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- 64 INDIA AND SOUTH KOREA RELATIONS: PAST AND FUTURE TRENDS  
*Rajaram Panda*



### Portuguese Journal of International Affairs

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# India and South Korea Relations: Past and Future Trends

**RAJARAM PANDA**

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The strategic history of India with the Northeast Asia remained disjointed for almost four decades since the end of the Korea War despite the important role played by the 60<sup>th</sup> Parachute Field Military Ambulance Platoon, a mobile army surgical hospital that treated more than half of the wounded soldiers, an average of 250-300 civilians a day, during the UN operations in late 1951 and which is still remembered with a lot of admiration and appreciation in South Korea. Nobel laureate Rabindranath Tagore's evocative poem that Korea will be the lamp bearer for the illumination of Asia could not translate to concrete construction of a India-South Korea partnership. For reasons other than economics, India-South Korea relationship remained in a state of "strategic disconnect". India's policy of "non-alignment and economic autarchy" and perceived closeness with then Soviet Union were seen by the United States and its allies such as Japan and South Korea with suspicion. Under the circumstance, there was little prospect for India-South Korea relations to develop.

However, in recent years, both the countries have discovered a commonality of strategic interests, experience and belief that are underpinning the bilateral ties. Both share somewhat similar historical experience. While the Northern part of the Korean peninsula was carved out of the Korean War, Pakistan was partitioned soon after independence. While both have problematic neighbors in North Korea and Pakistan, China has emerged as a hostile neighbor to both.

India-South Korea relations have developed in stages. Speaking at the 10th Korea-India Forum in November 2011 at Chennai, South Korean ambassador to India, Kim Joong-keun termed the years until early 1990 from the establishment of diplomatic ties in 1973 as the first stage or as he called the "budding period". Though some efforts were made by both, they could not realize the potentials because of their "inherent ideological incongruity and differences in their policy orientation". While India adopted a socialist, secular, democratic government at home and pursued the policy of non-alignment of the third world in international affairs, South Korea remained tied in a security alliance relationship with the United States. So, both saw each other belonging to different camps and "were blinded by the blinkers of the global block politics of the time".

In the economic front, while India adopted an inward-looking import substitution model

of development, South Korea pursued an outward-looking export-oriented development path and opened its market to the world. Such contrasting paths prevented the growth of economic ties between the two countries. Though the diplomatic and other bilateral interactions continued smoothly, not much headway could be made in expanding the economic ties.

The second stage of the bilateral ties between 1991 and 2009 can be called the phase of “economic and commercial cooperation”. The bilateral relations started changing rapidly after India introduced economic reforms in 1991 and adopted its Look East policy under Prime Minister Narasimha Rao and moved to engage with the rest of Asia. Though India-Japan relations have received more publicity, the truism is that India-South Korea relations in economic, political and security areas are becoming stronger day by day. The change of policy from a state-controlled mixed economy to a market economy bolstered bilateral relations. Both the countries discovered a convergence of interests in many areas.

In the third stage, bilateral relationship was elevated into a “Strategic Partnership”. This strategic partnership could be achieved because of convergence of India’s Look East Policy and Korea’s New Asia Diplomatic Initiative. Ambassador Kim describes it as “policy rendezvous”. First, bilateral relationship was catapulted into a higher gear when President Roh Myun-hwan visited India in 2004 and a “Long Term cooperative Partnership” was established. This served as bedrock of the bilateral relations. This relationship was elevated to the level of Strategic Partnership when President Lee Myung-bak paid a historic visit to India in January 2010 as Chief Guest of the Republic Day celebration. The Comprehensive Economic Partnership Agreement (CEPA) signed in 2009 was also implemented and entered into force from January 2010, thereby jumpstarting the dormant economic component of the bilateral ties. The CEPA is the first deal of its kind which India signed with an OECD country and South Korea with a BRIC nation.

