature of ODA policy of Korea based on statistical analysis of ODA data from 1991 to 2020. It will add concept, type and motivation of ODA and the status of Korea ODA.

The result of the study will help clarify whether Korea's ODA has been focused on self-interest or humanitarian, or other purposes. As bilateral aid,

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<sup>②</sup> Statecraft refers to an act or technique of a country to fulfill its purpose by controlling the domestic and foreign public domain. Of various act or technique, when economic tools are used, it is referred as "economic statecraft".

specifically the grant, is most common form of ODA, the study will focus on the following.

## **II. Literature Review**

### **2.1. Definitions of ODA**

The origin of the ODA was the U.S. "Marshall Plan" after the end of World War II, for the purpose of restoring postwar European countries. Since then, the ODA goal has changed overtime and until the 1960s, it was mainly offered for political purposes to maintain order between two countries, the United States and Union of Soviet Socialist Republics (USSR) amidst the Cold War. In the 1970s, inter-Korean issues (developing-developed-country issues) emerged as an essential problem for the global economy, and developing countries asked for the establishment of a new international economic order to promote economic cooperation. Particularly in the 1970s, the ODA was revised from a strategy centered on 'economic growth' in developing countries to a strategy that prioritized 'meeting human basic needs.'

However, in the 1980s, due to the economic recession, chronic poverty, and political instability, existing developed countries also showed fatigue from ODA performance, and at the same time, new tasks such as women's development and the environment emerged. Furthermore, in the 1990s, due to the change in the international order and the conclusion of Cold War, many changes were witnessed in the view of ODA.

As experience in development cooperation accumulated, and the understanding of development issues refined, more objective evaluation of ODA was possible and so has the ODA policy improved. In particular, the OECD DAC, which is the main pillar organization of ODA, urged efforts to improve each country's ODA policies, and a new development cooperation model was presented

for the 21st century.

Official Development Assistance (ODA)<sup>③</sup> refers to the total amount of loans and grants provided by the donor countries, usually the official sector, to aid recipient countries. To be counted as ODA, public money must be given directly to recipient country or loaned on concessional (non-commercial term) to assist developing countries (OECD Website, 2022). ODA can be classified in three types: bilateral, multilateral, and multi-bi.

**Table 2. Source of ODA Finance**

Classification	Support Measure	Form of Support	Content
ODA	Bilateral	Grant	Grant, Technical Cooperation, Project Assistance, Disaster Relief, Support on NGO, etc.
		Loan	Concessional Loan
	Multilateral		Subscription to International Organization
	Bilateral	Loan	Export Credit, Investment Finance
	Multilateral	Loan	Loan from International Organization
Private Fund	-	Loan	FDI, Export Credit, Loan from International Organization, Investment in Securities
NGO Grant	-	Grant	Grant by NGO

Source: ODA Web Portal Korea

**Table 2.1 Source of ODA Finance by types of ODA**

(Grant Equivalents, USD(Million))

Time	ODA	Bilateral		Multilateral	
		Sum	Share (%)	Sum	Share (%)

<sup>③</sup> “ODA” and “Foreign aid” are used both interchangeably, however, the two terms are not identical. According to DAC, ODA is “government assistance that induces and specifically aims the development in economic sector and better welfare for developing countries.” However, foreign aid encompasses comprehensive meanings in terms of categories and goals, etc. This paper will interchangeably use ODA and Foreign aid.

2018	2,358.25	1,734.45	73.6	623.80	26.5
2019	2,463.18	1,857.04	75.4	606.14	24.6
2020	2,250.03	1,751.45	77.8	498.58	22.2
2021	2,855.04	2,145.17	75.1	709.86	24.9

Source: OECD DAC Statistics

Bilateral aid is a flow from a country that provides aid to country that receives aid through official sources. Bilateral aid can be further divided to two types: grants and loans. Grants is transfers made in cash, goods, or services without compensation (Choi 2011). The example of bilateral aid is technical cooperation, emergency aid, developmental food assistance etc. Loan is when compensation is required after the transfer. It includes loans by official sector and accession of equity.

Multilateral aid refers to ODA conducted by multilateral agencies and major financial sources that come from the government. The fund is used by multilateral agencies' own discretion. Multi-bi aid occurs when donor country forms agreement with multilateral organizations to carry on ODA project in the name of country that receives aid. These cases are regarded as bilateral flows and are known as Bi/Multi (OECD Website, 2022). Besides ODA, Other Official Flows (OOF) and private flows are other kinds of aid is recently increasing trend in Korea.

Since OECD DAC embraced ODA as the “gold standard” of foreign aid in 1969, OECD DAC continues to be the primary organization to carry out ODA. The DAC list – countries applicable for ODA recipient is renewed every three years. The list is determined based on per capita income. Also, it is notable that ODA does not include military aid and security interests of donor countries (OECD Website, 2022).

## **2.2. Korea's ODA History**

As mentioned previously, Korea's ODA history dates to 1960s. Having a long

history as an ODA recipient, Korea received capital inflow from foreign donor countries (ODA Korea, 2022). Emergency relief, development loans, and economic aid from foreign countries became a bedrock of miraculous economic growth for Korea.

Thanks to its rapid economic growth, Korea became the first among recipient countries to become a donor country in 1991.

Framework Act on International Development Cooperation<sup>④</sup>, Act (Article 3) identifies the following five basic principles of the Korea's International Development Cooperation: (i) reduce poverty in developing countries; (ii) improve the human rights of women and children and achieve gender equality; (iii) realize sustainable development and humanitarianism; (iv) promote cooperative economic relations with developing partners; and (v) pursue peace and prosperity in the international community (ODA Korea Website, 2022).

Following the framework, Korea's ODA system is consisted of three-tier structure: ODA policy making and coordinating organization, supervising organization, and implementing agencies.

At the top is Committee for International Development Cooperation (CIDC) under the prime minister. The committee moderates, deliberates and decides major matters for international development cooperation. It includes basic plans, matters concerning the evaluation, and matters deemed important, etc. and is referred by the prime minister, as chairperson for CIDC.

Under CIDC is Working Committee, which oversees in-depth review, discuss proposed agenda, and resolve any issues, different opinions. Once the coordination process is completed, the agenda is confirmed under CIDC. Two implementing agencies are KOICA and EDCF.

