CONSTRUCTIVE POWERS INITIATIVE:
CONSTRUCTIVE POWERS AND
DEVELOPMENT COOPERATION

NOVEMBER 26–28, 2013
SEOUL, SOUTH KOREA
CONFERENCE REPORT
The Constructive Powers Initiative would like to thank the Institute of Foreign Affairs and National Security (IFANS) of the Ministry of Foreign Affairs (MOFA) of the Republic of Korea for hosting the workshop in their facilities and for the excellent contributions that members of the Korean MOFA made to the discussions.

IFANS of the Korea National Diplomatic Academy (KNDA), directly attached to the Korean MOFA, consists of five research departments, three research centres and library. The institute is dedicated to developing mid- to long-term foreign policy approaches through participation in academic exchanges, public diplomacy, training and researches, and production of publications. Also, it continues to strengthen cooperation with the major academic institutes in Korea and abroad.

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AUTHORS

Paul Heinbecker

In a lengthy diplomatic career, Paul Heinbecker has served as Canadian Ambassador to Germany, permanent representative to the United Nations, political director of the Foreign Affairs Department in Ottawa and chief foreign policy adviser to then Prime Minister Brian Mulroney. Early postings included Ankara, Stockholm, Paris (at the Organisation for Economic Co-operation and Development) and Washington, DC. Since joining CIGI in 2004 as a Distinguished Fellow, Paul has authored, edited and contributed to a number of books and articles on international relations, especially on the United Nations, the G20, the Middle East, global governance and foreign policy. He writes op-eds and blogs for Canadian and foreign periodicals. He has lectured and made presentations to Canadian parliamentary committees, the Department of Foreign Affairs, the Canadian Forces Staff College, and numerous universities and institutions across Canada and in the United States, Europe, Asia and Latin America. Paul appears frequently on Canadian television and radio. He has honorary doctorates from Wilfrid Laurier and St. Thomas universities.

Simon Palamar

Simon Palamar joined CIGI as research assistant in 2012. He holds an M.A. from the University of Waterloo and is a Ph.D. candidate at Carleton University’s Norman Paterson School of International Affairs.

ABOUT THE INITIATIVE

The Constructive Powers Initiative (CPI) seeks to bring new thinking, resources and political will to bear on emerging regional security challenges that have global significance.

Beginning in 2011, the initiative was launched on the premise that existing global governance institutions, while necessary, are not sufficient to address new and emerging security challenges effectively. The world has a clear need for cooperation and new partnerships among capable, concerned and constructive countries, countries that are not “great powers” by traditional definition, but nonetheless have strategic interests in a stable and prosperous world. These countries have a history of creative diplomacy and the capacity to make a positive difference, particularly through cooperation and partnerships with other constructive powers. Participants in the CPI include Australia, Brazil, Canada, Germany, Japan, Indonesia, the Republic of Korea, Mexico, the Netherlands, New Zealand, South Africa, Sweden, Switzerland and Turkey.

The CPI has held conflict management and policy planning workshops in Istanbul, Mexico City and Toronto. These meetings bring together academics and policy practitioners from CPI countries to identify emerging policy issues and develop the responses needed to address global security challenges.

Project leaders: Fen Osler Hampson and Paul Heinbecker

Project member: Simon Palamar
The purpose of the Constructive Powers Initiative (CPI) workshop in Seoul, South Korea, November 26–28, 2013 — comprising policy practitioners, scholars and think tank representatives from 11 constructive powers — was to consider the changing paradigm of foreign policy and development cooperation, to discuss the possible contours of development cooperation following the 2015 conclusion of the Millennium Development Goals (MDGs) and to explore how and on which issues constructive powers could or should cooperate. A further purpose was to examine the evolving security situation on the Korean peninsula and the risks generated by conflicting claims to sovereignty in the East and South China Seas. The Institute of Foreign Affairs and National Security of the Korea National Diplomatic Academy hosted the workshop.

FOREIGN POLICY, DEVELOPMENT COOPERATION AND THE SEARCH FOR A NEW PARADIGM

There was considerable support for the following points made in the course of discussion. Foreign policy and development cooperation policy are converging:

- Most constructive powers are seeking greater coherence and coordination among their foreign, economic and development cooperation policies, in order to reinforce policies and achieve implementation synergies.

- Among the CPI countries, development policy increasingly appears to be integrated with foreign policy, and policy decisions (such as choosing which countries to focus aid on) are made with an eye to both poverty reduction and supporting the government’s broader foreign policy objectives.

- Many support the idea that poverty eradication — which spreads prosperity, increases political stability and reinforces bilateral relationships between countries — is nearly always in a country’s national interest.

- Broad public and civil society support for development cooperation is indispensable to creating and implementing effective policy.

- Increasingly, in both donor and recipient countries, transparency, accountability and effectiveness are development policy watchwords.

Given the success of the MDGs as a global agenda for development policy, and the enthusiasm for a similar post-2015 global development target list, the workshop identified a number of policy issues worth focussing on. They include:

- When the MDGs were conceived, much of the world’s focus was on the globe’s poorest countries, rather than middle-income countries (MICs). Today, MICs are at the forefront of many development challenges.
  - Approximately 70 percent of the world’s poor live in MICs. Reducing extreme poverty dramatically by 2030 will require addressing the extensive poverty and income inequality found in many MICs.
  - This is complicated by the fact that the public in many donor countries are more willing to send aid to the world’s poorest economies, and less enthusiastic about providing assistance to MICs such as China or Brazil.

