



# IPCS

INSTITUTE OF PEACE AND CONFLICT STUDIES

Innovative Research | Independent Analysis | Informed Opinion

## INDIA - SOUTH KOREA STRATEGIC PARTNERSHIP

HE Joon-gyu Lee  
*Ambassador of South Korea to India*

IPCS Special Report 140  
May 2013



IPCS Ambassador Lecture Series  
*in collaboration with*  
India International Centre (IIC)



INDIA INTERNATIONAL  
CENTRE

### About the Ambassador Lecture Series

Since 2011, the Institute of Peace and Conflict Studies, in collaboration with the India International Centre (IIC) New Delhi has been organizing an exclusive series, inviting the Ambassadors and High Commissioners to address the strategic community in New Delhi.

The focus of these lectures have been on regional security and bilateral issues. Some of the recent lectures during 2012-13 include the following:

- **H.E. Lt. Gen. (Retd.) Andi M. Ghalib**, Ambassador of the Republic of Indonesia to India
- **H.E. Amb. U Zin Yaw**, Ambassador of the Republic of the Union of Myanmar to India
- **HE Mark Sofer**, Ambassador of Israel to India
- **H.E Seyed Mehdi Nabizadeh**, Ambassador of Iran to India

# India - South Korea Strategic Partnership

HE Joon-gyu Lee

Ambassador of South Korea to India



*Transcript of the speech delivered by HE Lee in May 2013, as a part of the IPCS Ambassador Lecture Series*

Dr. Suba Chandran, Director, Institute of Peace and Conflict Studies (IPCS), Prof. P.R. Chari, Visiting Professor, IPCS, Major General Dipankar Banerjee, Mentor, IPCS, Ambassador Tayal, Distinguished participants, Ladies and Gentlemen,

It is my great pleasure to be here this morning and address this distinguished gathering on Korea-India Strategic Partnership. I would like to extend my sincere thanks to the Institute of Peace and Conflict Studies for organizing this lecture and inviting me to share my thoughts. The IPCS has a well deserved reputation as one of India's premier think-tanks. The eminent team of scholars associated with the Institute, who are engaged in research, dialogue and policy recommendations, has significantly contributed towards enriching our understanding of the issues of regional and global importance. I would like to take this opportunity to commend the Institute for its academic contribution to issues of contemporary Korean affairs and varied facets of bilateral relations between Korea and India.

**Ladies and Gentlemen,**

This year marks the 40th anniversary of the establishment of the diplomatic relations between Korea and India. It is indeed, a milestone in our bilateral engagement. Over the past 40 years, our two countries have come a long way together to forge sound and healthy ties. The establishment of strategic partnership between the two countries reflects our common desire for a stronger bilateral relationship in all areas of mutual interest. It also envisages two countries playing valuable roles in the regional and international affairs so as to protect and promote their common interests.

Korea and India began to factor in each other in their economic and strategic calculus only recently. Until the 1990s, the relations between the two countries had much less economic and strategic content. Throughout fifties and sixties, Korea was busy rebuilding the country from the destruction of the Korean War. The new leadership under Park Chung-hee carried out the export oriented strategy leading to the economic development throughout the period. Bilateral relations took off only in 1973 when the two countries established the diplomatic ties. Korea and India had numerous exchanges

of high-level officials and maintained cordial relations. It should be noted that until the end of the Cold War in the late eighties, India still observed Non-Alignment Movement, but despite such circumstances, relationship between the two countries continued to develop, providing a foundation for the eventual enhancement in cooperation.



The early 1990s saw far reaching changes at global stage and also in the domestic milieu of the two countries, which compelled them to redefine their foreign policy orientations. The end of the Cold War changed international dynamics from geopolitics to geo-economics. The march towards globalization and economic regionalism led to the opening of the closed economies.

Keeping in view the changing realities, India announced its New Economic Policy, moving from command economy to market economy. Simultaneously, New Delhi initiated its Look East Policy in an effort to engage initially with Southeast Asia and later with Northeast Asia. Around the same time, Korea had emerged as an industrial power and was looking beyond its traditional economic partners.

Against this backdrop, both Seoul and New Delhi recognized the overwhelming need to deepen the process of economic engagement with each other. Indian Prime Minister Narasimha Rao paid a historic visit to Korea in 1993 and invited Korean investors to come and invest in India. Korean investors responded with passion and interest. Consequently, bilateral trade and investment relations expanded exponentially.