There are three important pillars on which India-South Korea relations have been developing. First, the signing of the CEPA has provided a platform and has facilitated entry of both into new multilateral economic groupings in Asia. Second, security ties, including supply of defense equipment and joint R&D programmes have been strengthened. Thirdly, cooperation on energy security has developed, culminating in the signing of a civil nuclear pact in July 2011 during President Pratibha Patil’s visit to South Korea. In March 2012, Prime Minister Manmohan Singh visited Korea to attend the second Nuclear Security Summit in Seoul and for bilateral summit meeting with President Lee. The Korean Defense Minister and Foreign Minister are expected to visit India sometime in 2012.

### **Economic**

The CEPA has helped in boosting India-South Korea bilateral trade. Korean investors were quick to recognize the innate strength of the Indian economy. It is to the credit of the

Korean companies that when in the early years of India's economic reforms, many foreign companies were skeptical about the strength and efficacy of India's business environment, Korean companies showed confidence in the fundamentals of Indian economy and filled the vacuum that other foreign companies left. Indeed, Korean companies have played a pivotal role in strengthening bilateral economic ties.

In contrast, Japanese businesses have been slow to capitalize on the opportunities that a liberalized India offered. South Korea took advantage of Japan's stagnant economy and responded quickly by expanding investment and trade links. Bilateral trade between the two grew from around US\$600 million in 1993 to approximately to US\$12 billion in 2008. When the CEPA was concluded and came into operation, it proved to be a catalyst in taking the bilateral ties into a higher gear. In the first year of its operation, CEPA unleashed the economic growth impulses and as a result bilateral trade surged from US\$12 billion in 2009 to US\$17 billion in 2010 or about 41% increase over the previous year. The growth rate in India-South Korea trade is significantly higher than that in both Korea's total trade and its trade with China. Between January and August 2011, bilateral trade touched US\$14 billion, an increase of 30% over the same period last year. The volume of bilateral trade which was less than US\$1 billion in 1991 surged to US\$20.6 billion in 2011, healthy growth of 20.2% over the previous year. During the year, while Korea's exports to India grew by about 11%, its imports from India grew significantly by 40%, thus shrinking India's trade deficit with Korea and allaying fear and concerns expressed in some quarters in India that the CEPA will widen Korea's trade surplus with India. Both countries are committed to sustain this growth momentum over the next 8 to 10 years as they progressively reduce or eliminate the tariffs on imports from each other. In the investment front, growth momentum has been seen since mid-1990s. From a base of almost nothing in 1991 (mere US\$600 million), South Korea became the largest Asian investor in India between 1996 and 2001. Investment was around US\$4 billion in 2011. There are around 400 small or big Korean companies doing business in India. Major Korean investors in India have included LG, Samsung, Hyundai, and Daewoo, primarily in the automotive and consumer electronics sectors. Conversely, there are many Indian companies such as Tata Motors, Novelis Inc. (Hindalco Industries) and Mahindra and Mahindra are doing business in South Korea. In the automobile sector, Hyundai Motors has already captured 20% of the market share in India. In the electronic goods market, LG and Samsung have captured 40% and 60% of the market share in India respectively. When the announcement was made in 2005 that South Korean-owned Pohang Iron and Steel Company (POSCO) would build a steelworks with supporting iron ore mines and export infrastructure in the Indian state of Odisha and invest US\$12 billion in the project, it transpired that this is the single largest foreign investment in India from any country, as well as the largest foreign investment anywhere by a South Korean company. Land acquisition and other local issues have led to the delay of the project's execution. From its side, POSCO is doing its best to discharge its Social Corporate Responsibility (SCR)

by introducing several measures to address to the grievances of the local people. The state government is also cooperating in this. It is hoped that the problem is going to be resolved soon.

There are enormous potentials too to further economic cooperation. In the automobile sector in India, for example, current passenger vehicle production is about 2.4 million units and this is expected to reach more than 5 million units in 2015 and above 8.5 million units in 2020. What is worth noting is that Hyundai Motors already produced 600,000 units of cars annually, accounting for about 20% of market share and this may go up substantially in the coming years.