KOICA, as Korea's unified grant provider, between 1991 and 2018, disbursed a total of around KRW 7.369 trillion throughout 159 countries. At present, KOICA

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<sup>④</sup> As Korea became the official member of OECD DAC in 2010, the Framework Act on International Development Cooperation (Framework Act) and the Presidential Decree, laid the legal basis for effective ODA.

globally locates 44 offices. KOICA aims to fight global poverty and support sustainable socio-economic development for developing countries.

**Figure 2. Korea ODA System**



Source: ODA Korea Brochure 2021

### 2.3. Korea ODA Trend

As previously mentioned, Korea has kept its stance to continuously add ODA volume to contribute to international development. From 2010 to 2020, Korea achieved the highest annual growth rate among DAC member countries. Korea ranked 15th among 29 DAC member countries in 2021 for its ODA volume, which is estimated USD 2855 million in ODA grant equivalent measure (OECD Website).

Every five-year, Korean government establishes long-term strategy, known as the “Comprehensive Basic Plan for International Co-operation for Development

Cooperation.” Inclusive, Co-prosperous, Innovative and Together ODA are the goals of Korea ODA, and it prioritizes medical assistance for marginalized groups, green transition in the field of science and technology (OECD Development Co-operation Profiles).

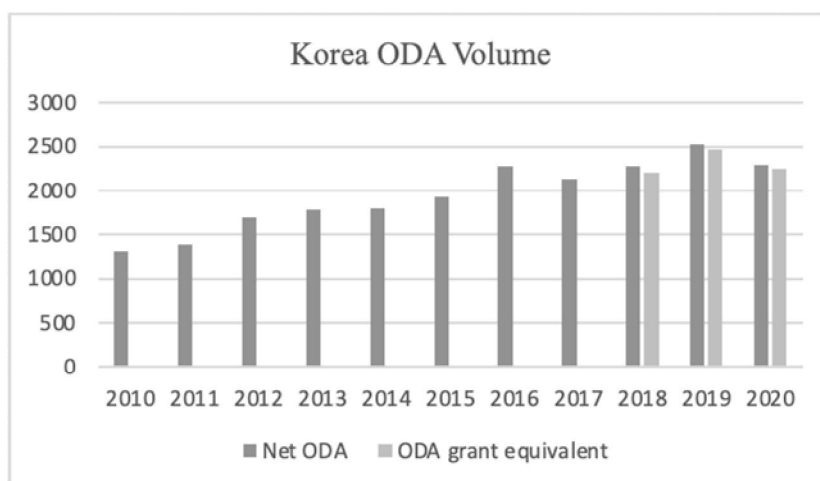
Recently, South Korea adopted the New Northern Policy and New Southern Policy in 2018 to strengthen ties with partner countries-that lies north and south of Korean peninsula.

## 2.4. Current Status of Korea ODA

Since 2010, Korea has steadily increased ODA volume<sup>⑤</sup> as it joined the DAC in 2010. As referred in Figure 3, Korea ODA volume is in rising trend.

**Figure 3. Korea ODA Volume**

(Disbursements, Million USD)



Korea was placed 25th among affiliated DAC countries in relation to its

<sup>⑤</sup> According to OECD DAC, “prior to 2018, the ODA flows basis methodology included loans expressed on a “cash basis”, and their full nominal value was included, then repayments were subtracted. Since 2018, the ODA grant-equivalent methodology is used where only the “grant portion” of the loan, i.e. the amount given by lending below market rates, counts as ODA. This indicator is measured as a percentage of gross national income and million USD constant prices, using 2018 as the base year.”



ODA/GNI ratio in 2021. Among DAC members in 2020, Korea had one of the highest shares of country programmable aid<sup>®</sup> (81.6% of gross bilateral ODA in 2020) and ODA to fragile contexts (43.4%). It is the largest providers of aid for trade (OECD Library, 2022).

In terms of ODA sector, Korea has been increasing its commitment to health sector, especially after the COVID-19 pandemic.

## **2.5. Studies on ODA Motives**

Traditionally, Donor's Interest (DI)-Recipient's Need (RN) Model has been used to explain the purpose of ODA (McKinlay and Little 1997; Maizels and Nissanke 1984; Berthelemy and Alesina 2000; Kyle and Sperber 2010). This model is based on traditional International Relations theories: Realism and Liberalism (Idealism).

While traditional theory focuses on Realism and Liberalism (Idealism), David Lumsdaine and James C. Schopf (2007) pointed out that domestic political change of a donor country could influence ODA policy. This can be regarded as to concentrate on self-interest, or unique motive such as "doing right", social roles and obligations, rather than considering recipients' need. This can be called humanitarian motive (Lumsdaine & Schopf, 2007).

Koo and Kim (2011) also point out that traditional model such as Donor's Interest (DI) - Recipient's Need (RN) focuses only on domestic conditions, excluding world's politics.

On the other hand, Park (2007) classifies ODA using four different foci: humanitarianism, security, economic advantage, and former colony management. According to this approach, a country's ODA is determined among those four conflicting goals. The decision reflects donor country's characteristic and tendency.

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<sup>®</sup> Country programmable aid (CPA) focuses on aid that is planned multi-year at country or regional level.

It is argued that Korea's ODA is less relevant to focusing on either economic advantage or security (Park 2007a; 2007b). Furthermore, this study finds that Korea's ODA has a strong relevance to economic and security interests (Park 2007a).

You (2011) has a similar result to Park's research. By analyzing grants and loans with the DI-RN model, You concluded that Korean ODA policy relies on factors related to realism even for grants and loans (You 2011).

While the traditional DI-RN model contrasts factors that explain DI with factors that represent RN, Choi (2011) suggested a new approach. It was suggested that ODA tends to be the mixed values of humanitarian goals and self-interests. According to the paper, the fundamental basis of ODA is humanitarian, which is regarded as the international norm, so ODA must be aiming to achieve altruistic humanitarian goals (Choi 2011). However, Choi concluded that Korea's ODA does not match with international norms.

Past studies, by using International Relations theories, focus on Korea's ODA and analyzes determining factors. However, they overlooked the fact that Korea's ODA is carried out by different agencies, primarily KOICA and EDCF - therefore the effect is fragmented. You (2011) differentiated KOICA and EDCF, but nevertheless failed to find any noticeable differences.