- Budgets for official development assistance (ODA) are under heavy fiscal pressures in many donor countries and reliable metrics of development performance are difficult to come by.

- ODA is necessary to development but not sufficient. The World Bank estimates that ODA accounts for only 10 percent of the funds needed in Africa — which means other sources of funding, including domestic sources, need to be better mobilized and leveraged.

- Security is crucial to development, and fragile and conflict-prone states are a particular challenge. The countries that have achieved the fewest MDGs are all fragile and conflict-affected.

- Migration and remittances are major issues, especially for emerging African economies, which tend to both receive migrants from the rest of the continent, and see many of their own citizens migrate overseas.

- For both donors and recipients, ensuring that development efforts are effective is a top priority. Thus, the focus on future cooperation should not just be on the total number of projects or amount of aid, but also on making sure that aid is going to the most productive projects.

1 The 11 powers are Australia, Brazil, Canada, Germany, Indonesia, Japan, Mexico, South Africa, South Korea, Switzerland and Turkey.
• The hybrid character of contemporary meta-issues — such as the complex relationship between energy production, poverty and climate change — obviously presents some negotiating challenges, but also big opportunities.

• The North-South divide at the United Nations remains an impediment to cooperation.

CONSTRUCTIVE POWERS, DEVELOPMENT AND THE POST-2015 DEVELOPMENT GOALS

There are a plethora of proposals for a post-2015 development agenda. The CPI could contribute by:

• convening informal pre-negotiation meetings of policy makers to explore national interests and perhaps find common ground;

• identifying the proposed agenda items that enjoy the broadest international support (in other words, consolidate and reconcile the already numerous proposals);

• identifying the issues whose achievement is most feasible and measurable, and easiest to communicate; and

• publishing research on proposed issues and offering clear, frank and to-the-point policy advice based on the findings, with a particular focus on how to develop measurable indicators.

A number of CPI members are transitioning from development assistance recipients to development assistance donors:

• Host country South Korea has made admirable economic and political progress, progressing from one of the world’s poorest countries following the Korean War to Organisation for Economic Co-operation and Development (OECD) membership in just 50 years.

• Turkey has made the same transition domestically and been an aid donor since the 1980s.

• Indonesia, Mexico and South Africa all receive and provide assistance.

• Brazil has elevated 30 million people from poverty to the middle class, and is conducting active and effective economic diplomacy via cooperation with its many neighbours and through the BRICS countries (Brazil, Russia, India, China and South Africa) and Group of Twenty (G20).

• Cooperation on the part of emerging CPI countries includes expertise drawn from their own experience, including providing technical assistance, capacity building, and project management and auditing services.

• The diversity of approaches to development policy points to the possibility that better coordination among high-, medium- and lower-income aid donors might produce better results in the long run.

• Renewed discussion is needed on the idea of shared, but different, responsibilities.

SECURITY AND CONFLICT IN NORTHEAST ASIA

Given Seoul’s location in the heart of northeast Asia, the workshop also took the opportunity to assess the regional security environment. The following points emerged:

• Northeast Asia suffers from a paradox: unprecedented levels of economic exchange, even integration, accompanied by unreconciled political differences, including over maritime boundaries, territorial disputes, North Korea’s outlaw character and its nuclear weapons program, and a paucity of effective regional security organizations.

• China and the United States cooperate economically and compete militarily: China via military expansion and modernization, and the United States through its “pivot to Asia” defence policy.

• Both China and the United States prefer conducting regional diplomacy on a bilateral basis: the United States through a “hub-and-spoke” system of military relationships, and China via sovereignty assertions vis-à-vis countries along its maritime frontiers in the South and East China Seas.

• South Korea is pursuing a long-term, middle-power strategy of diplomacy and trust building in northeast Asia and the region more generally. This includes:
  - establishing itself as a bridging country and proactive problem solver that may be able to help smooth relations between Washington and Beijing;
  - building constructive relationships with countries outside of Asia, with a new focus on Europe; and
  - seeking predictability and détente with the government in Pyongyang, North Korea.
North Korea, for its part, is following a byungjin ("parallel development") policy, which simultaneously seeks economic growth while expanding its nuclear weapons program.

Japan aspires to normalcy, including constitutional reform to allow the Japanese Self-Defense Forces to participate in collective security schemes.

Overall, participants were sanguine about the future of peace and security in the region, but flagged a few issues that merit attention:

- The risk of a Cold War-style, zero-sum competition for influence and power between the United States and China: misunderstandings and miscalculations are a danger.
- The creation of a “G2” arrangement between China and the United States, where the two powers bilaterally fashion solutions to the region’s major problems at the expense (or at least without consulting) of the region’s other countries.
- The risk of an overtly anti-China bloc, led by the United States, forming in the Pacific.
- The potential for a clash of nationalisms, especially if economic growth flags.
- The apparent rise of Han nationalism in China as a replacement for communism.
- The need for sensitivity in the trilateral China-Japan-Korea relationship.