There has been a distinct strategy in South Korea's business operations, which is different from other foreign investors in the Indian market. Many foreign investors are interested only in establishing manufacturing operations to service the Indian domestic market but the South Korean companies chose their own version of the Japanese "flying geese" strategy by integrating Indian manufacturing into their Asian and world-wide operations. As economic engagement increases, as a corollary to growing links the number of business visas issued by the Indian embassy in Seoul is increasing. Both the countries put a bilateral trade target of US\$30 billion by 2014, which going by past trends, is easily achievable. Realizing that the current volume of bilateral trade between the two countries is far below the potential, the two leaders have set a new target of US\$40 billion of two-way trade by 2015. Interestingly, there are some studies which show that India-South Korea bilateral trade has a potential to reach US\$100 billion by 2020. This is not at all an unrealistic target provided that the two sides engage proactively and make concerted efforts to tap unexploited trade potential.

India is an ideal manufacturing base for Korean products for exports to third country markets. The CEPA facilitates greater integration among Asian markets and offers South Korean companies a competitive edge vis-à-vis those from Japan and China. Fully appreciating the role of CEPA as catalyst to promote trade and investment, the two countries also agreed to upgrade the CEPA to make it more ambitious so that the two countries can realize the set trade target. It is hoped that the two countries will be able to achieve the new trade target ahead of its scheduled time.

Notwithstanding these impressive statistics, South Korea's share in India's global trade volume remains below 3%. At the same time, South Korea's FDI in India accounts for only 1.3% of its total outbound FDI flow. These relatively low figures indicate that there is a vast untapped potential that should be exploited by businessmen of the two countries in various sectors for mutual benefit.

South Korean companies are bullish on the business potential in India and are actively looking at expanding their business in sectors such as automobile, construction and infrastructure, nuclear and renewable energy, ICT industry, shipbuilding, defense, chemical and petrochemicals, etc. During his March 2012 visit to Korea, Prime Minister Singh made an emphatic call to South Korean investors to make more investment in

India. Singh's call was well received by the South Korean businessmen. They have lined up several proposals for future investment in India.

In the field of information and communication technology, there are huge complementary strengths between the two. India's strong software capabilities and Korea's hardware manufacturing could be mutually beneficial. In the shipbuilding sector, there are potentials for cooperation too. Korea has the best technical know-how in the area of ship design and assembly accounting for 36% in the world shipbuilding market. Similarly, in the construction and infrastructure sector, South Korean companies' success in road and highways construction, chemical/petrochemical plants, oil pipelines, refinery facilities, power projects and so on, are mutually beneficial.

### **Defense and Security Cooperation**

The foundation for India-South Korea defense relations was laid in 2005 when the two countries signed a Memorandum of Understanding (MoU) on cooperation in defense industry and logistics. This facilitated defense industry cooperation and the joint development of self propelled artillery and mine-countermeasures vessels. This was followed by another MoU in March 2006 on cooperation between the Coast Guards of the two countries, leading to joint exercise in July 2006.

Later, the two countries agreed to conduct joint naval exercises and regular service-to-service consultations. Initially, the focus of naval cooperation remained limited to search and rescue and anti-piracy operations. India agreed to provide security to South Korea's sea lanes of communications in Indian Ocean through to the Malacca Straits.

In May 2007, the Defense Ministers of the two countries held their first ever dialogue. The defense relations between the two countries received a substantial impetus when Indian Defense Minister A.K. Antony visited South Korea, the first ever by an Indian Defense Minister to that country, in September 2010.

Antony and his counterpart Kim Tae-young discussed the modernization program of the Indian armed forces as many Korean companies were vying for the contracts to supply equipment such as the basic trainer aircraft and naval warships to the Indian armed forces. Antony also sought to tap Korea's strong capabilities in shipbuilding technology. South Korea has taken note of India's massive defense modernization and acquisition program with expenditure of US\$100 billion over the next five years. South Korea's prowess in shipbuilding, electronics and aeronautics industries would be attractive to India.