Therefore, this paper will focus on KOICA's bilateral aid and include both DI-RN Model and humanitarian motive for analysis.

## **2.6. Studies on Korea ODA characteristics**

Past studies have also focused on Korea ODA allocation. Lho (2009) examined the Korea ODA allocation policy by conducting comparative analysis between countries. The study found that OECD DAC members increase official loans when GDP is lower and total ODA rises. Furthermore, the study concluded that in case of Lower Middle-Income Countries (LMICs), there are higher ratio of

official loans that take place.

Sohn et al. (2011) using eight variables from economic, political, culture, and humanitarian categories examined mechanism behind Korea ODA allocation in bilateral aid from 1991 to 2010. The result revealed that there is not a determining factor that influences allocation process.

Gai and Jung (2012) conducted fixed-effect regression analysis using thirteen Asian countries to find Korea's ODA strategic implications. The research consisted of internal economic factors, institutional factors, and external economic factors and found that internal and external economic factors are significant while the institutional factors were not.

Some authors have focused on analyzing criteria when selecting priority partner countries. Yoon and Kim (2013) examined factors affecting the selection of priority partner countries. The authors found that recipient's per capita income, GNI, GDP are positive and significant factor in ODA allocation. Also, it was concluded that whether recipient has a mutual defense with U.S. is also a positive factor.

Recently, Kim and Lee (2018) focused on African countries. Using correlation coefficient analysis showed that Korea ODA is deeply connected with economic factors such as exports and natural resource of the recipient country. Also, it was noticeable that humanitarian factor is becoming a crucial factor.

Furthermore, more recent studies began to concentrate on specific area of ODA. Specifically, Khaltar and Kim (2019) analyzed the determinants of ICT ODA in Korea using the traditional Donor's Interest (DI)-Recipient's Need (RN) Model. The result showed that as export volume of ICT products increases, the amount of ICT ODA increases as well. Also, the smaller the electricity consumption and mobile phone users, the higher the imports of ICT products, ICT ODA increases.

## **2.7. International Relations Theories**

First, Realism can be summarized to one phrase, “War of all against all”. It shows that world is about power game and countries continuously fight for power. Therefore, survival is the main purpose of every country. It shows that “states” are the key actors in international affairs.

In line with this, Realism asserts that the goal of foreign aid is based on direct or indirect interest of donor countries. Donors’ interests, especially - foreign policy interests, are calculated including economic incentives, soft power at both regional and global level, and security advantages. Realism approach views that foreign aid is perceived as only minimally caring recipients’ economic development while the humanitarian needs of recipient countries are downplayed (Sohn 2011). Realism approach views that economic benefits can be calculated by trade volume, energy production, or natural resource volume.

Schreder, Hook and Taylor (1998) analyzed the motives of aid by comparing the ODA policies of the Africa, Sweden, United States, Japan, and France. The United States allocated aid according to ideological interests, and more aid was distributed if a security alliance existed. In Japan, the presence or absence of raw material holders and export markets appeared as major consideration factors, indicating that economic profits affect the allocation of aid. In the case of Sweden, the geographical scope of aid was limited to South Africa, and more aid was distributed in countries with progressive regimes. In the case of France, a lot of aid was distributed to French colonial states in the past, and strategic interests such as the military power of the recipient countries were the main factor in the distribution rather than economic interests. Therefore, this study revealed that foreign aid is a major factor in each country's strategic interests rather than an altruistic means in foreign policy (Schraeder, Hook and Taylor 1998).

On the other hand, the idealistic approach explains the motive behind foreign aid using humanitarian perspective. The idealistic approach views foreign aid as an

instrument that state use to cooperate in addressing the problems caused by interdependence and globalization. To cope with poverty and to promote public good, the approach focuses on the economic, social, and political development of recipient countries. According to Lumsdaine, economic foreign aid cannot be described just using donor country's economic and political motives, but the humanitarian concern in the donor countries is also one of the main pillars of aid (Lumsdaine 1993). The idealistic approach - in other words, the humanitarian theory is what best fits the original purpose of ODA.

The Recipient's Need model (RN) is based on realism approach, assuming that the aid distribution is focused on satisfying the necessity of partner countries, not the donors' interests. The realism and idealism approach are transposed into a Donor's Interest (DI)-Recipient's Need (RN) Model.

Besides Realism and Idealism, Neo- Marxists contend that the ODA policy is determined by the needs of the high society in both donor and recipient countries. Neo-Marxism understands the society by way of conflicts among different classes. Therefore, based on dependency theory, the needs of the high society in recipient countries should match with the needs of the high society in donor countries (Crockcroft, Frank, and Johnson 1972).

While the most important variable to influence bilateral aid allocation differs among studies, most previous studies consider that variables representing a donor's interest best explains donor countries' motivation. For example, it is argued that donors support developing countries to form dependency with recipient countries (McKinlay and Little 1977). Here, dependency is described in the context of domination, imperialism, and neocolonialism, which further generates influence and control over recipients. In another study, self-interest is also defined as political or military alliances, influence, and expansion of trade volume (Maizels and Nissanke 1984).

Some scholars emphasize non-DI-RN related factors such as colonial history, trade, recipient's political institutions, and UN friendliness. In related to this,

Alberto Alesina (2000) defined donor’s own interests as strategic foreign policy concerns but pointed out that there were various definitions of “strategic interest” (Berthelemy and Alesina 2000). Meanwhile, some other scholars argue that it is impossible to generalize the purpose of aid.

**Table 3.** IR Theories and Purpose for ODA Allocation

	Motivation	IR Theories	Purpose
Donor’s Interest (DI)	Political, Diplomatic	Realism	1) Diplomatic, Military and Strategic 2) International Order (International politics, economy, society, environment, etc.)
	Economic	Liberalism	1) Increase trade volume 2) Promote industry overseas 3) Import raw materials
Recipient’s Need (RN)	Humanitarian	Idealism	International development and promote welfare

Source: Sohn et al. (2011)

### III. Determinants of Korea ODA Allocation

Korea's ODA has developed in terms of quantity and quality since the 1990s, and by joining the DAC member in 2010, Korea established itself as a major ODA donor to the international community. It is important to review the nature of Korea's ODA policy. This section will focus on defining Korea’s ODA allocation based on three motives: political, economic, and humanitarian.

