

India' s Look East Policy and Korea

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India initiated Look East Policy (LEP) in the early 1990s to forge deeper relationship with the countries located east to India. The policy was formally announced and articulated by then Indian Prime Minister P V Narasimha Rao in his Singapore lecture in September 1994. The policy was posited in the context of Indian over-emphasis on its relationship with western countries. Although India made some preliminary attempts to connect with Southeast Asian countries in the late 1980s, it could not shape up as a clear and sustained foreign policy choice during the Cold War era. There could be two propellers which largely influenced the Indian policy to reach out South East Asian countries in the early 1990s and beyond. The first was economic opportunities for the liberalized Indian economy and the second was changing equation of regional politics in the post-Cold War era. In the first decade of the LEP, which has been characterized as LEP-I, India deliberately tried to underplay the second factor and the focus was more on bilateral and multilateral economic cooperation with the countries of this region. Thus, it is said that the LEP-I, which spread roughly from early 1990s to early 2000s, was largely limited in its scope as well as geographical reach. The scope of LEP-I was economic cooperation and the geographical focus was the Southeast Asia.

The second phase of India's LEP moved beyond 'trade and investment linkages' as well as being 'ASEAN-centered' and wider economic and strategic issues were also included along with other East Asian countries such as China, Japan and Korea in the ambit of the LEP. The LEP-II which seeks to reach East Asian countries had to face few disagreements between India and Japan on nuclear issue as well as mutual mistrust between India and China. However, India finds almost a perfect partner in Korea, which does not have any serious disagreements and pursue similar vision of participatory and common security for Asia. It is important to note that even in the second phase of LEP, economic exchanges remain backbone of the policy, though cooperation and common understanding on some strategic and security issues were

also explored. In the second phase of LEP, Korea emerged as an important partner of India in the East Asia. In 2004, Korean President Roh Moo-hyung was invited to India and unlike last Korean President Kim Young-sam visit to India in 1996, more substantial issues related to bilateral cooperation were discussed. The proposal to have a Free Trade Agreement (FTA) between the two countries was put forth and a Joint Study Group was established for the feasibility study. In last one decade, Korea has emerged as one of closest partners of India in the East Asia and spurt of India-Korea exchanges are definitely linked with change of scope and focus in the LEP.

Actually, Korea figured in the LEP of India even in the first phase and the proponent of the policy P V Narasimha Rao, was the first Indian Prime Minister who visited Korea in 1993. However, Korea was not formally included in the purview of LEP as India probably wanted to begin with a more focused policy in the beginning and then to think about its expansion- thematic as well as geographical. Nonetheless, India and Korea realized huge economic opportunities in each other and their bilateral economic exchanges grew with a fast rate in 1990s, in the first phase of LEP. The progress in India-Korea economic relations could be largely attributed to structural factors as well as dynamic private sector's efforts. Indian economic liberalization with huge market, cheap human and natural resources was quite attractive for Korea which had export-led growth model. The structural complementarities between the two countries propelled growth in their bilateral economic cooperation during the years of LEP-I. The bilateral trade between the two countries which was less than a billion at the beginning of 1990s reached US\$2.51 in 2001.

After bringing in Korea also in the ambit of LEP-II around 2002-03, the bilateral cooperation between India and Korea became more vibrant as well as diversified. Apart from economic cooperation, educational and cultural exchanges between the two countries as well as attempts to forge common stand on variety of strategic and security issues became focus of the bilateral relations during this phase. The LEP-II has not been only successful in increased economic cooperation between India and Korea but has paved way for few fundamental transformations in their bilateral exchanges. India signed Comprehensive Economic Partnership Agreement (CEPA) with Korea in August 2009, which entered into force in January 2010. It is the first Indian FTA with an OECD country. The bilateral trade between the two countries has reached more than \$20 billion in 2011 along with large bilateral investments by Korean companies such as POSCO, Hyundai, Samsung and LG and Indian companies such as TATA, Mahindra and others. Both the countries target to increase their bilateral trade up to \$40 billion by 2015. Cultural and educational exchanges have also grown significantly between the two countries.

The inclusion of Korea in the ambit of LEP during the second phase was not targeted to tap just mutual economic opportunities. India and Korea had realized that they were not at the different side of the divide, as they were during the Cold War days. In the changed international context, they share common friend in the US, common enemy in Pakistan-North Korean nuclear-missile nexus and last but not the least, common concern in 'rise of China.' Thus, they need to arrive at common positions on the strategic issues of the region. For the same, during the Korean President Roh Moo-hyun visit in 2004, both countries sought for a 'comprehensive partnership' and they have raised their multi-faceted bilateral relationship to 'strategic partnership' during the Korean President Lee Myung-bak's visit to India in January 2010. During the Indian Prime Minister Manmohan Singh's visit to Korea in March 2012, both the countries discussed wide-range of issues pertaining to regional, international and multilateral concerns and pledged to work together for the peace, progress and stability in the region and beyond. The bilateral defense cooperation between the two countries has increased substantially after the visit of Indian Defense Minister A K Antony to Korea in 2010 and both countries have been exploring possibilities of joint ventures in research & development as well as manufacturing of military equipments, including through the transfer of technology and co-production. India and Korea have established a Joint Commission (JCOM) co-chaired by Foreign Ministers, which meets every year. In 2012, the 7th meeting of the JCOM is going to be held in Delhi. Both countries have also initiated Foreign Policy and Security Dialogue (FPSD) at the level of Vice Foreign Minister. In 2012, India also intends to establish a defense wing at the Indian Embassy in Seoul.

All the above initiatives indicate that the Indian LEP-II has induced remarkable growth, diversification and deepening of bilateral relations between India and Korea in last one decade. The second phase of the LEP-II seeks to make India part of institutional mechanism in the region such as being involved with ASEAN, EAS and other regional institutional arrangements. Korea has unconditionally and wholeheartedly supported India in this venture. Although India has not been included in ASEAN+3 (ASEAN + China, Japan and Korea), it has been involved under a different mechanism of ASEAN+3+1+1 (India and Australia) and one of the ASEAN summit partners from 2002. Korea has been positive about Indian inclusion in the process. Korea also supported India to be one of the founding members of the East Asian Summit (EAS), which was started in 2005, in spite of objections from few quarters. Overall, Korea has emerged as one of the important partners of India in the second phase of the LEP and has been playing constructive role in the process of realization of Indian as well as common economic and strategic goals in the regional politics.