

## ***India and the Republic of Korea: A Growing Strategic Partnership***

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India and South Korea (officially, the Republic of Korea) were connected indirectly through Buddhism in the ancient times. In the early twentieth century they shared a common colonial experience of exploitation. Freedom fighters in both countries were aware about each other and provided mutual moral support.<sup>1</sup> Gandhi's ideas of *Swadeshi* and *Satyagraha* were discussed in the Korean press. The Indian National Congress also passed a resolution on Korea during this period.<sup>2</sup>

The Korean Peninsula next came in the consciousness of India's policymakers after the surrender of the Japanese at the end of World War II. The US and USSR failed two attempts to arrive at an acceptable formula to establish a unified Korean government, and the US brought the Korea issue before the United Nations in September 1947. The UN set up a Temporary Commission on Korea (UNTCOK) in November 1947 to explore the possibility of elections in Korea and to conduct and supervise them, with Ambassador K.P.S. Menon of India heading it. When the Korea War began, the matter was again brought to the UN Security Council in June 1950. India supported the UN resolutions in which North Korea was named as the aggressor.<sup>3</sup> When the UN organized a force under the US leadership to reverse the aggression, India played a cautious role and sent a medical team only. South Korea's Syngman Rhee administration did not like this cautious policy of neutrality by India. After an armistice in the Korea War in July 1953, a Neutral Nations Repatriation Commission was formed to deal with the prisoners of war (PoWs), with India as Chairman, and Indian Custodial Forces exclusively responsible for the release and repatriation of the PoWs. Even Syngman Rhee, South Korea's first President, publicly

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appreciated the way the Indian forces dealt with quiet competence and deft diplomacy in the matter.<sup>4</sup>

Thereafter, India and South Korea became occupied in their respective nation-building and reconstruction processes and a lull in their bilateral relations followed. During the cold war, South Korea was a close ally of the US, while India was a leader of the Non-Aligned Movement (NAM).<sup>5</sup> India tilted towards democratic socialism, while South Korea was averse to all kinds of Left ideologies. North Korea joined NAM in 1975, but India pursued a consistent policy of neutrality in the inter-Korean rivalry. India established Consulate-level relations in 1962 simultaneously with both North and South Korea, and raised its relationship with both Koreas again simultaneously to the Ambassadorial level in 1973.

Obstructing the growth of India-South Korea relations was also the differing nature of economic models they followed. South Korea, especially since the early 1960s, opted for export-led economic development and was looking for natural resources and markets abroad. The Indian economic organization was based on socialist principles and its rather closed market had little attraction for South Korea. The two countries did sign a bilateral trade agreement in the 1970s, but India had little to offer economically to the export-led South Korean economy.<sup>6</sup> Geographic and cultural distance also played a part in keeping the two countries' bilateral relations lukewarm.

After the end of the cold war and collapse of the Soviet Union, India realigned its policy perspectives to converge with US interests in Asia. This has made it easier for both India and South Korea to forge common political and strategic positions on various issues of regional politics.<sup>7</sup> Economic liberalization and increasing opening of the Indian market removed the second impediment to their bilateral relations. India-South Korea economic exchanges from the early 1990s have increased quite impressively.<sup>8</sup> The increase in understanding and exchanges in the fields of education, culture, tourism and science and technology has also been quite impressive.

East Asia has assumed greater significance for India after it initiated its "Look East" policy in the early 1990s.<sup>9</sup> Although in the first phase of this policy direction the focus was largely on the ASEAN countries, the significance of South Korea was also recognized. Prime Minister P.V. Narasimha Rao visited South Korea in 1993, the first such visit of an Indian Prime Minister to that country. President Kim Young-sam made a return visit to India in 1996, when it was decided to establish a Joint Commission at the level of Foreign Ministers. The pronounced interests of the top leaderships of both countries

in strengthening all-round bilateral ties provided enough boost and support to the private sector. In a change of policy the Government of India allowed 100 per cent FDI to Hyundai Motors and Samsung Electronics of South Korea. South Korean companies soon became household names in India. In the beginning only big South Korean *chaebols*<sup>10</sup> ventured into the Indian market but soon, small and medium enterprises of South Korea also got interested in entering the Indian market.<sup>11</sup> In recent years, some of the Indian majors like Tata Motors, Mahindra and Birla Group have also been orienting their business towards South Korea. The complementarities between the two economies are strong: South Korea is a rich source of capital and technology and India provides labour and raw materials along with a market for South Korean products. The synergy is well reflected in the increase of bilateral trade from less than \$1 billion in 1991 to more than \$20 billion in 2011.<sup>12</sup>