#### 3.1. Political Motive: Collective Defense Arrangements

When looking at 'Why does the state help other countries', the political factors of the country can be examined. From a Realist point of view, the international community is an anarchy, so each country must seek self-help for its own security.

From this point of view, foreign aid can be used as a diplomatic strategy.

Morgenthau, founding fathers for a realist, argued that foreign aid is only effective when it is integrated as part of foreign policies such as foreign security (Morgenthau, 1962), which is not based on the humanitarian spirit as a means of national policy, but rather to maintain the status quo or military purpose of the recipient country.

This realistic view was particularly prominent in the ideological confrontation between the U.S. and Soviet Union after World War II. Cold War aid was a means to attract developing countries to their own camps, especially the United States, as part of its global strategy, actively used aid under the recognition that improving people's living standards was linked to preventing threats from the communist camp and ensure security (KOICA, 2008).

How about the case of Korea? Korea and U.S have carried on 70-year security alliance. At the end of the 1950-1953 Korean War, two countries signed a treaty of mutual defense- which included two countries agreeing to collective self-defense in case of threat in the Pacific region. In 1966, Korea-U.S. signed the Status of Forces Agreement (SOFA), which specifically wrote down the rules governing and protecting U.S. military force stationed in Korea.

Geo-politically, U.S. is a dominant power in terms of military and leads the international order. Therefore, it is crucial for Korea to have a favorable relationship with U.S. as part of their alliance.

Therefore, following the Realist's approach, it can be assumed that when it comes to ODA allocation, Korea will be more favorable to countries which have formed strategic alliance with U.S.

This will be consistent with Yoo's (2011) study that countries that maintain close ties with the U.S. which is recognized as the most important political, diplomatic, and military ally for Korea, are considered more important than those that do not.

### **3.2. Economic Motive: Foreign Direct Investment Outflows**

Economic motivation can be explained by liberalism. Unlike realism, Liberalism view that the world is not about a zero-sum game. Cooperation is possible by facilitating through different mechanisms such as international regimes and institutions. Liberalism believes in spread of democracy, global economic ties, and the important role of international organizations.

Liberalists argue that the expansion of donor countries' support for recipient countries alleviate income imbalances in recipient countries, which leads to improved purchasing power and contributes to the expansion of donor countries' exports, making mutually beneficial to donor countries. Foreign aid generates economic benefits as a driving force for growth.

According to Wolf (1960), aid for economic purposes is generally provided for the sale of goods by the donor country to the recipient country or for the economic growth of the donor country. As a result, lowering barriers in international trade is a major goal. Aid for economic purposes has three specific goals: gains through trade, securing strategic resources, and return on investment.

Keohane & Nye (1989) claimed that the liberal perspective pursues joint efforts to aid developing countries to development, compared to the realist perspective emphasizing independent decisions through the pursuit of their own interests in aid. Lewis (1981) also argued that the development aid policy should reflect the balance of food supply and demand, development of renewable energy, suppression of population growth, and revitalization of trade, finance to 'maintain a vibrant world system'.

Meanwhile, Yasin (2005) studied the link between ODA and foreign direct investment, by conducting panel analysis on 11 countries in sub-Saharan Africa using data from 1990 to 2003. As a result of the study, bilateral ODA had an important and positive effect on foreign direct investment, while multilateral ODA did not show statistical significance on foreign direct investment.



In terms of Korea's economic motive, Korea is export-oriented and ranks seventh among exporters and ninth on importers among world economy (World Trade Organization, 2021). Therefore, Korea is heavily integrated into international and finance, and consider foreign investment as the most important pillar of Korea's economy. South Korea's attraction in terms of FDI comes from the country's express economic progress and concentration towards ICT.

Outward Foreign Direct Investment (OFDI)<sup>⑦</sup> is one of the indexes that explains Korea's economic motive when allocating ODA.

Outward Foreign Direct Investment (FDI) flows by industry track down the amount of international investment by yearly and industry basis. According to OECD, OFDI generally refers to foreign investment in a form in which foreigners invest in foreign companies from a long-term perspective, secure management rights, or participate in management. (OECD Website, 2022)."

Therefore, following the Liberalist's approach, it can be assumed that when it comes to ODA allocation, Korea will be more favorable to countries which they have more invested to.

### **3.3. Humanitarian Motive: Gross National Income per Capita**

Foreign aid from a humanitarian perspective sets the moral obligation of the recipient country to reduce absolute poverty and realize human universal values as the main purpose, which can be explained from an idealistic approach.

From an idealistic perspective, there is an absolute difference in income and living standards between developed and developing countries, so advanced

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<sup>⑦</sup> According to the OECD, "Foreign Direct Investment (FDI) notes the value of international settlement related to direct investment during a certain period. FDI can be categorized to two categories: financial and outward flows. Financial flows include, intercompany debt transactions, equity transactions, and reinvestment of earnings. Outward flows include transaction that include investment in the enterprises in a foreign economy which includes purchasing equity or reinvestment of earnings. FDI flows are measured in USD and as a share of GDP.

countries should provide development aid from a world-class welfare perspective.

Unlike Realism, Idealism argues that the international community is not an anarchic society, but has moral and legal aspects, and permanent peace is possible through negotiations between countries. In other words, idealism values the humanitarian purpose of the donor country or the cooperation of the harmonious international community, which is overlooked in Realism.

A representative study from an idealistic perspective is the study of Lumsdaine (1993). He argued that the motive for foreign aid could never be explained by political and economic benefits alone, and emphasized moral vision by presenting colonial history, degree of democratization of recipient countries, and income level as determinants of aid.

As most of the aid was promoted as a policy that was in the interest of the donor country, the Idealistic theory focused on the development demand of the recipient country and did not put as much weight as the theory of realism or liberalism. However, since the post-Cold War, political and strategic motives of major donor countries, including the United States, have been weakened, and poverty in developing countries has been intensified despite continued aid, providing a normative basis for aid.

Variable that can well represent humanitarian motive is the Gross National Income per Capita (GNI per capita). Gross national income<sup>®</sup> per capita (GNI per capita) is the dollar value of a country's final income in a year divided by its population using Atlas methodology (WHO website, 2022). As GNI per capita is an economic and social development indicator, past studies have used it as a variable that represents recipient country's level of human rights.