Two landmark MoUs were signed. The first MoU envisaged an exchange of defense-related experience and information, an exchange of visits by military personnel and experts, including civilian staff associated with the defense services, military education and training and the conduct of military exercises. It also envisaged an exchange of visits by ships and aircrafts, as jointly decided between the two countries. The MoU – valid for five years – aimed to promote cooperation in humanitarian assistance and international



peacekeeping activities. The second MoU seeks to identify futuristic defense technology areas of mutual interest and the undertaking of research and development works in both countries. Co-development and co-production of defense products with Indian industry through India's Defense Research and Development Organization (DRDO) and South Korea's Defense Acquisition and Procurement Agency (DAPA) are envisaged. Hereafter, there will be a joint intellectual property rights on all the products developed through this mechanism. Some areas of immediate interest, e.g. marine systems, electronics and intelligence systems were identified as priority tasks. This is the most important aspect of the MoU and has important implications for the future direction of India-South Korea military and strategic cooperation.

There are also vast potential for cooperation in science and technology field. A joint R&D Fund of US\$10 million has been set up. Also, a joint research centre in Daedeok Science City in Korea has been established. The two MoUs between Korea Aerospace Research Institute (KARI) and Indian Space Research Organization (ISRO), and between Korea Institute of Science and Technology (KIST) and Department of Science and Technology (DST) would elevate defense cooperation to a higher level.

South Korea is keen to export military equipments to India and forge joint ventures in manufacturing of military equipment, including transfer of technology and co-production. The recent selection of a South Korean firm to supply eight minesweepers worth US\$500 million represents a new element in their cooperation.<sup>1</sup> And, if South Korean firms which are participating in various biddings under India's defense acquisition program become successful, it will give a major boost to the existing bilateral relations.

South Korea is looking for substantive investment in shipbuilding – an area which is full of promise and potential. South Korea has the best technical knowhow in areas of ship design and assembly and commands a share of 36% in the global shipbuilding market. India, which has a little over 2% share in world shipbuilding production, aspires to be a leading player in the shipbuilding industry by 2020. South Korea with its expertise in shipbuilding and construction of ports and naval bases can be a partner for proposed maritime projects and expansion plans.

### **Significance of Patil's visit and Cooperation on Energy Security/Civil Nuclear Energy**

Both India and South Korea are heavily dependent on imported energy and energy security heavily impinges on their bilateral relations. Both the countries entered into a number of agreements for cooperation in the energy sector in November 2005. These included South Korea's assistance in building strategic underground storage facilities in India. Cooperation in the sector also envisages swap deals of energy supplies from different sources.

India's National Climate Change Action Plan has set a target of 15% renewable energy in its power generation mix by 2020 from the current level of around 10%. South Korea's cutting edge technology in wind power turbine, solar cell, can help India develop its renewable sources such as solar, wind and hydropower.

India-South Korea ties scaled a new height when the two countries signed a nuclear energy technology agreement in July 2011 during President Patil's seven-day visit to South Korea and Mongolia. The visit to both East Asian nations was part of India's Look East policy to further mutual cooperation. This was the second major agreement after the CEPA that they signed in 2009 taking effect from January 2010 and showing remarkable uptrend in the economic component in the relationship. The nuclear deal gives the East Asian country an entry into India's nuclear energy sector. The deal made South Korea the ninth partner of India in the area of nuclear power cooperation. The accord was finalized and signed in the presence of President Patil and her Korean counterpart Lee Myung-bak. Both the leaders discussed ways to "add substance and content to India-RoK relations", in the backdrop of the "strategic partnership" that exists between the two countries. The "historic" agreement, as President Lee puts it, was signed on India's behalf by Srikumar Banerjee, Secretary, Department of Atomic Energy (DAE), and on South Korea's behalf by Kim Sung-hwan, Minister of Foreign Affairs and Trade of South Korea.