In the second phase of India's "Look East" policy, which began around the early 2000s, more focused attention has been paid to South Korea and broader East Asia. Six years after the decision to establish a Joint Commission with South Korea, its first meeting took place in Seoul in April 2002 when External Affairs Minister Jaswant Singh visited Seoul.<sup>13</sup> President Roh Moo-hyun visited India in 2004 and the two countries agreed on a "Long Term Cooperative Partnership for Peace and Prosperity". A joint study group on the prospects of a free trade agreement (FTA) was also instituted. The first Foreign Policy and Security Dialogue at Head of Division level was held in January 2005. In 2006, President A.P.J. Abdul Kalam visited Seoul. To further connect their core competencies, which are essentially complementary, and to promote their economic cooperation further, the two countries signed a Comprehensive Economic Partnership Agreement (CEPA) in 2009.<sup>14</sup> It is the first FTA that India signed with an OECD country. The CEPA became operational on 1 January 2010 and in the two years since then there has been a 70 per cent growth in bilateral trade. In 2011, Korea's exports to India grew by about 11 per cent while India's exports to Korea grew by about 40 per cent. More than 400 Korean companies are active in India, with a total estimated investment of about \$3 billion.<sup>15</sup>

Bilateral investment between the two countries has also grown over the years. South Korean steel giant POSCO has been working to invest \$12 billion in its steel project in Orissa; Tata has invested \$102 million in Daewoo Motors; and Mahindra and Mahindra has invested \$473 million in Ssangyong Motors of Korea. The Aditya Birla Group has also acquired a majority stake in the aluminium company Novelis Korea. Indian software companies such as Wipro, L&T, Infotech and TCS have been active in South Korea and both countries

have been looking at further prospects of engagement in the services sector of the economy.<sup>16</sup>

Convergence of interests along with deepening of bilateral relations got a boost when President Lee Myung-bak was invited as the Chief Guest at India's Republic Day celebration in 2010.<sup>17</sup> In July 2011, President Pratibha Devisingh Patil made a goodwill visit to Seoul. India-South Korea partnership was further underlined in a joint statement during Prime Minister Manmohan Singh's visit to Seoul in March 2012, which brings out the various contours of the bilateral relations. In the last one decade, leaders and high officials of the two countries have met frequently to discuss issues of mutual concern and explore as well as identify further common grounds to strengthen their bilateral partnership.

### **Forging of a Strategic Partnership**

Although significant growth in economic partnership between India and South Korea began in the mid-1990s, the beginning of diversification in their relationship along with efforts to forge a strategic partnership began only in the second decade of the post-cold war period. During President Rho Moo-hyun's visit to India in October 2004, the two countries agreed to raise their bilateral relations to a "Long-term Cooperative Partnership for Peace and Prosperity".<sup>18</sup> The process has evolved successfully and during President Lee Myung-bak's visit to India in January 2010, the bilateral relationship was raised to the "Strategic Partnership" level.<sup>19</sup>

There have been various agreements between the two countries in which defence cooperation and the possibility of joint development and production of defence equipment have been explored.<sup>20</sup> In an important development in this direction, India has decided to procure eight minesweepers from South Korea.<sup>21</sup> Increasingly, the two countries have realized that they share a common strategic and security vision about the regional politics. Both have been cooperating substantially with the US; both are concerned about the rise of China but are not confrontationist with China. Both are also alarmed with the North Korea-Pakistan cooperation in the fields of nuclear and missile technologies. India and South Korea have agreed on a common fight against terrorism, safety of sea-lanes and peaceful resolution of maritime disputes. They are also committed to a multipolar and democratic Asia with the evolution of a common security framework as well as institutional arrangements to sustain that process.

As regards the collusion between North Korea and Pakistan for clandestine exchange of nuclear and missile technology, in June 1999 India seized a North

Korean ship at Kandla Port, which was carrying undeclared missile components from North Korea to Pakistan.<sup>22</sup> In August 2008 India refused over-flight permission to a North Korean plane, which was *en route* to Iran.<sup>23</sup> Reportedly, this was done at the behest of the US. However, India has kept its lines of communication open with Pyongyang. India maintains full Ambassador-level relations with North Korea. It also periodically supplies food grains in response to North Korean appeals for aid.<sup>24</sup>

