

**Remarks by Mr. Suk-Hyun Kim
President of KOICA of the Republic of Korea
Focused Session I - Capacity Building : HRD**

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Thank you Mr. Chairman,

I am honored to have the opportunity to share with you some of the lessons learned in Korea's development process, in particular focusing on the importance of cultivating and fostering human resources.

Human capital has long been recognized as a crucial element in bolstering a country's socio-economic development and competitiveness. Thus, many countries have opted to place top priority on investment in human capital as an integral part of their national development strategy.

Indeed, Korea is a case in point. In the 1950s and the early 1960s following the Korean War which destroyed a quarter of Korea's wealth, devastated most of its fundamental infrastructure, and claimed about 1 million civilian lives, the country's socio-economic indexes were not significantly different from those of today's many African countries. For example, Korea's GNP per capita in 1961 was US\$82, while the absolute poverty rate in 1966 recorded an astounding 49.7 percent.

By pursuing a series of well-planned national economic development plans step by step, Korea was able to pull its GNP per capita up to about US\$10,000 in 2002, while reducing its absolute poverty rate to nominal level.

Such dramatic transformation owes a great deal to Korea's sustained commitment to developing its human resources. Korea has recognized

early on the reality that not being endowed with natural resources, it would have to fully utilize its human resources. Education was the key to cultivating quality human resources. Even the ruins of war and its consequent plight could not dampen the Korean people's ardor for their children's education.

In the process, Korea has learned several lessons with regard to the role of government, collaboration with the private sector, and the importance of vocational training.

First of all, the government can and must play a leading role in making quality education available to all. By making elementary education compulsory, Korea saw a significant increase in the attendance rate from 72.9% in 1953 to 96.4% in 1959. In the 1970's, long-distance learning programs were widely installed at the high school and college level, opening up more opportunities for learning. The rising costs for education were met by imposition of special taxes in the 1980's.

Second, considering the limited state budget, private sector needs to be encouraged to take part in funding quality education. In Korea, the private sector has served well the role of supplementary education provider, in addition to public education. Since 1985, private sector's annual expenditure on education has even surpassed an appropriation per annum made by the public sector for education.

The government has also taken various measures to match the needs of growing industries with those of prospective work force. Vocational training has been strengthened with the establishment of special schools in the 1960s, resulting in a reservoir of skilled and vibrant work force which contributed to the success of Korea's economic development.

Bearing in mind the importance of investment in education in the process of socio-economic development, Korea has extended cooperation programs in the area of education including establishing vocational training

institutions to several African countries such as Sudan, Egypt, Kenya, South Africa, Tunisia, and Libya.

Korea stands committed to continue to forge a robust partnership with African countries in assisting their efforts for sustainable development. I hope we will have more opportunity to share further Korea's experiences in development over the next few days, and would like to conclude by wishing all of us here a very fruitful discussion.

Thank you.