The agreement with South Korea is similar to the civil nuclear cooperation agreements that India has signed with other countries. Its objective was similar to the deal India has signed with the United States and will make South Korea one more partner for civil nuclear energy production in India. The deal will facilitate Korean companies to enter the Indian market to tie up with the Nuclear Power Corporation of India Ltd (NPCIL) to build nuclear power stations and this in itself is a major development. In fact, Seoul's state-run Korea Electric Power Corp (KEPCO) has been seeking cooperation with the NPCIL to get into India's nuclear power plant construction market. The deal will be of mutual advantage to both the countries and therefore it is a "win-win" agreement.<sup>2</sup> The accord will allow Korean companies to bid for the sale of their nuclear reactors to India.

The nuclear deal had been accorded priority during President Patil's visit. In fact, prior to her departure, she had said that she will "push for a civil nuclear cooperation with South Korea". The significance of the agreement is that it now provides South Korea with a legal foundation to participate in India's nuclear expansion program, and to bid for constructing nuclear power plants in India.

Only three rounds of negotiations were needed to clinch the deal, the last being in December 2010. The India-South Korea deal carried the least amount of historical nuclear baggage as far as India was concerned. Both sides formalized after some informal meetings and the Korean side showed pro-active approach from the very beginning.

South Korea is the ninth country with which India has signed a nuclear deal. The others are Russia, the United States, France, Mongolia, Argentina, Kazakhstan, the United Kingdom and Canada. Seoul's KEPCO has been trying to collaborate with India's NPCIL to build reactors in India.

The signing of the deal came at a time when an Indo-Japanese nuclear deal has run into rough weather. India and Japan are locked in negotiations which are not going anywhere. Japan may have dropped the demand that India sign the Comprehensive Test Ban Treaty

(CTBT), but they continue to hold out a laundry list of actions India must take to reassure them before they can sign the deal. Now Japan seems hobbled by the Fukushima nuclear disaster and continues to carry a long-held nuclear baggage. For Indian negotiators, Japan is unrealistic in the present day context. Without an India-Japan nuclear deal, a number of Western countries entering the Indian nuclear sector would find it difficult to get in because Japan holds the licenses for critical components of nuclear reactors. In view of this, it is seen that South Korea took advantage of Japanese reservations to enter into nuclear commerce with India and used the opportunity to sell its nuclear hardware to India.

It may be recalled that India and South Korea decided to start talks on civil nuclear cooperation during a meeting between Prime Minister Manmohan Singh and President Lee on the sidelines of the ASEAN summit in Hanoi in October 2010. South Korea wants to export its nuclear technology with a goal of exporting 80 nuclear reactors to various countries by 2030. Currently, South Korea has 21 reactors providing 40% of the country's power and plans are in place to increase it to 56 by 2020. India plans to build 40 or more nuclear reactors by 2032 and South Korea wants to export its light-water reactor technology. There were apprehensions in some quarter in South Korea that an agreement with India could antagonize North Korea, which, like India, has developed nuclear weapons outside the framework of the Nuclear Nonproliferation Treaty and would like to be recognized as a nuclear power. But as it transpired little concern was expressed among government officials when the deal was signed with India.

South Korea is upbeat to be a major player in the world nuclear commerce. It has already swiped a massive nuclear deal with the UAE from under the nose of the French. In late 2009, Korean firms won a US\$18.6 billion contract to build four atomic power plants in the UAE after beating their United States, Japanese and French rivals.<sup>3</sup> It has not only established itself as a supplier of cheaper nuclear supplier, but more crucially, from the Indian point of view, as an alternative supply chain for nuclear reactors and its components like giant forgings. South Korean companies have the technology and ability to build the best earthquake-resistant and safe plants in India at much cheaper costs than their foreign competitors and help New Delhi meet its ambitious plan to increase nuclear energy capacity from the current 4,780 MW to 63,000 MW by 2032.

India's current nuclear power generation of 4,780 MW accounts for less than 3% of the entire power generation. In contrast, South Korea's 21 reactors generate 18,716 MW, accounting to close to 40% of the entire power generation. South Korea's civil nuclear capabilities in terms of nuclear power plant construction, management, maintenance and safety practices are world class. For India, a civil nuclear cooperation with South Korea will be cost effective, reliable and equipped with world-class safety measures. For South Korea, it will give a major boost to its nuclear industry.