**THE VALUE AND FUTURE OF THE CPI**

On the future of the CPI, there was considerable agreement on the following:

- CPI workshops are valuable to the participants, especially in clarifying thinking, expanding comprehension and providing policy reality checks.
- The “track 1.5” approach of participation by scholars and practitioners, and the particular combination of countries attending, yields unique and considerable benefits; the fact that it is a non-official forum facilitates discussion and brainstorming.
- The utility of CPI workshops depends on whether the topics chosen are compelling for most members; the most compelling issues tend to be new and emerging issues, rather than mainstream, day-to-day policy challenges.
- The CPI provides a cost-effective and valuable locus for policy staff interactions.
- Constructive powers should focus on the supply of global public goods that the major powers can’t or won’t lead on. The anti-personnel landmine treaty is a good example of the sort of niche that constructive powers could focus on.
- There might be advantage in the CPI linking to institutional agendas, such as the G20 or the newly formed MITKA (Mexico, Indonesia, Turkey, Korea and Australia).
- There might also be value in the CPI producing enduring “deliverables” (such as rigorous policy-oriented research on issues the CPI has focussed on) to increase the group’s impact and add more value to the meetings.
- The CPI agenda should remain bifurcated, comprising global governance issues and regional issues.
- The extent to which CPI agendas should seek continuity in subject matter or favour one-off discussions was less clear. Both have their advantages.
CONFERENCE REPORT

INTRODUCTION

From November 26 to 28, 2013, foreign policy professionals, scholars and think tank representatives from 11 constructive powers met in Seoul, South Korea, to discuss the changing character of ODA and development cooperation policy, and canvass the prospects of a post-2015 global development policy agenda to succeed the MDGs. Participants also assessed recent developments in the northeast Asian security environment. The Institute of Foreign Affairs and National Security of the Korea National Diplomatic Academy hosted the workshop.

FOREIGN POLICY AND DEVELOPMENT POLICY IN THE CONSTRUCTIVE POWERS

In order to assess the prospects for development policy cooperation over the next few years among the constructive powers, participants laid out the basics of their country’s development policy in the context of their overall foreign policy. Despite the diversity of the CPI countries — some are very wealthy on a per capita basis and are long-term development assistance donors, while others are middle-income countries that have more recently made the transition from recipient to donor, and others are both recipients and donors — a few common themes emerged from the discussions.

First, there are growing efforts to make overall foreign policy and development policy coherent and reciprocating. This typically means integrating development policy and foreign policy. In addition to development cooperation prospects and motives, there is a trend toward focussing resources on countries that are important to donors for economic, historic or political reasons.

Second, poverty alleviation and economic growth in other countries are seen by many as a fundamental national interest of donor/partner countries. Rising incomes and diminishing poverty strengthen social cohesion and prevent violent civil conflict. As well, as recipient countries grow wealthier and bilateral trade and investment grow apace, to both sides’ benefit.

Third, participants largely agreed that transparency and accountability are crucial to maintaining public support for development policy. Policy makers recognize that even if they believe that development aid and cooperation is necessary, public support can wane in uncertain economic times. Reaching out to, and working with, industry and civil society is critically important. When properly done, cooperation between industry and governments increases the impact of development budgets, with industry generating jobs and growth, and civil society stimulating innovation in development policy thinking and program delivery on the ground. Such results help legitimate development activity in the eyes of donor publics.

Fourth, all CPI countries face the continuing challenge of establishing priorities in the context of limited financial and human resources. Some participants were concerned that development policy priorities, which are often long term in character, will be eclipsed by typically shorter-term foreign policy priorities, distorting allocation decisions, with concomitant negative impacts on aid effectiveness. Others were concerned that in an environment of tight resources, tailoring cooperation efforts to conform to classic aid guidelines, notably those of the OECD Development Assistance Committee (DAC) inevitably means that some worthy recipients and projects will ultimately be ignored. As the majority of the world’s poor live in middle-income countries, whether and how to assist them and how to characterize such efforts are important. If the intended recipient country or project does not meet OECD DAC criteria for ODA, for example, a donor faces the choice of forgoing worthwhile projects or programs or seeing its reputation harmed, along with the political implications that can have. As few donor countries can afford to fund both approaches, reconciling these divergences is important. Further, prioritization is a particular challenge for those CPI countries that are both development donors and recipients, who must address their own development challenges, while providing others with in-kind assistance such as legal, auditing and project management services.