Therefore, following the Idealist's approach, it can be assumed that when it comes to ODA allocation, Korea will be more favorable to countries that have lower GNI per capita-that is Korea would tend to help countries in more need.

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<sup>®</sup> According to the World Bank, "Gross national income (GNI) is defined as gross domestic product, plus net receipts from abroad of compensation of employees, property income and net taxes less subsidies on production."

## **IV. Empirical Analysis**

This paper sets its research design based on the DI-RN model, most broadly used to analyze the allocation of official bilateral aid (McKinlay and Little 1997). It aims to see the relationship between Korea's political, economic, and humanitarian motive and ODA allocation amount by countries.

### **4.1. Methodology**

Ordinary Least Square (OLS) regression is most used to analyze the correlation between independent and dependent variable. However, past studies have pointed out that OLS does not accurately capture normality and homoskedasticity. To solve this problem, some scholars have used Tobit, Probit model to test the non-linear regression analysis. Other scholars have used fixed-effect model for analysis.

The data used in the analysis includes panel data from 171 recipient countries from 1991 to 2020, and it can be said to be panel data including both time-series and cross-sectional data. In the case of panel data, when analyzed with linear regression, the estimate is distorted because the individual effect and the time effect cannot be controlled. To control for the time-effect and selection of Priority Partner Countries, fixed-effect model was utilized.

In addition, Hausman's test results showed that there was no correlation between individual effects and explanatory variables, so in this paper, instead of the random effect model, the fixed effect model was used.

Important assumption of the fixed effect model is that those time-invariant characteristics are unique to the country and should not be correlated with other individual countries. In this analysis, entity for each country is different. Therefore, each entity's error term and constant are not related to each other. Also, year was fixed throughout the analysis.

Random effect is often used empirical analysis as well. However, there is clear difference between random and fixed effect. Both random and fixed effect model is used in the context of ANOVA and regression models. Fixed effects models assume that the explanatory variable has a fixed relationship with the response variable across observations. On the other hand, random effects model assumes that while explanatory variables have fixed relationship with the response variable, fixed effects may vary between different observations.

As previously mentioned, ODA motivation can be largely divided into political and diplomatic motives, economic motives, and humanitarian motives. To summarize, the analysis model of the study is,

$$Y_{it} = \beta_{it}X_{it} + \mu_i + \lambda_t + v_{it}$$

$Y_{it}$  is the amount of ODA allocated to each recipient country by year, as a dependent variable.  $X_{it}$  is a number of factors (explaining variables) that determine ODA allocation,  $\beta_{it}$  is the coefficient.  $\mu_i$  is the unobserved individual effect,  $\lambda_t$  is the unobserved time effect, and  $v_{it}$  is the statistic confounding term. In the case of OLS analysis, the coefficients are estimated with both  $\mu_i$  and  $\lambda_t$  is included in the error term, so the estimate may be distorted. On the other hand, the fixed model controls these unobserved characteristic effects, so estimates without distortion can be derived.

## **4.2. Data and Variables**

Variables that can be a proxy for each factor of interest are discussed below. The variables for the fixed-effect regressions in the present paper are listed in Table 4.

**Table 4. Variables for Analysis**

	Classification		Variables	Measures	Sources
Dependent Variable	ODA Allocation Amount (by countries)		ODA Amount	ODA Amount By countries	KOICA
Independent Variable	Donor's Interest	Political	Allies with U.S (U.S. Collective Defense Arrangements)	U.S Allies (1) Non-U.S Allies (0)	U.S Government website
		Economic	FDI	FDI outflow	Korea Exim Bank
	Recipient's Need	Humanitarian	Development level	GNI per capita	World Bank
Control Variable (Fixed)	Year		Year	Year (1991-2020)	-
	Priority Partner Country		Priority Partner Country	Priority Partner Country(1) Non Priority Partner Countries(0) (2011-2020)	Korea ODA Website

### 4.2.1. Independent variables

Donor's Interest (DI) accounts for relation between foreign aid allocation and donors' interests. Recipient's Need (RN) accounts for relation between foreign aid allocation and recipient's strategic need.

Here, the interests of donor countries are classified into two categories: politico-strategic advantage and economic benefits.

Therefore, the variable for political incentive is whether the recipient country signed the U.S. Collective Defense Arrangements. The data was retrieved from U.S.

government website. From the start year of arrangement, the data will be marked as 1 for the rest of the year till 2020. From 1990 to 2020, there were 66 countries which formed a pact with U.S. but countries like Taiwan, Netherlands, France, etc. was omitted since they are not Korea's ODA recipient countries.

In terms of economic incentive, Outward Foreign Direct Investment (OFDI) was retrieved from Korea EXIM bank. OFDI measures the flows by industry and record the value of cross-border direct investment transactions from the reporting economy during a year, by industry sector. The amount was measured in 100 million USD. There exists gap between ODA allocation amount and OFDI. That is, there were discrepancy between the country Korea allocated ODA and country that Korea invested. Since the analysis is focused on Korea's recipient country, countries that were not Korea's recipient country but included in the OFDI data was deleted for consistency.

For humanitarian motive, GNI per capita<sup>⑨</sup> was retrieved from the World Bank. GNI per capita is a tool that measures the overall economic welfare level of recipient countries. GNI per capita (formerly GNP per capita) is the gross national income, converted to U.S. dollars using the World Bank Atlas method, divided by the midyear population.

#### **4.2.2. Dependent variable**

The basic dependent variable is the actual amount of bilateral ODA provided to the recipient countries by KOICA. As the study focuses on the bilateral aid, data from the Exim bank is not considered. While the ODA allocation data is also available in OECD DAC, since it did not include data from 1990 to 2000, data

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<sup>⑨</sup> According to the World Bank, "GNI per capita is the gross national income (in USD) using the World Bank Atlas method, divided by the midyear population. GNI is the sum of value added by all resident producers plus any product taxes (less subsidies) not included in the valuation of output plus net receipts of primary income (compensation of employees and property income) from abroad."

from KOICA was utilized. The amount of ODA was measured in US Dollars. While there are different channels of ODA: Multilateral loan and grant, bilateral loan, private fund, NGO grant, it is most meaningful to analyze bilateral aid, as it is the most representative form of ODA, and it takes 75% of Korea's ODA (OECD Website, 2022).