The significance of the India-South Korea nuclear deal lies in the fact that it allows India to tap into another country's nuclear expertise and it takes the pressure off the India-Japan nuclear

deal. Japan has its own problem. The Kan Naoto government's policy choice to do away with nuclear as an energy source in a phased manner might have been directed to assuage the anti-nuclear sentiment of the public stemming from the Fukushima nuclear accident but if one looks at Japan's long term nuclear dilemma, this may not remain sustainable.<sup>4</sup> India was aware of the domestic compulsions that Kan faced and was prepared to exercise the option of letting the Japan negotiations proceed at a pace Japan was comfortable with. "While India remains conscious of Japan's nuclear sensitiveness, Tokyo is unlikely to be able to pressure India to taking certain steps. Japan, on its part, runs the risk of coming second".<sup>5</sup> Kan's successor Noda Yasuhiko pursued the same policy for some time but soon enough reversed by restarting operations in two reactors in June 2012, a month after the last of the reactors was shut down in early May 2012. Noda's approach seems to be more pragmatic and addresses to Japan's energy needs, anti-nuclear sentiments in Japan notwithstanding. Besides economic and nuclear areas, India-South Korea relations are developing at other levels too. For example, President Patil also discussed on the possibilities of cooperation in the peaceful uses of outer space. India is looking forward to launching Korean satellites on Indian rockets, taking the discussions further from S.M. Krishna's proposal during his visit to South Korea in June 2010. Indeed, the Indian "facilities are of high quality and are available at competitive prices".

Besides, defense ties are too looking up. For a long time the defense attaché stationed in Tokyo had dual charge for South Korea. Now India has posted a defense attaché in its embassy in Seoul. This will help deepen India-South Korea defense cooperation. Besides, India is seeking greater access in the Korean market for Indian pharmaceuticals and IT services, which are high in quality and South Korea will surely benefit from this.

Another high point of President Patil's visit to South Korea was that the two sides signed a MoU on media exchange and an agreement on administrative arrangements to provide social security to people working in India and South Korea. Both these two agreements were signed by Sanjay Singh, Secretary (East) and Choung Byoung-gug, Minister for Culture, Sports and Tourism, and Skand Ranjan Tayal, ambassador of India to South Korea and Chin Soo Hea, Minister of Health and Welfare respectively.

In view of the deteriorating security situation in the Indian Ocean and East and South China Sea region, cooperation in the defense area also has emerged as a priority. Besides naval and coast guard cooperation, there are prospects for co-production of defense equipment, transfer of technology and joint research and development.

The investment climate in India has also been attractive to Korean companies. The ideal approach would be for them to make India as the base for manufacturing operations, including for export to third countries. The two sides have agreed to work together to conclude a maritime shipment accord and a double-taxation prevention treaty at an early date in a way that is beneficial to both nations. A series of cultural events were planned to mark 2011 as the year of cultural exchanges so that the projects would contribute to promoting public understanding.

If these objectives are to be realized soon, more direct flights between the two countries should start soon. This will also facilitate greater people-to-people exchange. Therefore, the existing Civil Aviation Agreement between the two needs to be amended granting each other's carriers fifth freedom rights.

### **Initiative for a Trilateral Dialogue<sup>6</sup>**

One of the common goals of the India-South Korea Special Partnership is to secure and promote stability in the East Asian region. In this context, India's engagement with both Japan and South Korea is vital. India maintains a "Global and Strategic Partnership" with Japan and South Korea has a "Future Oriented Mature Relationship" with Japan. It is logical therefore, that the three countries should develop and build a trilateral cooperation in security matters as they share common ground on this issue. The shared common values of democracy and market economy as fundamental ideology should propel the three countries to promote such an initiative. Besides, all of them share cordial relations with the United States. While South Korea and Japan are alliance partners of the United States, India has forged a Strategic Partnership for the 21st century with the United States. Among them, the bilateral relations have moved to higher levels of engagement. As bilateral cooperation between the three already exists, this can be complemented by formalizing a trilateral cooperation. Mutual relations among them are marked by the closest convergence of their worldview. Trilateral cooperation will contribute to maintaining stability and security in the region. This initiative will increase their leverage, which do not exist now, in dealing with other major powers in the region.

