

ASEAN-ROK RELATIONS: THEIR PAST AND THEIR FUTURE

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In July 1991, the Republic of Korea became a full Dialogue Partner of ASEAN, the Association of Southeast Asian Nations. What did becoming an ASEAN Dialogue Partner mean for the ROK? At its most basic, the ROK gets to take part in ASEAN's Post-Ministerial Conferences (PMC), which annually gather the foreign ministers of ASEAN and those of its Dialogue Partners, including Australia, China, the European Union, India, Japan, Russia and the United States. At these gatherings, they undertake collective and individual discussions of vital strategic issues. ROK senior officials sit down with those of ASEAN for periodic ASEAN-ROK "dialogues". As an ASEAN Dialogue Partner, the ROK was a founding participant in the ASEAN Regional Forum (ARF), which convenes annual meetings of the foreign ministers of participating states and conducts cooperative activities of a security nature of common interest throughout the year.

North Korea is one of the ARF participants, now numbering 27. The ARF has, therefore, provided an occasion for the foreign minister or senior official of North Korea, which has insisted on bilateral talks with American representatives, to meet informally with his counterpart from the United States, which has resisted such talks. It has also offered an opportunity, among others, for South and North Korean officials to hold informal discussions away from the glare of the spotlight trained on such events by international and South Korean media.

The ROK was the first developing country to become an ASEAN Dialogue Partner, not having formally joined the Organisation for Economic Co-operation and Development (OECD), and thus the ranks of developed countries, until December 1996. In fact, as early as July 1977, the ROK had sought "economic and technical cooperation" with ASEAN, and in 1982 specified an ASEAN Dialogue Partnership as its desired goal. However, ASEAN was divided on the issue. At that time, all of ASEAN's six Dialogue Partners were developed countries. This was because

ASEAN's interest in the Dialogue system was centred on market access for most of its members' products, mainly commodities and other raw materials, foreign direct investments, and official development assistance.

ROK as ASEAN Dialogue Partner

What ASEAN bestowed on the ROK, in 1989, was a Sectoral Dialogue Partnership. A category of relationship that ASEAN practically invented for the ROK, a Sectoral Dialogue Partnership is limited to trade, investments and tourism. (Currently, Pakistan is ASEAN's only Sectoral Dialogue Partner.) However, at the first ASEAN-ROK Dialogue, in August 1990, Korea demonstrated its economic capability and political seriousness by announcing a Special Cooperation Fund and organising an ASEAN Week in Seoul. The next year, in 1991, the ROK became a full ASEAN Dialogue Partner, the first state to become one after the United States and Canada in 1977, 14 years before, and, as noted earlier, the first developing country to join the ASEAN Dialogue system.

Since then, ASEAN-ROK relations have not been confined to the formal Dialogue system. Nor has Seoul allowed issues like Myanmar's membership in ASEAN and participation in ASEAN's external relations to disrupt its relationship with ASEAN as a group. Indeed, the relations of the ROK with ASEAN as an association and with its individual members have over the years increased in density and richness, albeit with ups and downs in specific areas.

In addition to the Special Cooperation Fund, Seoul set up in July 1996 the ASEAN segment of its "future-oriented" cooperation projects, with its focus on youth, media and cultural exchanges.

In the book *Southeast Asia in Search of an ASEAN Community*, I wrote:

Among ASEAN's Dialogue Partners, I found the Republic of Korea one of the easiest to deal with in terms of development cooperation, and I am sure my colleagues in the ASEAN Secretariat did, too: focus on small practical projects, not too much argument, expeditious processing. The Koreans did not promise much, but delivered on what they did.

From 2001 to 2008, Korea's trade with ASEAN grew more than two and a half times, from US\$28 billion to US\$75.7 billion, with exports and imports more or less balanced until 2008, when the trade balance went heavily in ASEAN's favour. However, ASEAN's trade with Korea is dwarfed by comparative figures for its trade with Japan and China. Korean firms' investments in Vietnam, Singapore and Thailand grew spectacularly from 2001 to 2007. Park Chung Soo, the Republic of Korea's Minister of Foreign Affairs and Trade, reminded his ASEAN counterparts and their officials at the July 1998 ASEAN-ROK Post-Ministerial Conference that ASEAN was Korea's fourth leading trading partner and the 3rd largest destination of its foreign direct investments.