Finally, participants recognized that the nature of development cooperation is changing and requires new responses. Updating national laws, regulations and attitudes within governments is necessary if development and foreign policies are to work well together in the long run. For example, security is a crucial component of economic development, and whether and how a country’s foreign ministry can access or influence development budgets to help support peace and security building are important to development. Similarly, in the long run, if foreign policy and development policy are to reinforce and support one another, governments will need to better reconcile and integrate longer-term development needs with shorter-term political imperatives. Security sector transformation, climate change adaptation and electoral reform efforts are three cases in point.
The dominant paradigm for intergovernmental development cooperation since the mid-2000s has been the MDGs. The eight MDGs have become the central organizing principles around which governments, non-governmental organizations (NGOs) and private actors frame and coordinate development policy. They are also benchmarks by which to assess progress around the world. With the MDGs set to expire in 2015, a vast array of proposals is contesting for a place on the next global development charter. Two notable examples are the report of the UN High-Level Panel of Eminent Persons on the post-2015 development agenda, A New Global Partnership, which proposes 12 goals ranging from poverty eradication to democracy promotion, and the UN Secretary-General’s own report, A Life of Dignity for All, which features 15 broad proposals, from tackling climate change to addressing demographic challenges to economic growth. Furthermore, the Open Working Group on Sustainable Development Goals, which was launched in the wake of the Rio+20 conference in 2012, is expected to deliver its own set of recommendations in 2014. On top of these high-profile efforts, there are countless NGO conferences, government task forces and smaller grassroots groups drawing up a new economic development agenda.

Given that this extensive activity generated by the post-2015 agenda and the plethora of proposals are already in the public eye, the CPI workshop addressed itself to what a post-2015 development paradigm might be, and what it might hold for the foreign policies of participating governments.

Universality and Responsibilities

To what extent should the post-2015 development agenda be a “universal” agenda? The MDGs were universal in the sense that they applied to all countries, but different countries had different responsibilities. In the recent past, pacts between developed and developing countries have often involved “common but differentiated” responsibilities. A frank sub-discussion took place from the case of the Kyoto climate change convention, under which wealthier nations, which were disproportionately responsible for creating the problem of accumulating greenhouse gases in the first place, took on heavier remedial obligations than less wealthy nations did. At the same time, there was considerable recognition of the new urgency of participation of developing countries in mitigation efforts and acknowledgment of the responsibilities of governments in MICs, such as India and China, which are still home to a large proportion of the world’s poorest people but are also among the worst polluters.

Financing

There was widespread agreement among workshop participants that ODA will be insufficient to tackle the world’s development needs. Finding and mobilizing additional sources of funding — including private money and the government finances of developing countries — therefore merits being part of any post-2015 agenda. Expanding the scope of what constitutes development funding beyond ODA would help in convincing developed country legislators to continue funding development budgets. Developing countries will have to redistribute as well as generate wealth if they are going to tackle inequality effectively. Harnessing developing country resources for development will not only require political will, but also addressing persistent low savings rates among the general public.

Poverty Eradication

Another item that will naturally figure on a post-2015 development agenda is extreme poverty eradication. As the World Bank and International Monetary Fund have already announced a goal of reducing the share of the world’s population that lives in extreme poverty to three percent by 2030, it seems likely that this goal (or a similar one) will be on a post-2015 agenda. To achieve this goal, however, governments will have to face a difficult political reality. By some estimates, 70 percent of the world’s poorest people live in MICs. It is politically easier and less contentious for developed country governments to give ODA — that is, grants and loans — to low-income countries (LICs) than to MICs, who are conducting costly non-development programs (for example, space programs). However, reaching an ambitious poverty reduction goal will mean sending a larger proportion of ODA to relatively wealthy countries. This will require developed country governments to convince their legislators and voters that increasing development cooperation with countries like India, which has more billionaires than Japan, makes sense. This will also require developing country governments to clearly articulate how they will use their own growing economic resources to reduce poverty and disparity.

Inequality

Large disparities in wealth are characteristic of many MICs, precisely the countries that hold the majority of the world’s poor. Highlighting the causes of income inequality would turn a spotlight on incumbent governments’ failure to enact policies that benefit all their
citizens, a prospect that will cause some governments to hesitate, even outright refuse, to sign on to a universal agenda.

Peace and Security

While the MDGs have generally been a success, few conflict-affected countries have achieved any of these goals. In 2011, no conflict-affected LIC achieved a single MDG. Two years later, some progress had been made, with a number of poor, conflict-ridden states achieving some goals, such as reducing absolute poverty rates. Nevertheless, the correlation is clear: the poorest development performers are countries with fragile internal situations and ongoing or recent violent conflict. Improving economic and social conditions in the poorest countries in the world thus requires putting security first. The inclusion of efforts to find solutions to chronic political fragility and instability on the post-2015 agenda therefore makes sense, and may be necessary if the agenda’s other goals are to be met. At the same time, as is true of some of the other key topics, workshop participants acknowledged that delivering peace and security in fragile states is a profoundly political challenge. Providing peace and security often means intervening in a country’s internal affairs, whether to aid in security sector or electoral reform, or to deploy military force to stop violence. Accordingly, there may well be resistance to any attempt to get peace and security on a globally endorsed development agenda, especially on the part of countries such as Russia and China and their clients.

Climate Change, Energy and Sustainable Economic Development

A further issue that belongs on a post-2015 agenda is the emerging “mega-issue” of how to manage the relationship between economic growth, energy consumption and climate change. The climate-energy-economy nexus poses a particular dilemma since it requires citizens and policy makers to trade off cheap energy (which helps raise standards of living) and climate change mitigation. Climate change is threatening livelihoods, particularly in poorer countries, via destruction of fish stocks, eroding coastline, desertification of arable land and so forth.