As a first step in this direction, diplomats from these three countries consulted among themselves and sought academic inputs over several months to workout the framework of trilateral dialogue. After examining the feasibility of such an idea, it was agreed to launch a trilateral dialogue between India, Japan and South Korea at Track II level. This Track II dialogue is a welcome step in the direction of exploring a more comprehensive trilateral cooperation among the three countries in future.

The rationale for trilateral cooperation between Korea, India and Japan can scarcely be over-emphasized. The tectonic shift in global balance of economic and strategic power, which is currently underway, has the potential to upset the Asian power equilibrium and undermine regional peace and stability. South Korea, India and Japan, being the three most important countries in the Asian region with significant economic and strategic weight in the world can work in trilateral cooperation framework to maintain a stable balance of power in Asia.

After few rounds of discussions, it was agreed that from India's side, the Institute for Defense Studies and Analyses (IDSA) will serve as the nodal point for the Track II dialogue and host the inaugural dialogue meet. While the Institute of Foreign Affairs and International Security (IFANS) was designated as South Korea's nodal organization, the Tokyo Foundation was chosen as the Japanese counterpart in this trilateral process.

During Foreign Minister S.M. Krishna's visit to Tokyo in early November 2011, he discussed this idea with his Japanese counterpart, Koichiro Gemba, who found the idea "interesting". Prime Minister Singh also talked about this initiative when he visited Seoul in March 2012 to attend the Second Nuclear Security Summit.

IDSA hosted the inaugural meeting of the dialogue in New Delhi in June 2012. In the inaugural speech delivered by Sanjay Singh, Secretary (East), MEA, he emphasized that the trilateral was a manifestation of greater degree of trust and confidence among the three countries to deal with issues of common concern, regional or global. Ambassador of Japan Akitaka Saiki, stressed that the three countries, with second, third and fourth highest GDPs in Asia and their active membership of the G-20, have great responsibilities towards the region and the world. South Korea's ambassador Kim Joong-keun praised the initiative and hoped that the Track II dialogue would soon be transformed into Track I dialogue.

As a start, three issues were identified for discussion. These were evolving Asian security/economic architecture, non-traditional issues including maritime security cooperation, and prospects for future trilateral cooperation. During the meeting, it transpired that regional cooperation among the three Asian countries could contribute towards developing a regional identity as the level of multilateral security cooperation in Northeast Asia among Japan, South Korea and China remains at a nascent stage compared to other parts of the world and therefore a trilateral dialogue among India, Japan and South Korea is a welcome initiative.

The issue of non-traditional security was discussed under the heads: safety of navigation, human security and security of navigation. The Japanese participants emphasized that maintaining safety of navigation for maritime trade and commerce is extremely important for all the three countries and therefore they should enhance their cooperation through joint exercise, patrol and capacity building. Participants shared common concerns on the rapid modernization of Chinese military and activities of the PLA Navies and shared views on how to deal with this challenge.

It was also agreed that the United States engagement in Asia has played a stabilizing role in Asia. There was a view that the rise of both India and China will have both good and bad repercussions on the international order in 2030. While China might continue to be treated as a potential game changer to the international liberal order due to the undemocratic nature of the communist government, it would still face problems like aging society, frustrations among the people towards socio-economic equality, etc. As for India, enormous socio-economic inequality could be a major concern.

Before making further headway in the trilateral process, bilateral issues between Japan and South Korea such as historical acrimonies, disagreements over GSOMIA and ACSA, and some other domestic factors should be addressed. Only reconciliation between Japan and South Korea can help move their relationship forward. Though cooperation and coordination among India, Japan and South Korea can go a long way in strengthening

the security architecture in the region, both Japan and South Korea ought to learn to live as good friendly neighbors. Even one got the hint that South Korea was not quite happy that Japan identified the privately funded Asia Foundation as the counterpart while IDSA and IFANS as the other two counterpart participants are funded by the ministry of defense and ministry of foreign affairs of India and South Korea respectively. It is possible that Japan was reluctant to get any government-funded think tank involved in the dialogue process as it was afraid of being perceived by its bigger Asian neighbor, China, that the trilateral process was a platform to discuss the China challenge.