Furthermore, OECD statistics did not separate the type of aid – bilateral, multilateral, etc. Therefore, data from KOICA was more suitable for the study.

Originally, the data from KOICA included 184 countries and 90 international organizations. Since the unit of analysis is country, organization data was deleted. Also, out of 184 countries, 13 countries were eliminated from the data set due to data inconsistency with independent variables.

### **4.2.3. Control variable**

This paper sets its research design based on the DI-RN model, which is most broadly used to analyze the allocation of official bilateral aid. It aims to see the relationship between Korea's political, economic, and humanitarian motive and ODA allocation amount by recipient countries.

To measure the fixed-effect, priority partner countries and year was used as a control(fixed) variable.

Since Korea joined the OECD DAC in 2010, as part of the strategic plan in 2010~2015, 26 countries were designated as priority partner countries (KOREA ODA Website, 2022). In 2016~2020, 24 countries were selected. In the selection criteria, it includes recipient country's income level, political situation, diplomatic relations with Korea, and economic cooperation potential (Table 4.2.3). Due to its location, geo-political and economic advantage, Asia countries, especially the South-East Asia countries takes more than half of the priority partner countries (KOREA ODA Website, 2022). Therefore, it is crucial to control for the priority partner countries.

**Table 4.2.3. Criteria for selecting Priority Partner Countries**

	Criteria	Weighted	Index	Method
Stage 1	Recipient's need	100	Income Level	International Organization Statistics
Stage 2	International ODA Criteria	30	Income Level, UN Human Development Index, SDG Achievement	
	Relationship with Korea	55	Diplomatic Relationship, Economic Partnership Potential, etc.	Ministry in Charge
	Efficiency of ODA	15	Recipient Country's Governance, Embassy and Executing Organization, Overseas Korean Resident	Assessment on Consul and Overseas Korean Resident
Stage 3	Qualitative	-	Diplomatic and Economic Factor, Recipients' Will, Country-Specific Issue (UN Sanction), Underprivileged	Ministry in Charge
Stage 4	Overall	-	National Strategic Importance, Regional Allocation, Underprivileged	Incumbent Government

Source: ODA Korea Website

### 4.3. Hypothesis

Based on previous literature and IR theories, it can be hypothesized that all three factors: political, economic, and humanitarian will affect how Korea allocates ODA. It is accepted that ODA tends serve the integrated ideals of humanitarian purposes along with national interests in its funding allocation (Choi 2011). It is expected that Korea will also follow the trend. It is generally agreed among scholars and practitioners that since 2010, Korea's overall policy aim is to contribute to humanitarian purposes. Indeed, the policy statement of Korea's International Development Cooperation of Ministry of Foreign Affairs (MOFA) set the goal of Korea's ODA to contribute to poverty reduction and sustainable development.



Therefore, it can be expected that Korea’s ODA policy is set towards reducing developing country’s extreme poverty and improve the living conditions. However, there exists gap in policy direction between grant and loans. That is, KOICA law, enacted in 1991, describes the objectives of grants as to foster keen diplomatic relationship and exchanges with developing countries, while the EDCF law, enacted in 1986, states the objectives of the fund as assistance to the industrial and economic development of developing countries as well as the encouragement of economic exchanges between Korea and these countries. Along with the purpose of Korea’s ODA and following the international norm, KOICA, in comparison of EDCF, is expected to focus more on humanitarian aspects than on Korea’s own interests. The timeline of the study was 1991 to 2020.

Within these contexts, the hypotheses are stated below.

Hypothesis 1: Korea’s political motive will affect how Korea allocate ODA to recipient

Hypothesis1-1: Korea will favor countries that form alliance with U.S, and more ODA amount will be allocated to U.S. alliance countries.

Hypothesis 2: Korea’s economic motive will affect how Korea allocate ODA to recipient countries

Hypothesis 2-1: Korea will favor countries with higher outward FDI.

Hypothesis 3: Recipient country’s humanitarian needs will affect how Korea allocate ODA to recipient countries

Hypothesis 3-1: Korea will favor countries that are less developed.

## 4.4. Empirical Result

**Table 4.4.1 Descriptive Statistics**

	Number	Mean	Standard	Minimum	Maximum
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			Deviation	Value	Value
Allies with U.S. or not	5,130	0.2358012	0.4352276	0	1
OFDI	5,130	5.33e+07	3.10e+08	0	5.85e+0.9
GNI per capita	5,130	5390.809	8817.05	0	80890
ODA	5,130	1,239,793	4,074,165	0	9.34e+0.7

**Table 4.4.2 Empirical Analysis Results (Hypothesis 1)**

	Variable	Coefficient	R <sup>2</sup>	Prob	Result
Political Motive	Whether recipient country formed alliance with U.S.	-980254	0.33	0.000***	Accepted

\*p<0.1, \*\*p<0.05, \*\*\*p<0.01

As it can be seen from Table 4.4.2., the first empirical analysis was conducted to see if political motive affects the amount of ODA allocation. The result was found to be significant in 99% confidence level., which means that political motive does influence how Korea governments grants bilateral aid. In other words, political motive is one of the determining factors of Korea ODA apportion. Therefore, hypothesis 1 was confirmed.

However, the coefficient was negative and hypothesis 1-1 is rejected. This contrasts previous notion that under realism perspective, political factor plays positive role in deciding the recipient countries and allocation amount. That is, more recipient country is favorable with U.S. in terms of military partnership, as

Korea favors U.S., it will also allocate more ODA to those recipient countries.

This result contradicts past research by Mickinley & Little (1977), Maizels & Nissanke (1984). More recently studies like Yoo (2011) and Younas (2008) also confirms that countries that maintain close ties with the U.S. which is recognized as the most important political, diplomatic, and military ally for Korea, are considered more important than those that do not.

To find out in more detail on why this study results contrasts previous study results on political factor, additional analysis was conducted. The logic behind additional analysis is that, since current study includes year from 1991 to 2020, year 2010 could have been a watershed moment for Korea ODA. This is because Korea became the member of OECD DAC in 2010, and since then OECD-DAC member countries are required to receive peer reviews regularly in relation to official development assistance, and due to OECD DAC peer review system, Korea would have taken more prudence not to lean on countries that have military ties with U.S.