There was a considerable consensus among participants that the sorts of issues that ought to be (or will be) on any post-2015 development agenda are inherently political. The more politically charged the post-2015 development agenda is, however, the greater the risk that it will fail to achieve its goals. For example, there are sound reasons for including climate change and sustainable energy on the agenda, but given how contentious and complex UN-sponsored climate change talks have been, some argue that such sensitive issues should be managed separately from the post-2015 development agenda.

Constructive Powers: Facilitating a New Agenda?

Leadership will be necessary to shepherd the post-2015 process along and to bring sharper focus to the increasingly broad and diverse debate over goals. As several participants noted, the unexpected success of the MDGs has made the prospect of designing a post-2015 agenda very popular — and fraught. For grassroots organizations and NGOs, it may be an opportunity to vault their chosen social or economic issues into global prominence. For governments and their policy makers, it is a chance to turn their preferences into the world’s priorities. As noted, this has already spawned two UN reports, which recommend 12 and 15 possible priorities, respectively. As more and more voices participate in the debate, the possibility emerges that there will be no comprehensive and widely agreed post-2015 development agenda. Instead, the debate could collapse under its own weight.

A second outcome might be too ambitious an agenda. The MDGs were in many ways a surprise success. The goals are limited in number and comparatively simple to understand, which has helped generate public support for them. Many are also relatively easy to measure, which has allowed governments, NGOs and the global public to assess who is doing a good job of meeting those goals and who is not. These two factors made the MDGs a public policy success: they have enjoyed broad support, and many countries have met or exceeded their goals. Given this success, there appears to be a desire to ratchet up the MDGs, which risks adding more demanding goals that are harder to understand, more difficult to achieve, and much harder to measure and evaluate progress on. If the post-2015 development agenda sets unrealistic or abstract goals and fails as a consequence, it would imperil public and government support of future efforts of this kind.

Finally, as noted, some of the policy issues that the workshop participants argued ought to be part of a post-2015 paradigm are highly politically sensitive. Tackling inequality, shifting the onus more to developing countries, finding innovative sources of financing, and stabilizing fragile and violent states all require greater transparency and accountability and intrusion into the domestic affairs of states, which could generate strong resistance in some capitals.
HONING IN ON AN AGENDA

One worthwhile role for CPI academics and policy makers in this context could be to help streamline the agenda. This could entail forming coalitions of like-minded groups of NGOs and governments, like the constructive powers, cooperatively conducting policy research, organizing track-two talks before formal negotiations begin with the aim of testing ideas and discovering potentially common interests among countries. As CPI countries have limited financial and diplomatic resources, a process of openly exchanging views on each CPI country’s priorities for the post-2015 agenda could be a useful and cost-effective step in consolidating a list of issues that enjoy broad support.

The cooperation of CPI countries in streamlining the post-2015 debate and focusing political and diplomatic energy on feasible, practical and broadly acceptable development goals could reinforce the chances of the world shifting to a successful post-2015 development paradigm. These facilitating activities do not have to be confined to official government efforts. Universities, think tanks and development NGOs can all contribute to this effort by generating research on the issues that have been proposed for the post-2015 agenda and by engaging domestic audiences to create support for a post-2015 development agenda.

In conclusion, there is plenty that governments, think tanks and universities in the CPI countries can do to help advance a post-2015 development agenda. CPI countries will not determine the outcome, but their yeomanry, while not glamorous, is helpful and even necessary. The creation of a viable, realistic and effective post-MDG development agenda is in the interest of all the constructive powers, and there is considerable scope for and need for CPI countries willing to listen to others to put their diplomatic and academic strengths to work to help make things happen.

PEACE AND SECURITY IN NORTHEAST ASIA

The Seoul workshop was also an excellent opportunity for policy staff and academics to assess the state of international politics in northeast Asia. The last two years have been quite eventful. Between December 2011 and December 2012, every country in northeast Asia saw its leadership change. These new leaders have brought new policies with them. In South Korea, President Park Geun-hye has advocated for trustpolitik with North Korea: a policy whereby South Korea would try to reconcile and regularize relations between the two countries, on the condition that North Korea abide by the commitments it makes. Meanwhile, in North Korea, Kim Jong-un has committed to byungjin, a policy of expanding North Korea’s nuclear arsenal while simultaneously seeking increase economic growth. Japanese Prime Minister Abe Shinzo is seeking to “normalize” Japan by adapting defence policy so that the Japanese National Self-Defense Forces can participate in collective self-defence efforts and participate more fully in UN collective security measures. In China, General Secretary Xi Jinping has promoted the concept of a “Chinese Dream,” which aims to increase China’s prosperity and also sees it taking on a more important role in global affairs. The “Chinese Dream” includes strengthening China’s military. Finally, in 2011 the United States announced a policy of “pivoting” or “rebalancing” towards Asia, a clear statement that the United States will continue to seek to play an important role in Asia, and will redeploy its military and diplomatic assets to the region as necessary.