**Ladies and Gentlemen,**

As Indian economy began to register impressive growth and with rising economic

stature, India's strategic importance also got significantly enhanced. The countries of South-east and North-east Asia began to accord importance to India in their foreign policy making and looked at India as a partner to ensure stable balance of power in Asia. The growing importance of India for the countries of the region came to be reflected in a flurry of high-level exchange of visits between India and countries of the region and number of strategic and free trade agreements that India signed with them as well as India's entry into the multilateral organizations such as East Asia Summit (EAS).

Korea did not miss to recognize the new profile of India and evinced much interest in building strong bilateral ties on a range of issues. India, too, realized the importance of

Korea as a partner in the emerging geo-political scenario. A definite step in this direction was taken when the two countries established 'Long-term Cooperative Partnership for Peace and Prosperity' in 2004. The two countries started an annual Foreign Policy and Security Dialogue to deliberate on regional and international security issues. Subsequently, the two countries laid the foundation for defence cooperation, by signing a MOU on cooperation in defence industry and logistics in 2005 and another MOU on cooperation between the coast guards of the two countries in 2006.

The real turning point in bilateral relations came in the year 2010, when Korea and India upgraded their relationship to a 'Strategic Partnership'. Cognizant of the importance of economic relations in the overall framework of Strategic Partnership, both Korea and India put in force the Comprehensive Economic Partnership Agreement or CEPA. With these two landmark agreements, our two countries laid down the strong foundation for the future development of bilateral relations.

As I see, the formalization of Korea-India strategic partnership is an important development in our bilateral relations, which has the potential to accrue long-term benefits to both our countries across a number of areas. It has often been noticed that strategic partnership between nations ends up being only diplomatic rhetoric. But, I strongly believe that ours is truly a strategic partnership, which has emerged as a natural corollary of our shared values, and commonality of interests.

Today, a robust exchange of high-level visits has emerged as one of the defining features of our special partnership. President Lee Myung-bak's State Visit to India in 2010 was quickly followed by the visit of the President of India, Pratibha Patil to Korea in July



2011 and Prime Minister Manmohan Singh's visit in March 2012. We have witnessed an increase in the Ministerial visits, too. The Defence Ministers of our two countries have exchanged visits to add substance to the evolving strategic partnership.

The newly inaugurated President of the Republic of Korea, Madam Park Geun-hye accords highest priority to Korea's relations with India and is keen to further build on the strategic partnership between the two countries. Given the new president focus and priority, I am sure, bilateral relations between the two countries will grow further, scaling new heights. We are working to realize the State Visit by President Park to India this year.

On the economic front, two-way trade and investment have witnessed a surge. In the first two years of implementation of CEPA, bilateral trade witnessed almost 70 per cent growth. Despite continuing global economic slow down, our two-way trade reached 19 billion US dollars last year. The two countries have set a new trade target of 40 billion US dollars by 2015. Korean investment in India and Indian investment in Korea has also picked up with bilateral investment amounting to 4 billion USD. I think the success story of our bilateral trade and investment relations are far too well-known and I need not elaborate it further.

#### Ladies and Gentlemen,

As strategic partners, the two countries are working together bilaterally as also in regional and international fora to address strategic challenges facing the region, which include maritime security, freedom of navigation, maintaining stable balance of power and putting in place open and inclusive regional security architecture, among others.

As many of you would be aware that Korea and India along with Japan have launched a trilateral dialogue among the thinktanks of the three countries to shape common policy responses to issues of regional and global importance. At the moment, the dialogue is at track II level but there is every possibility that it could be elevated to government level in due course.

Our two countries have scaled up cooperation in the field of defence and as part of this effort, they are regularly holding joint naval exercises and military consultations. Exchange programs, which include exchange of defence related experience and information, mutual exchange of visits by military personnel and experts including





civilian staff associated with defence services, have begun to gain primacy in our interaction. For a long time, India's Defence Attaché stationed in Tokyo held dual charge for South Korea. Last year, India posted a permanent Defence Attaché in its Embassy in Seoul, signifying the importance of defence cooperation in evolving strategic partnership. The defence cooperation between the two countries, among others, also envisages cooperation of defence equipment, transfer of technology and joint research and development.

#### Ladies and Gentlemen,

Undoubtedly, the way bilateral relations have been progressing is impressive. Nonetheless, the vast potential of our strategic partnership still remains untapped which provides room for further expansion. An analysis of trade and investment figures would reveal that our current trade and investment is just a fraction of what we are capable of. For example, Korea's share in India's global trade volume is less than 3 per cent, Similarly, India accounts for only 1.3 per cent of Korea's total outbound FDI flow. This clearly indicates that there is still much to be done. Although our efforts in strengthening cooperation in the fields of politics and culture has been particularly successful with the increase in recent exchange of high-level visits and more intensified people to people contacts. But these exchanges by no means have reached where we would like to see them to be.