Therefore, one of the important tasks in this regard is to focus on priority partner countries, not the current small-scale multinational method, in accordance with the principle of division of labor with other donor countries in supporting official development aid. Major advanced donor countries such as Germany, the EU, and the United States are already expanding reform measures for foreign exchange adjustment policies, focusing on results-oriented performance management and policy consistency to enhance the development effectiveness emphasized by the international community. One of the main contents is to increase the concentration of public development aid by selecting key support areas and cooperative countries (Foreign Economic Policy Research Institute, 2011).

As mentioned, since 2010, Korea has focused on priority partner countries and concentrated on allocating at least 70 percent of its aid amount to priority partner countries.

Therefore, additional analysis focused on dividing the time period by years.

The year was divided to before and after Korea joined OECD DAC.

**Table 4.4.3. Empirical Analysis Results (Hypothesis 1 Additional)**

	Year	Variable	Coefficient	R <sup>2</sup>	Prob	Result
Political Motive	1991-2010	Whether recipient country formed alliance with U.S.	1000397	0.25	0.0000***	Accepted
	2011-2020		-	-	0.1665	Rejected

\*p<0.1, \*\*p<0.05, \*\*\*p<0.01

Referring to Table 4.4.3. for additional analysis, from year 1991 to 2010, political motive was significant in 99 percent confidence level and showed positive relationship between the independent variable and dependent variable, but it turned out to be insignificant from year 2011 to 2020. The result may be due to small data set for countries that signed collective defense arrangement with the U.S.

**Table 4.4.4. Empirical Analysis Results (Hypothesis 2)**

	Variable	Coefficient	R <sup>2</sup>	Prob	Result
Economic Motive	Recipient country's OFDI	0.0011831	0.34	0.000***	Accepted

\*p<0.1, \*\*p<0.05, \*\*\*p<0.01

The next empirical analysis in Table 4.4.4. was conducted to see if the economic motive affects the amount of ODA allocation. The result was found to be significant in 99% confidence level. The coefficient was 0.0011, which shows that it has slight, positive effect on how Korea government gives out aid. That is Korea is more favorable towards recipient countries that Korea more invests. The result aligns with liberalists' notion that aid for economic purposes is generally provided

for the sale of goods by the donor country to the recipient country or for the economic growth of the donor country. Therefore, hypothesis 2 and hypothesis 2-1 is accepted.

**Table 4.4.5. Empirical Analysis Results (Hypothesis 3)**

	Variable	Coefficient	R <sup>2</sup>	Prob	Result
Humanitarian Motive	Recipient country's GNI per capita	-55.76804	0.35	0.000***	Accepted

\*p<0.1, \*\*p<0.05, \*\*\*p<0.01

The third empirical analysis in Table 4.4.5 was conducted to see if the humanitarian motive affects the amount of ODA allocation. The result was found to be significant in 99% confidence level. The coefficient was -55.76804, which shows that it has positive effect on how Korea government gives out aid. That is, Korea is more favorable towards recipient countries that are in poor economic situation, in other words, countries that have lower GNI per capita and needs humanitarian aid. The result is concurrent with some of idealists' notion that ODA should focus on welfare perspective. Therefore, hypothesis 3 and hypothesis 3-1 is confirmed.

Comparing economic and humanitarian motive that turned out to be significant, humanitarian motive (-55.76) showed stronger correlation compared to that of economic motive (0.0011). The result highlights that Korea puts more weight on humanitarian factor - Korea tries to facilitate development to countries that are more in need.

Below is the overall result for fixed-effect regression.

**Table 4.4.6. Empirical Analysis Results (Overall)**

	OLS		FE	
	Coefficient	Standard Error	Coefficient	Standard Error
Political Factor	-454804.5	106394.5	-980254	134554.6
Economic Factor	0.0014799	0.0001495	0.0011831	0.0013094
Humanitarian Factor	-47.54423	5.485928	-55.76804	15.12797
Year Dummy	yes		yes	
Priority Partner Countries Dummy	yes		yes	
R-Sqs	0.36		0.22	
Sample	5,130		5,130	

\*p<0.1, \*\*p<0.05, \*\*\*p<0.01

Overall, the fixed effect induced stronger effect in both political, economic, and humanitarian factor. While the direction of coefficient was same for all independent variable, political and humanitarian showed stronger effect in fixed model.

## **V. Conclusion**

### **5.1. Implications**

In this paper the concept, type, and motivation of ODA and the status of ODA in Korea were examined. Throughout empirical analysis, this paper tried to show under which conditions Korea decides to provide ODA grant. The results show that when it comes to allocation of grants, it is not influenced by a single dominant

factor but by all three categories – political, economic, and humanitarian.

Political factor was found to be partly insignificant. To be more specific, political factor did affect how Korea allocates ODA grants from 1991 to 2010, but afterwards, was not affecting Korea ODA allocation system.

Especially, this study is meaningful in that it included data from 2010 and 2020, when Korea became part of the OECD DAC members. It highlights whether Korea government's political initiative has changed and affected its decision which country and how much to give out aid.

Overall, the main findings from the empirical analysis can be summarized in three aspects. First, different from previous studies, political factor did not affect how Korea distributes grants, at least from 2010 to 2020. This may be explained that the political environment has changed over the decade. While Korea tries to keep keen relationship with U.S., the political arena has become more complex surrounding China and ASEAN countries.

Second, economic factor showed positive relation with the ODA allocation. This confirms past studies' result that donor country cannot completely ignore economic incentives when choosing and distributes bilateral aid.

Last, it is noteworthy that humanitarian factor does positively affect how Korea give out grants. As Korea became the member of OECD DAC since 2010, and follows evaluation criteria when implementing ODA, humanitarian factor is the dominant motive for Korea. This shows that Korea's will to fulfill its duty as major donor countries in international development field.

As Korea begins another new chapter as the OECD DAC member, it is time for Korea to play an active and responsible role in the common prosperity of mankind.

## **5.2. Limitations**

There are several limitations in this paper.