Against this backdrop of shifting leadership, priorities and policies, long-standing conflicts have simmered and reached an occasional boil. Two events stand out in this regard. First, the long-standing disagreement between China and Japan over the ownership of the Diaoyu/Senkaku Islands flared up in 2012. The ensuing anti-Japanese protests in China, and minor maritime and air confrontations between the two countries were accompanied by a temporary, but substantial, reduction in trade and cross-border investment. Second, North Korea conducted its third nuclear weapon test in early 2013, levelled a number of threats against South Korea and the United States, shut down the Seoul-Pyongyang hotline and closed the Kaesong Industrial Complex. More recently, China has declared the creation of an air defence identification zone (ADIZ) over water and territories that are disputed by Japan (the new Chinese ADIZ also overlaps with parts of Japan and South Korea’s pre-existing ADIZs), which engenders risks of response and miscalculation.

While these incidents have not led to any open clashes in the region, they do epitomize the “Asian Paradox”: even as the economies of northeast Asia become more dependent on one another for trade and investment, and more integrated generally, the prospects for political reconciliation are in retreat and solutions remain elusive. Despite this paradox and the recent trends in the region, workshop participants remained hopeful that risks to peace and security in northeast Asia would continue to be managed. Participants emphasized the need to pay attention to four possibilities in particular:

- The possibility of China and the United States entering into a Cold War-style, zero-sum competition for influence and power. In such a scenario, misunderstandings about intentions and miscalculations about resolve could pose significant dangers.
• The creation of a “G2” arrangement between China and the United States, where the two powers bilaterally fashion solutions to the region’s major problems at the expense (or at least without consulting) of the region’s other countries.

• The risk of an overtly anti-China bloc (organized along economic and military lines), led by the United States, forming in the Pacific.

• The potential for a clash of nationalisms, primarily between Japan and China, and especially if economic growth flags. Of particular concern is the possibility of Han nationalism replacing communism in China as the government’s unifying and legitimating ideology.

Greater sensitivity to the region’s history and the fact that the events of World War II still evoke strong emotions would be welcome and would go a long way to helping improve relations within the Korean-Japanese-Chinese triangle. South Korea has been proactive in directly and indirectly encouraging states to collaborate on issues of mutual interest and regional importance, such as securing nuclear materials around the globe and developing rules for behaviour in cyberspace, by hosting the 2012 Nuclear Security Summit and 2013 Seoul Conference on Cyberspace, respectively.

Countries that have an interest in the economies of northeast Asia also have an interest in the region’s politics. Constructive powers can assist with niche (but still significant) diplomacy in the important work of making northeast Asia a more predictable environment.

ACRONYMS

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<th>air defence identification zone</th>
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<td>Constructive Powers Initiative</td>
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<td>Group of Twenty</td>
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<td>LIC</td>
<td>low-income country</td>
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<td>MDGs</td>
<td>Millennium Development Goals</td>
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<td>MIC</td>
<td>middle-income country</td>
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<td>NGO</td>
<td>non-governmental organization</td>
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<td>ODA</td>
<td>official development assistance</td>
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<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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### Official List of MDG Indicators

All indicators should be disaggregated by sex and urban/rural as far as possible. Effective 15 January 2008

<table>
<thead>
<tr>
<th>Goal and targets (from the Millennium Declaration)</th>
<th>Indicators for monitoring progress</th>
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<tr>
<td><strong>Goal 1: Eradicate extreme poverty and hunger</strong></td>
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</table>
| Target 1.A: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day. | 1.1 Proportion of population below $1 (PPP) per day.  
1.2 Poverty gap ratio.  
1.3 Share of poorest quintile in national consumption. |
| Target 1.B: Achieve full and productive employment and decent work for all, including women and young people. | 1.4 Growth rate of GDP per person employed.  
1.5 Employment-to-population ratio.  
1.6 Proportion of employed people living below $1 (PPP) per day.  
1.7 Proportion of own-account and contributing family workers in total employment. |
| Target 1.C: Halve, between 1990 and 2015, the proportion of people who suffer from hunger. | 1.8 Prevalence of underweight children under five years of age.  
1.9 Proportion of population below minimum level of dietary energy consumption. |
| **Goal 2: Achieve universal primary education**     |                                   |
| Target 2.A: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling. | 2.1 Net enrollment ratio in primary education  
2.2 Proportion of pupils starting grade one who reach last grade of primary.  
2.3 Literacy rate of 15- to 24-year-olds, women and men. |
| **Goal 3: Promote gender equality and empower women** |                                   |
| Target 3.A: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015. | 3.1 Ratios of girls to boys in primary, secondary and tertiary education.  
3.2 Share of women in wage employment in the non-agricultural sector.  
3.3 Proportion of seats held by women in national parliament. |
| **Goal 4: Reduce child mortality**                  |                                   |
| Target 4.A: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate. | 4.1 Under-five mortality rate.  
4.2 Infant mortality rate.  
4.3 Proportion of one-year-old children immunized against measles. |
| **Goal 5: Improve maternal health**                 |                                   |
| Target 5.A: Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio. | 5.1 Maternal mortality ratio.  
5.2 Proportion of births attended by skilled health personnel. |
| Target 5.B: Achieve, by 2015, universal access to reproductive health. | 5.3 Contraceptive prevalence rate.  
5.4 Adolescent birth rate.  
5.5 Antenatal care coverage (at least one visit and at least four visits).  
5.6 Unmet need for family planning. |
| **Goal 6: Combat HIV/AIDS, malaria and other diseases** |                                   |
| Target 6.A: Have halted by 2015 and begun to reverse the spread of HIV/AIDS. | 6.1 HIV prevalence among population aged 15–24 years.  
6.2 Condom use at last high-risk sex.  
6.3 Proportion of population aged 15–24 years with comprehensive, correct knowledge of HIV/AIDS.  
6.4 Ratio of school attendance of orphans to school attendance of non-orphans aged 10–14 years. |
| Target 6.B: Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it. | 6.5 Proportion of population with advanced HIV infection with access to antiretroviral drugs. |
| Target 6.C: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases. | 6.6 Incidence and death rates associated with malaria.  
6.7 Proportion of children under five sleeping under insecticide-treated bednets.  
6.8 Proportion of children under five with fever who are treated with appropriate anti-malarial drugs.  
6.9 Incidence, prevalence and death rates associated with tuberculosis.  
6.10 Proportion of tuberculosis cases detected and cured under directly observed treatment short course. |
### Goal 7: Ensure environmental sustainability