The core of strategic partnership between India and South Korea is constituted of the fact that both are rising powers in Asian politics. However, unlike China both countries appear to be *status-quoist* regarding the distribution and balance of power in Asia. Both are working to forge a futuristic strategic partnership. For the future security and prosperity of East Asia, it would be important for India, South Korea and Japan, the three prominent democracies in the region, to coordinate their policies, perceptions and activities.<sup>25</sup>

Both India and South Korea have been working to forge better bilateral partnerships with other East Asian countries along with working for viable multilateral arrangements. India has established a strategic partnership with Japan and the Prime Ministers of the two countries meet annually to discuss issues of mutual interest. However, the Indian partnership with Japan appears to be problematic when it comes to acceptance of India as a nuclear weapon state, with Japan insisting that India should abandon its nuclear weaponization programme. In contrast, South Korea has been non-judgemental on the Indian nuclear policy and its security imperatives. South Korea has been looking to sell its nuclear power technology to India. India-South Korea civil nuclear cooperation agreement was signed during the visit of President Pratibha Devisingh Patil to Seoul in July 2011.<sup>26</sup>

Indian policymakers appreciate that through South Korean cooperation and support, India has been able to play a more active role in the regional politics of East Asia. In South East Asia or East Asia, inclusion of India is considered to be a necessity to counterbalance the dominance of China. For the same reason, in most of the initiatives to build networks in the region, both in economic or security domains, India has been invited. India has become a member of the Comprehensive Economic Partnership in East Asia (CEPEA) process, East Asia Summit (EAS) and ASEAN Defence Ministers Plus Meetings (ADMM+). There is also a possibility that India would be invited to join APEC (Asia-Pacific Economic Cooperation) in future.

India has recently expressed its interest in the maintenance of peace in the South China Sea.<sup>27</sup> This articulation is seen as reflecting India's growing

stature in East Asian politics. In this process, South Korea has been an important partner of India. South Korea has been steadfastly supportive of Indian engagement and increasing profile in East Asia. India-South Korea relations are quite significant in the process of Indian outreach in the region. Since both countries share a common perspective for regional strategic equilibrium along with significant bilateral complementarities, their partnership is on course to be strengthened further in the future. The most important element of the India-South Korea strategic partnership is that it is not targeted against any country and is quite inclusive.<sup>28</sup> The trilateral dialogue along with Japan is an example of such an inclusive approach.

In June 2012 India had its first trilateral dialogue at Track 1.5 with Japan and South Korea to evolve a framework of future cooperation.<sup>29</sup> The dialogue partners are India's Institute for Defence Studies and Analyses, Korea's National Diplomatic Academy and The Tokyo Foundation. In his address at the dialogue, Secretary (East) in India's Ministry of External Affairs emphasized that the three democracies "share a common commitment to democratic values, open society, human rights and rule of law". He referred to their common commitment to maintaining the freedom of the seas. He also referred to the potential of "the South China Sea, which today is witnessing competing claims".<sup>30</sup> The three countries need to coordinate their activities so that the ASEAN-led CEPEA progresses in parallel with ASEAN+3 (Japan, South Korea and China) FTA. The three democracies need to align their policies so that the EAS process evolves as a strong regional security forum.

It is important to note that India, South Korea and Japan depend greatly on the sea lines of communication (SLOCs) for their energy supply, trade, and connectivity. India and South Korea both have been working on a common objective to make the seas and oceans a source of cooperation, rather than competition and rivalry. The nascent trilateral dialogue is clear evidence of the fact that India and South Korea together with Japan seek to formulate a mechanism of minilateral dialogue on regional issues and maritime security.

### **Future of Bilateral Relations**

The partnership between India and South Korea, which has moved from being largely in the economic sphere to the strategic domain, needs to be looked at both from the global and regional perspectives. Rather than focusing only on their bilateral relations, which undoubtedly have diversified both vertically and horizontally, the regional dimension of the strategic partnership should also be kept in mind to understand its full implications. Their shared

strategic goals and perspectives and their economic synergy make the two countries suitable partners. It is heartening that there is strong bipartisan support in both India and South Korea to give more content to the declared pursuit of a Strategic Partnership. With frequent high-level contacts not only among the top leaders but also at the level of Ministers, senior officials and think-tanks, the two countries are well on the way to a constructive and fruitful long-term relationship.

The long-term vision of South Korea and India for East Asia and the world has numerous common elements. Both countries are well-developed democracies with a liberal polity and open economy. Their approaches converge on most of the global issues, ranging from climate change to further liberalization of international trade.