First, it is not accurate whether the variable in the regression appropriately reflects the current ODA allocation trend of Korea. The variable used in the empirical analysis was retrieved from the study before Korea joined the OECD DAC in 2010. This may be the reason why previous studies proved positive correlation between U.S. Defense Arrangement and ODA amount and this paper rather showed no relation from 2011 to 2020. Therefore, for future study, suitable proxies should be used that would more accurately reflect current international circumstances. Study by Sohn et al. (2011) employed the amount of USAID's aid to the recipient countries as an indirect variable which can show Korea's security motivation.

Second, although this study approached on three main criteria, it may be possible to increase the objectivity of the study by deriving various other factors. Additional variables would more accurately reflect allocation process.

Despite these defects, this paper contributes to a better understanding of Korea's ODA direction and strategy in terms of allocation. In addition, there are only few studies focusing on Korea's ODA allocation after 2010, when Korea joined the OECD DAC. This paper sheds light on the delicate mechanism of ODA that reflects both geo-political, economic, and humanitarian factor. Also, the study could be used as guideline how Korea should allocate and establish ODA strategy.

Future studies should be able to improve these shortcomings and provide better understanding of ODA allocation process.

Considering these points, if in-depth follow-up research based on this study is carried out, it should be helpful in establishing the right strategy and deriving specific development plans for Korean ODA in the future. In addition, it is judged that it will be possible to establish an objective and logical theoretical foundation from an academic perspective.



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# Appendix

## Appendix 1. Abbreviations

ODA: Official Development Assistance

OECD: Organization for Economic Co-operation and Development

OECD DAC: OECD Development Assistance Committee

KOICA: Korea International Cooperation Agency

EXIM: The Export-Import Bank of Korea

EDCF: Economic Development Cooperation Fund

OFDI: Outward Foreign Direct Investment

MOFA: Ministry of Foreign Affairs

CIDC: Committee for International Development Cooperation

CPS: Country Partnership Strategy

RN: Recipient's Need

DI: Donor's Incentive

## Appendix 2. List of Priority Partner Countries, 2021-2025

	Region	Country	Economic Level
1	Asia (12 countries)	Bangladesh	Least Developed Countries
2		Cambodia	Least Developed Countries
3		Indonesia	Lower Middle Income
4		Lao PDR	Least Developed Countries
5		Mongolia	Lower Middle Income
6		Myanmar	Least Developed Countries
7		Nepal	Least Developed Countries
8		Philippines	Lower Middle Income
9		Sri Lanka	Lower Middle Income
10		Vietnam	Lower Middle Income
11		Indonesia	Lower Middle Income
12		Ethiopia	Least Developed Countries
13	Africa (7 countries)	Ghana	Lower Middle Income
14		Egypt	Lower Middle Income
15		Rwanda	Least Developed Countries
16		Senegal	Least Developed Countries
17		Tanzania	Least Developed Countries
18		Uganda	Least Developed Countries
19		Kyrgyzstan	Lower Middle Income
20	Middle east and CIS (2 countries)	Uzbekistan	Lower Middle Income
22		Ukraine	Lower Middle Income
22	Latin America (4 countries)	Tajikistan	Lower Middle Income
23		Bolivia	Lower Middle Income
24		Colombia	Upper Middle Income
25		Peru	Upper Middle Income

### Appendix 3. List of OECD DAC Countries

	Country	Join Year
1	Australia	1966
2	Austria	1965
3	Belgium	1960
4	Canada	1963
5	Czech Republic	2013
6	Denmark	1963
7	European Union	1961
8	Finland	1975
9	France	1960
10	Germany	1960
11	Greece	1999
12	Hungary	2016
13	Iceland	2013
14	Ireland	1985
15	Italy	1960
16	Japan	1960
17	Korea	2010
18	Luxembourg	1992
19	The Netherlands	1960
20	New Zealand	1973
22	Norway	1962
22	Poland	2013
23	Portugal	1960/91*
24	Slovak Republic	2013
25	Slovenia	2013
26	Spain	1991
27	Sweden	1965
28	Switzerland	1968
29	United Kingdom	1961
30	United States	1961

## Appendix 4. List of U.S Collective Defense Arrangement

1. North Atlantic Treaty  
: United States, Albania, Belgium, Bulgaria, Canada, Croatia, Czech Republic, Denmark, Estonia, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Turkey, United Kingdom
  
2. Agreement between the U.S. and Australia and New Zealand  
: United States , Australia, New Zealand
  
3. Philippine Treaty  
: United States , Philippines
  
4. Southeast Asia Treaty  
: United States, Australia, France, New Zealand, Philippines, Thailand, and the United Kingdom
  
5. Rio Treaty  
: United States, Argentina, Bahamas, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Nicaragua, Panama, Paraguay, Peru, Trinidad & Tobago, Uruguay, Venezuela



# 국문초록

성명: 임지영

학과 및 전공: 국제학과 국제협력 전공

학교명: 서울대학교 국제대학원

본 논문은 지난 30년간 한국국제협력단(KOICA)이 지원한 양자원조를 중심으로 한국 ODA의 주요 결정요인을 연구하였다. 실증연구는 ODA 배분의 주요 결정요인- 정치적, 경제적, 인도적 요인을 분석하여 이러한 요인들이 한국의 지원대상국 배분에 어떤 영향을 미쳤는지 살펴보았다. 그동안의 전통적인 국제관계 이론에 따르면 경제적, 인도적, 정치적 요인은 유의미한 결과를 도출하는 것으로 나타났다. 고정효과 모델을 통한 분석 결과, 한국은 더 많은 경제적 인센티브를 가져올 국가들에 더 많이 할당하는 것으로 밝혀졌다. 또한 인도주의적 동기에 있어서는 수령국의 1인당 GNI가 더 낮았는지 여부가 ODA의 분배량에 긍정적인 영향을 미치는 것으로 나타났다. 정치적 동기에 대한 결과는 2011년부터 2020년까지 무의미한 것으로 나타나 ODA 할당 결정요인에 대한 이전의 연구와 대조되어 눈여겨 볼만하다. 이 연구는 2010년 OECD DAC 회원국이 된 한국이 어떻게 30년 동안 각국에 원조를 제공해왔는지를 재조명한다.

키워드 : ODA, 결정요인, 분배, 대한민국, 무상원조, 국제이론

학생번호 : 2020-27577