The number of tourist arrivals from Korea in ASEAN more than doubled from 2001 to 2008. Media reports of natural and man-made disasters in Southeast Asia do not deter the flow of Korean tourists, who are a hardy and brave lot and apparently read those media reports with well-informed realism and equanimity if not ignore them altogether.

In November 2004, the Republic of Korea became the sixth non-ASEAN party to the Treaty of Amity and Cooperation in Southeast Asia. By acceding to the treaty, Seoul bound itself to observe the norms that it lays down for inter-state relations in the region – the rejection of the use or threat of force, the peaceful settlement of disputes, and non-interference in the internal affairs of countries. The Republic of Korea has been exemplary in complying with these norms.

Towards the end of 2005, the ASEAN countries and the Republic of Korea concluded a Comprehensive Economic Cooperation agreement. The agreement calls for the establishment of a free trade area among them through three separate accords on trade in goods, trade in services and investments. It also has provisions on economic cooperation in many areas. An agreement setting up a dispute-settlement mechanism was simultaneously signed. The trade in goods, trade in services and investments agreements were concluded in August 2006, November 2007 and June 2009, respectively.

What is significant about these agreements goes beyond the written commitments that the signatory governments make in them. After all, through their negotiations and agreed-upon measures, the governments merely seek to remove the obstacles to freer trade in goods and services and to extend assurances to investors. Market forces and trading and investing decisions actually determine whether traders

and investors use the improved policy environment that the agreements seek to provide. What is significant about the agreements is that they proclaim the political importance that ASEAN and Korea give to their relationship with each other. At the same time, they call the attention of their business communities to the opportunities that the signatory nations offer each other.

Lying between the world's second largest economy on one side and its most populous nation and rising economic power on the other, Korea is a natural participant in the ASEAN Plus Three process, in which the ASEAN members and China, Japan and Korea cooperate with one another in dealing with regional issues and problems in a growing number of areas.

The centrepiece of the ASEAN Plus Three process is generally regarded as the Chiang Mai Initiative, which has the support of the Asian Development Bank and has three components – surveillance of the regional and national economies and periodic discussions of its findings, training of officials in economic analysis and surveillance, and what started out as a network of bilateral currency swap and repurchase agreements. Last March, the network was “multilateralised”, that is, transformed into a common currency pool, and enlarged to US\$120 billion. Korea's contribution to the pool is set at US\$19.2 billion, or 16 percent of the total amount.

The ASEAN Plus Three forum also provides occasions for the South Korean leader to meet those of the ASEAN countries at a formal ASEAN-ROK Summit, in addition to opportunities for him to hold bilateral meetings with them individually.

Then-President Kim Dae Jung was a driving force behind the ASEAN Plus Three process, proposing and convening an East Asia Vision Group (EAVG) that drew up recommendations for ASEAN Plus Three's purposes, priorities and work. He was also mainly responsible for the formation and work of the East Asia Study Group of senior foreign-ministry officials that sifted through the EAVG recommendations and came out with its own set of priorities.

As part of ASEAN Plus Three, the Republic of Korea automatically became a founding-participant in the East Asia Summit, which first convened in 2005, together with the other ASEAN Plus Three countries and Australia, India and New Zealand.

Last year, taking a leaf from the precedent-setting ASEAN-Japan commemorative summit in Tokyo, and from a similar ASEAN-China summit in Nanning, ASEAN and the ROK commemorated the 20th anniversary of their official relationship by convening an ASEAN-ROK Summit on Jeju Island, on Korean soil.

Significantly, they dated that relationship to Korea's assumption of a Sectoral Dialogue Partnership with ASEAN rather than the full Dialogue relationship.

People Interactions

Korea's relations with ASEAN and its member-countries, of course, go beyond the official agreements and arrangements, beyond the inter-governmental meetings and interactions. They are marked by increasing contacts between people. As previously noted, Koreans travel to Southeast Asian countries in increasing numbers. Many Southeast Asians of a variety of nationalities work in Korea. Korean investments in Southeast Asia have brought with them Korean managers and ways of running factories and businesses. Many Korean communities have sprouted in several Southeast Asian countries, with their own hotels, grocery stores, restaurants, bars, schools and churches. Korean families go to live in Southeast Asian countries for the children to learn English. Korean television shows are extremely popular in Southeast Asia. The advance of the South Korean football team to the knock-out stage of the current World Cup tournament has brought Korea in a singular way to the consciousness of football-crazy Southeast Asians. It has reminded them of the fact that Korea co-hosted the World Cup in 2002.