<table>
<thead>
<tr>
<th>Target 7.A:</th>
<th>Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources.</th>
<th>7.1 Proportion of land area covered by forest.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target 7.B:</td>
<td>Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss.</td>
<td>7.2 CO₂ emissions, total, per capita and per $1 GDP (PPP).</td>
</tr>
<tr>
<td>Target 7.C:</td>
<td>Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation.</td>
<td>7.3 Consumption of ozone-depleting substances.</td>
</tr>
<tr>
<td>Target 7.D:</td>
<td>By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers.</td>
<td>7.4 Proportion of fish stocks within safe biological limits.</td>
</tr>
<tr>
<td>Target 7.E:</td>
<td>Halve, by 2015, the proportion of people without sustainable access to improved sanitation.</td>
<td>7.5 Proportion of total water resources used.</td>
</tr>
<tr>
<td>Target 7.F:</td>
<td>Reduce the proportion of people without access to safely managed sanitation, as a percentage of the urban population.</td>
<td>7.6 Proportion of terrestrial and marine areas protected.</td>
</tr>
<tr>
<td>Target 7.G:</td>
<td>Halve, by 2015, the proportion of people without sustainable access to clean energy.</td>
<td>7.7 Proportion of species threatened with extinction.</td>
</tr>
<tr>
<td>Target 7.H:</td>
<td>By 2015, to have achieved the greatest possible reduction in the proportion of people suffering from hunger.</td>
<td>7.8 Proportion of population using an improved drinking water source.</td>
</tr>
<tr>
<td>Target 7.I:</td>
<td>Halve, by 2015, the proportion of people without access to safe, affordable sanitation.</td>
<td>7.9 Proportion of population using an improved sanitation facility.</td>
</tr>
<tr>
<td>Target 7.J:</td>
<td>By 2015, to have achieved the greatest possible reduction in the proportion of people without access to safe, affordable sanitation.</td>
<td>7.10 Proportion of urban population living in slums.</td>
</tr>
</tbody>
</table>

### Goal 8: Develop a global partnership for development

| Target 8.A: | Develop further an open, rule-based, predictable, non-discriminatory trading and financial system. Includes a commitment to good governance, development and poverty reduction — both nationally and internationally. | Some of the indicators listed below are monitored separately for the least developed countries (LDCs), Africa, landlocked developing countries and small island developing states. |
| Target 8.B: | Address the special needs of the LDCs. Includes: tariff and quota free access for the LDCs’ exports; enhanced program of debt relief for heavily indebted poor countries (HIPC) and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction. | ODA |
| Target 8.C: | Address the special needs of landlocked developing countries and small island developing states (through the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second special session of the General Assembly). | 8.1 Net ODA, total and to the LDCs, as percentage of OECD DAC donors’ gross national income. |
| Target 8.D: | Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term. | 8.2 Proportion of total bilateral, sector-allocable ODA of OECD DAC donors to basic social services (basic education, primary health care, nutrition, safe water and sanitation). |
| Target 8.E: | In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries. | 8.3 Proportion of bilateral official development assistance of OECD DAC donors that is untied. |
| Target 8.F: | In cooperation with the private sector, make available the benefits of new technologies, especially information and communications. | 8.4 ODA received in landlocked developing countries as a proportion of their gross national incomes. |
| Target 8.G: | Address the special needs of the LDCs. | 8.5 ODA received in small island developing states as a proportion of their gross national incomes. |

#### Market access

| Target 8.H: | Proportion of total developed country imports (by value and excluding arms) from developing countries and LDCs, admitted free of duty. | 8.6 Proportion of total developed country imports (by value and excluding arms) from developing countries and LDCs, admitted free of duty. |
| Target 8.I: | Average tariffs imposed by developed countries on agricultural products and textiles and clothing from developing countries. | 8.7 Average tariffs imposed by developed countries on agricultural products and textiles and clothing from developing countries. |
| Target 8.J: | Agricultural support estimate for OECD countries as a percentage of their GDP. | 8.8 Agricultural support estimate for OECD countries as a percentage of their GDP. |
| Target 8.K: | Proportion of ODA provided to help build trade capacity. | 8.9 Proportion of ODA provided to help build trade capacity. |