India and South Korea both have a factor in common in that they both have a hostile neighbour – a legacy of the partition of the Indian and Korean peninsulas at the time of their independence. Both North Korea and Pakistan pose a challenge to the rest of the world – North Korea with its nuclear programme and Pakistan with its inability and reluctance to control and neutralize the fundamentalist forces within its territory, who harbour a medieval and apocalyptic vision of the world. The unfortunate nexus between these two difficult countries and the clandestine transfer of uranium enrichment technology from Pakistan to North Korea in exchange for missile technology poses a common security threat to both India and South Korea.

As the two countries look ahead, they are wisely steering clear of any involvement in the dominant security problems being faced by each other. India does not seek a role in the ongoing drama in the Korean Peninsula, where global efforts are being made to contain and manage the aggressive posturing and nuclear ambitions of North Korea. Similarly, South Korea refrains from taking sides in India's bilateral issues with Pakistan or China.

However, it is important to accord substantial strategic content to the nascent Strategic Partnership established between India and South Korea in 2010.<sup>31</sup> Two regions where the two countries could pool their influence and resources are Central Asia and Africa. India's long-established connections in these geopolitically important areas coupled with South Korean capital and technology would lead to major synergies in the two countries' economic engagement with the nations of these resource-rich regions.

Similarly, there is yet untapped potential for the two countries to work together for the economic reconstruction of Iraq and Afghanistan. India has longstanding ties of friendship and operations in these two countries. South

Koreans would find it culturally alien to work in these difficult areas for exploration and production of minerals and rebuilding the war-ravaged infrastructure. Pooling of their human, political, financial and economic resources by India and South Korea would make a formidable presence in these two countries and they could emerge as worthy competitors to other interested parties.

On the bilateral front, the South Korean leadership needs to take cognizance of the growing trade gap in favour of South Korea. While India will continue to be an important and growing market for Korean companies, they must leverage India's production capacity and trained manpower to establish manufacturing facilities in India.

In the dynamics of the emerging regional architecture in East Asia, the warming of ties of friendship and understanding and rapid strengthening of the numerous strands of the growing bilateral relationship between India and South Korea would be important factors. India is consciously striving to create a web of strong bilateral ties with the major powers of East Asia to secure its own place under the East Asian sun. In that aspiration, South Korea is a well-wisher, a partner as well as a supporter of India.

## Notes

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- <sup>2</sup> Carter J. Ki-baik, Lee Eckart, Michael Robinson and Edward W. Wagner, 1990, *Korea Old and New: A History*, Seoul: Ilchokak, p. 292.
- <sup>3</sup> For India's role in the Korea War see Alka Gupta, 1977, *India and UN Peace-keeping Activities: A Case Study of Korea*, New Delhi: Radiant; and Ram Pal Kaushik, 1972, *The Crucial Years of Non-alignment: USA, Korean War, India*, New Delhi: Kumar Brothers.
- <sup>4</sup> *New York Times*, 23 January 1954. Quoted in Alka Gupta, 2003, "Korea-India Relations: From Independence to Establishment of Diplomatic Ties". In *30 Years of Korea-India Relations*, Seoul: Shingu, p. 51.
- <sup>5</sup> P.R. Chari and Vyjayanti Raghavan, 2010, *Dynamics in North East Asia and South Asia*, New Delhi: Pentagon Press, p. 148.
- <sup>6</sup> T.K. Bhaumik, 1989, "Indo-Korean Economic Linkages: A Critical Overview". In R.C. Sharma (ed.), *Korea, India and the Third World*, New Delhi: Rajesh; R.R. Krishnan, 1985, "South Korean Export Oriented Regime: Context and Characteristics", *Social Scientist*, vol. 13, no. 7/8, July–August, pp. 90–111.