Last year, the ASEAN-Korea Centre was established in Seoul, with its offices in the Korea Press Foundation building. Like a similar centre in Tokyo, which was set up as early as 1981, the ASEAN-Korea Centre promotes ASEAN exports to Korea, Korean investments in ASEAN, and Korean tourism in ASEAN. Over the past year, the Centre has also devoted much time and resources to cultural exchanges and other endeavours to promote mutual understanding between the peoples of ASEAN and those of Korea. Late last year, the ASEAN countries and China agreed to establish an ASEAN-China Centre in Beijing.

Some Random Suggestions

Where do we go from here? Here are some random suggestions.

For one thing, the big Korean multinational companies could take part in the ASEAN Industrial Cooperation scheme, or AICO, which is currently dominated by Japanese firms, mainly in the automotive sector. AICO allows registered companies

operating in two or more ASEAN countries to trade their products on preferential terms. With so many large conglomerates operating in Southeast Asia, one wonders why none of them, as far as I know, takes part in AICO.

South Korea has an exemplary record in the utilisation of nuclear energy for peaceful, internationally sanctioned purposes. Seoul could share with ASEAN Korean expertise in these areas, particularly in terms of ASEAN cooperation in non-diversion of nuclear materials to military weaponry, the prevention and management of potential nuclear disasters, the disposal of nuclear waste, and the processing of nuclear by-products.

South Korea could serve as an inspiration for some Southeast Asian countries in transforming itself sp quickly from a developing to a developed country, from a labour-exporting to a labour-importing nation.

Developments on the Korean peninsula, including those in North Korea, affect the peace and stability of all of East Asia. Seoul's ministers and officials could more extensively share with those of ASEAN their information and insights on these developments, including progress in international negotiations on the nuclear question in the North. In turn, ASEAN states could share with Seoul their outlooks on these rather delicate matters.

Many Southeast Asians work in Korean factories, whether in Korea or in their home countries, under Korean managers. Sometimes, cultural differences and misunderstandings lead to frictions and tensions in the inevitable interactions between them. The governments concerned, as well as business associations and labour unions, could foster greater understanding and awareness of these differences, and agree on appropriate actions, in order to reduce those frictions and tensions.

Potential misunderstandings and frictions between the Korean communities in Southeast Asia and the domestic communities around them could be similarly managed and mitigated.

By virtue of its geographic location, a circumstance that has led to wars on the Korean peninsula in the past, Korea is in a strategic position to take a leadership role not only for the sake of its own survival but, just as importantly in today's world, in the interest of peace and stability in the whole region of East Asia. ASEAN has a similar interest. Moreover, it is an association of ten independent states, which, therefore, cannot be suspected of harbouring a national agenda. ASEAN's centrality in the architecture of the Asia-Pacific has been proven to be effective; there seems to

be no alternative to it that is acceptable to all. In view of the interest that it shares with ASEAN, the Republic of Korea has to pay more than lip-service to ASEAN's centrality but give it support, tangibly as well as publicly. For its part, ASEAN has to earn its role by taking clear collective positions on the great issues of our time.

As another reminder of how far it has gone in the world, the Republic of Korea is hosting and chairing in November this year's second summit meeting of the Group of 20 economies deemed to be of global importance. The head of government of the ASEAN chair-country, Prime Minister Nguyen Tan Dung of Vietnam, and the ASEAN Secretary-General, Dr. Surin Pitsuwan, have been invited to represent ASEAN at the meeting. Perhaps, the ROK President or Prime Minister could initiate consultations with them on the important issues to be discussed and decided upon at the Korea summit, taking into account the discussions and decisions done at the recent G-20 summit in Toronto.

In sum, there are many things that the Republic of Korea and ASEAN could do to build upon the excellent and productive relationship that they have developed over the past few decades.