In the sub-regional context, there are no two views that both Korea and India require peaceful and stable periphery for their continued economic growth. The geo-strategic realities in our immediate neighborhood and the common concerns that our two countries share call for a stronger and deeper strategic cooperation between the two countries.

In the larger regional context, Asia-Pacific is one of the most dynamic and thriving regions in the world today. Our security, stability and prosperity are anchored in the region. So, our two countries have common interest in the peace and stability of the region. However, complex security situations, deep rooted difference in perceptions of history, competing territorial claims threaten to disturb the peace and stability which the region has enjoyed for more than four decades. The foreign and security policy of

our two countries cannot afford to ignore these realities.

In this context, I strongly believe that cooperation and accommodation than choosing sides should guide the actions of all the nations having stakes in the peace and stability of the region. We all have seen the futility of block politics during the protracted Cold War period. The need of the hour is putting in place a comprehensive cooperative mechanism which swears by mutual accommodation.



So, if one considers bilateral, sub-regional and regional situation, one finds that there are compelling reasons for Korea and India to seek a stronger strategic partnership. And, I believe, as the centre of gravity of world politics and economics shifts to Asia-Pacific, South Korea and India, with no conflicting or competing interests between them, will find many grounds to work together strategically so as to reap the economic benefits resulting from the growth of the region as also to counter strategic challenges facing the region.

Ladies and Gentlemen,

It would be difficult to talk about strategic issues without mentioning recent developments on the Korean peninsula, which has direct implication for peace and stability in the region. As you all know, a series of provocative actions by North Korea over the past few weeks, including launching of a ballistic missile, nuclear testing and



now threatening war against South Korea have escalated tension on the Korean peninsula.

The latest provocation indeed is serious but South Korea has the strength and wherewithal to address any threat from the North. We don't see North Korea taking any action beyond their usual saber rattling. The entire world knows that behind the nuclear adventurism and war rhetoric stands an impoverished and isolated country. So, the move seems aimed at drawing world's attention and bargain for de-escalating

tension.

On North Korea, Seoul is unambiguous in its position. President Park Geun-hye administration has made it clear that Seoul will not tolerate any provocation from Pyongyang and respond decisively and resolutely to any new North Korean attacks.



President Park has offered North Korea a new trust-building process which is expected to build a foundation for the eventual peaceful reunification of Korea.

The process is based on two pillars:

One, Seoul will never accept a nuclear-North Korea and respond decisively and resolutely if provoked by North Korea. Second, if North Korea decides to make the right choice, South Korea will be ready to engage Pyongyang in a much more proactive manner.

We hope North Korea to respond to our call for building trust on the Korean Peninsula through dialogue. Now, it is time for North Korea to make that choice. If North Korea abides by its international obligations and commitments and stops behaving the way it is behaving now, we are ready to work with international community to implement the commitments under the 19th September Joint Statement adopted by the Six-Party Talks in 2005 which calls for economic aid to North Korea in exchange for Pyongyang's abandonment of all nuclear weapons and existing nuclear plans.

As you may know that North Korea has also unilaterally withdrawn its workers and prohibited the entry of South Korean workers to the Gaeseong Industrial Complex, which was the last remaining symbol of cooperation between the two. We made a proposal to North Korea to hold working level talks to resolve the problems regarding the industrial complex, which has been rejected by North Korea. As North Korea did not accept our dialogue proposal and continued its suspension of the operation of the

GIC, our government has withdrawn all our remaining workers from the industrial complex. However, a window of dialogue still remains open with North Korea. If North Korea is truly interested in de-escalating the tension and improve inter- Korean relations, it must come to conversation table with South to resolve this issue.

*Ladies and Gentlemen,*

In the prevailing disturbing scenario, Seoul looks up to support and understanding of the international community, including India on its initiative and efforts to maintain peace and stability on the Korean peninsula. In view of India's shining legacy of promoting peace and democracy around the world, it is hoped that India can contribute, once again, to peace and prosperity of the Korean peninsula.

*Thank you.*





# IPCS

INSTITUTE OF PEACE AND CONFLICT STUDIES

Innovative Research | Independent Analysis | Informed Opinion

*Ambassador of Iran  
(September 2012)*



*Ambassador of the  
Republic of the Union  
of Myanmar  
(April 2012)*

*Australian High  
Commissioner to India  
(May 2012)*



*Ambassador of Israel  
(June 2011)*

*Ambassador of the  
Republic of Indonesia  
(April 2011)*



## IPCS AMBASSADOR LECTURE SERIES



INDIA INTERNATIONAL  
CENTRE

IPCS Ambassador Lecture Series  
*in collaboration with*  
India International Centre (IIC)