- <sup>7</sup> George J. Gilboy and Eric Hegnibotham, 2012, *Chinese and Indian Strategic Behavior: Growing Power and Alarm*, Cambridge: Cambridge University Press, p. 276.
- <sup>8</sup> Pravakar Sahoo, Durgesh Kumar Rai and Rajiv Kumar, 2009, "India-Korea Trade and Investment Relations", New Delhi: Indian Council for Research in International Economic Relations (ICRIER), Working Paper No. 242, December, p. 5.
- <sup>9</sup> For details about India's "Look East" policy see Prakash Nanda, 2003, *Rediscovering Asia: Evolution of India's Look East Policy*, New Delhi: Lancer; and C. Rajamohan, 2003. "Look East Policy: Phase Two", *The Hindu*, 9 October.
- <sup>10</sup> *Chaebols* are family-owned business conglomerates of South Korea, such as Samsung, LG, Hyundai, Hanhwa, etc. They were supposed to be the main engines of growth in the process of economic development in the country.
- <sup>11</sup> Sharmistha Mukharjee, 2011, "Korean SMEs Set to Start Retail Operations in India", *Business Standard*, 17 September.
- <sup>12</sup> Sagar Kulkarni, 2012, "India, South Korea to Expand Political, Security and Trade Ties", *DNA India*, 25 March, [http://www.dnaindia.com/india/report\\_india-south-korea-to-expand-political-security-and-trade-ties\\_1667150](http://www.dnaindia.com/india/report_india-south-korea-to-expand-political-security-and-trade-ties_1667150).
- <sup>13</sup> S.D. Muni, 2011, "India's Look East Policy: The Strategic Dimensions", *ISAS Working Paper No. 121*, 1 February, p. 12.
- <sup>14</sup> For the full text of the CEPA see <http://commerce.nic.in/trade/india%20korea%20cepa%202009.pdf>
- <sup>15</sup> Woong Lee, Young-chul Song, and Choong-jae Cho, 2011, "Two Years on: Achievements and Challenges in Trade Sector of Korea-India CEPA", *KIEP World Economy Update*, 1(3), December.
- <sup>16</sup> Skand R. Tayal, 2010, "India, Korea Advance Partnership", *Korea IT Times*, 24 August, at <http://www.koreaitimes.com/story/10196/india-korea-advance-partnership>
- <sup>17</sup> "Lee Myung-bak Says India, South Korea Enter a New Era". 2010. *One India News*, 25 January, at <http://news.oneindia.in/2010/01/25/leemyung-bak-says-india-south-korea-enter-a-new-era.html>
- <sup>18</sup> Skand R. Tayal, "India-Republic of Korea Strategic Partnership", *Voice of India*, at <http://voiceof.india.com/in-focus/india-republic-of-korea-strategic-partnership/669>
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- <sup>21</sup> "Navy Planning to Procure Warships from the US, South Korea". 2011. *The Hindu*, 17 April, at <http://www.thehindu.com/news/national/article1704066.ece>

- <sup>22</sup> V. Sudarshan, 2006, “This Ship is Loaded”, *Outlook India*, 23 October, at <http://m.outlookindia.com/story.aspx?sid=4&aid=232925>
- <sup>23</sup> Pranab Dhal Samanta, 2008, “India doesn’t let North Korea plane overfly to Iran”, *Indian Express*, 8 August, at <http://www.indianexpress.com/news/india-doesnt-let-north-korea-plane-overfly-to-iran/346218/0>
- <sup>24</sup> K.P. Nayar, 2011, “The Food Bridge India Built with Kim’s Korea”, *The Telegraph*, 20 December, at [http://www.telegraphindia.com/1111220/jsp/frontpage/story\\_14904670.jsp#.UFYtRY5SZ95](http://www.telegraphindia.com/1111220/jsp/frontpage/story_14904670.jsp#.UFYtRY5SZ95)
- <sup>25</sup> President Lee Myung-bak has emphasized linkages among democracies in his vision of “Global Korea”. For details, see Snyder, Scott. 2009. “Lee Myung-bak’s Foreign Policy: A 250-Day Assessment”, *Korean Journal of Defense Analysis*, 21(1): 85–102.
- <sup>26</sup> Siddharth Varadarajan, 2012. “As Trade Soars, India and Korea Push Strategic Side to Ties”, *The Hindu*, 25 March.
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- <sup>28</sup> See Translated Text of Prime Minister Manmohan Singh’s Interview in the Korean daily *JoongAng Ilbo*, 23 March 2012, at <http://www.mea.gov.in/mystart.php?id=530419143>
- <sup>29</sup> For the text of the speech of Secretary (East) in the Ministry of External Affairs, Government of India, see “India-Japan-ROK Trilateral Dialogue – Inaugural Address by Shri Sanjay Singh, Secretary (East), Institute for Defence Studies and Analyses, at [http://www.idsa.in/event/IndiaJapanROKTrilateralDialogue InauguralAddress](http://www.idsa.in/event/IndiaJapanROKTrilateralDialogue%20InauguralAddress)
- <sup>30</sup> Ibid.
- <sup>31</sup> Skand R. Tayal, 2012, “India’s Deepening Ties with Northeast Asia”, *India-US Insight*, Indian Council for Research on International Economic Relations, 2(5), June.