Yet, the dialogue ended with a near consensus that three-way cooperation between South Korea, India and Japan is an idea whose time has come and the cooperation among the three countries will serve the cause of peace and stability in the region and also facilitate Asian economic integration. The participants concurred that though this dialogue was launched at Track II level but it could soon be elevated to government-to-government level dialogue provided that it made some meaningful progress now on.

The agenda of the trilateral for the subsequent rounds are likely to include the following:

- Regional security issues
- Non-conventional security concerns such as maritime security, piracy, energy security, disaster management, climate change, environment, cyber security, securing sea lanes of communication
- Global governance issues
- Global power shift and the issue of a regional institutional architecture
- Role of the military in the changing environment, in particular the role in peacekeeping operations
- Nation-state building
- Bilateral ties with the United States of India, Japan and South Korea
- Nuclear Issue (cooperation between the three countries) and nuclear safety
- Issue of Global/Regional commons
- Af-Pak
- China-North Korea-Pakistan nexus vis-à-vis nuclear security threats
- Competing claims over resources in South China Sea, India-Vietnam Relations and China's response

All these issues above are important for discussion, though not all of them could be discussed in any single meeting. The three countries do expect that this dialogue at non-governmental level will gradually evolve into a dialogue at governmental level. Finally, it must be stressed that the idea is conceived to be not against any third country but for striving to find common ground for mutual welfare and which will contribute to the establishment of a peaceful and stable order in the Asia-Pacific.

## Conclusion

The future of India-South Korea bilateral relations looks promising. Apart from deepening economic and security/defense cooperation, there is a new political understanding between the two countries on regional and global levels. The exchange of visits by Cabinet ministers at a regular intervals, the most important being the Indian Ministers of External Affairs and Defense to South Korea in 2010, President Patil's visit in July 2011 and Prime Minister Singh's visit in March 2012 help keep the momentum going. South Korea's Minister of National Defense as well as the Foreign Minister are likely to visit India sometime late in 2012. These visits would help further strengthen the strategic partnership between the two countries.

At the cultural level, efforts are being made to enhance people-to-people contacts and cultural exchanges. The two countries celebrated the year 2011 as the 'Year of Korea in India' and 'Year of India in Korea' and organized a number of cultural events in each others' countries. While India has opened a cultural center to be managed and operated by its mission in Seoul, South Korea is slated to open an office of the Korea Foundation in New Delhi soon to showcase each others' sublime facets of cultural richness to the people and thereby help elevate mutual understanding and friendship between the peoples to a higher level.

In conclusion, it can be said that as matured democracies both India and South Korea have found many common grounds and sincere and sustained efforts by both can lift the bilateral ties to a solid platform. The economic, political, cultural and other aspects of the ties are likely to see still better days in the coming years.

### (Endnotes)

- 1 "Korea to export minesweeper boats to India" [*Chosun Ilbo*, 11 June 2012].
- 2 Srinivas Laxman, "India & South Korea Sign Civil Nuclear Agreement" [*AsianScientist*, 26 July 2011].
- 3 "S. Korea, India sign nuclear power cooperation pact" [*YonhapNews*, 25 July 2011].
- 4 For a detailed analysis on this issue, see Rajaram Panda, "Japan's Nuclear Energy Dilemma in the post-Fukushima period" [*IFANS Review*, Vol. 19, No. 2, December 2011], pp. 101-138.
- 5 Indrani Bagchi, "India signs nuclear deal with South Korea" [*Times News Network*, 26 July 2011].
- 6 For the background on the origin of the idea, see, Rajaram Panda, "Relevance of an India-Japan-South Korea Trilateral Dialogue" [*JPI PeaceNet*, No. 2011-27, 29 November 2011].