#### Debt sustainability

| Target 8.L: | Total number of countries that have reached their HIPC decision points and number that have reached their HIPC completion points (cumulative). | 8.10 Total number of countries that have reached their HIPC decision points and number that have reached their HIPC completion points (cumulative). |
| Target 8.M: | Debt relief committed under HIPC and MDRI Initiatives. | 8.11 Debt relief committed under HIPC and MDRI Initiatives. |
| Target 8.N: | Debt service as a percentage of exports of goods and services. | 8.12 Debt service as a percentage of exports of goods and services. |
| Target 8.O: | Proportion of population with access to affordable essential drugs on a sustainable basis. | 8.13 Proportion of population with access to affordable essential drugs on a sustainable basis. |
| Target 8.P: | Fixed-telephone subscriptions per 100 inhabitants. | 8.14 Fixed-telephone subscriptions per 100 inhabitants. |
| Target 8.Q: | Mobile-cellular subscriptions per 100 inhabitants. | 8.15 Mobile-cellular subscriptions per 100 inhabitants. |
| Target 8.R: | Internet users per 100 inhabitants. | 8.16 Internet users per 100 inhabitants. |

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1. For monitoring country poverty trends, indicators based on national poverty lines should be used, where available.

2. The actual proportion of people living in slums is measured by a proxy, represented by the urban population living in households with at least one of the four characteristics: (a) lack of access to improved water supply; (b) lack of access to improved sanitation; (c) overcrowding (three or more persons per room); and (d) dwellings made of non-durable material.
WORKSHOP AGENDA

TUESDAY, NOVEMBER 26, 2013

International Conference Hall 2F, Korea National Diplomatic Academy (KNDA)

7:00–9:00 p.m. Welcoming Reception and Dinner

• HONG Ji-in President, Institute of Foreign Affairs and National Security (IFANS) of KNDA

WEDNESDAY, NOVEMBER 27, 2013

International Conference Hall 2F

9:30–9:40 a.m. Opening Remarks

• Host: HONG Ji-in, President, IFANS of KNDA

9:40–11:00 a.m. Session I: Assessing the Security Situation in Northeast Asia

• Co-chairs: HONG Ji-in, President, IFANS of KNDA; Paul Heinbecker, CIGI Distinguished Fellow

• Presenter: SHIN Beomchul, Director-General for Policy Planning, Ministry of Foreign Affairs (MOFA)

11:00–11:15 a.m. Coffee Break

11:15 a.m.–12:15 p.m.  Session II: Constructive Powers’ (CPs’) Foreign Policy & Development Cooperation I

• Chair: Carlos Heredia, Professor, Centre for Research and Teaching in Economics

12:15–1:15 p.m. Luncheon

• Speech: Ambassador CHOI Sung-joo, Ambassador for International Security Affairs, MOFA

1:15–3:15 p.m. Session III: CPs’ Foreign Policy & Development Cooperation II

• Chair: BAE Geung-chan, Professor, IFANS of KNDA

3:15–3:30 p.m. Coffee Break

3:30–5:00 p.m. Session IV: In Search of a New Paradigm for Development Cooperation

• Chair: KANG Seonjou, Professor, IFANS of KNDA

5:00–5:05 p.m. Photo Session

7:00–9:00 p.m. Dinner

• Host: SHIN Dong-ik, Deputy Minister for Multilateral and Global Affairs, MOFA
THURSDAY, NOVEMBER 28, 2013

International Conference Hall 2F

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
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<tbody>
<tr>
<td>9:30–11:00 a.m.</td>
<td>Session V: What CPs Can Do Together in Development Cooperation</td>
</tr>
<tr>
<td></td>
<td>• Chair: LEE Dong Hwi, <em>Professor, IFANS of KNDA</em></td>
</tr>
<tr>
<td>11:00–11:15 a.m.</td>
<td>Coffee Break</td>
</tr>
<tr>
<td>11:15 a.m.–12:00 p.m.</td>
<td>Session VI: Conclusions and Next Steps for CPI</td>
</tr>
<tr>
<td></td>
<td>• Co-chairs: HONG Ji-in, <em>President, IFANS of KNDA</em>; Paul Heinbecker, <em>CIGI Distinguished Fellow</em></td>
</tr>
<tr>
<td>12:00–2:00 p.m.</td>
<td>Closing Luncheon</td>
</tr>
</tbody>
</table>
ABOUT CIGI

The Centre for International Governance Innovation is an independent, non-partisan think tank on international governance. Led by experienced practitioners and distinguished academics, CIGI supports research, forms networks, advances policy debate and generates ideas for multilateral governance improvements. Conducting an active agenda of research, events and publications, CIGI’s interdisciplinary work includes collaboration with policy, business and academic communities around the world.

CIGI’s current research programs focus on three themes: the global economy; global security & politics; and international law.

CIGI was founded in 2001 by Jim Balsillie, then co-CEO of Research In Motion (BlackBerry), and collaborates with and gratefully acknowledges support from a number of strategic partners, in particular the Government of Canada and the Government of Ontario.

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