

Korea's Indo-Pacific Strategy and its Implications for Bilateral Cooperation between India and South Korea

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I. Introduction

South Korea officially launched the Indo-Pacific Strategy on 28 December 2022 highlighting the importance of the region and its significance in the current era. The detailed report on South Korea's Indo-Pacific Strategy is based on the fundamental principles of cooperation with an emphasis on tolerance, trust and mutual benefit. The strategy emphasised the promotion of freedom, peace and prosperity in the Indo-Pacific region through the joint establishment of a rule-based order and cooperation on human rights (MOFA 2022). The Indo-Pacific Strategy proposed by the South Korean government is a 37-page document that is considered to be the country's comprehensive regional strategy and will shape the future foreign policy towards the Indo-Pacific region. The target areas of the Indo-Pacific Strategy can be understood as the North Pacific, Southeast Asia, South Asia, Oceania,

African countries along the Indian Ocean, Europe and Central and South America as highlighted in the report.

II. Significance of Indo-Pacific for South Korea

The Indo-Pacific Strategy proposed by President Yoon Seok Yeol can be defined as a balancing policy initiative to manage South Korea's economic contradictions and supply chain resilience with China, as well as its security challenges with North Korea. Adopting the "Indo-Pacific" nomenclature also meant that South Korea officially subscribed to the American framework and values for regional cooperation alongside with other Indo-Pacific partners such as Japan, India, France, Canada and the ASEAN (Kim 2023). The Strategy can be seen as formally ratified by the United States with the National Security Advisor,

Jake Sullivan referring to it as a shared commitment to the security and the growing prosperity of the Indo-Pacific region (Mobrand 2023). However, South Korea has made it clear through multiple platforms that the Korean Indo-Pacific Strategy does not aim to decouple from China, but rather to strengthen its traditional security alliance with the U.S. while expanding its economic ties with China and beyond.

Korea's Indo-Pacific Strategy is meant to mark a shift in the foreign policy with the primary focus on the region. This is evidenced by President Yoon's attendance at the NATO Summit in June, 2022 and the reference to it in the strategy document (Lee 2022a). It should be noted that President Yoon is also the first Korean president to have attended a NATO Summit. The strategy document reflects South Korea's intention to strengthen its alliance with the Indo-Pacific nations without significantly distancing itself from China, an important trading partner for South Korea. The Indo-Pacific accounts for 78% of South Korea's total exports with China alone being by far the largest destination accounting for 27% of total exports (Snyder 2022). South Korea has traditionally prioritised its relations with great powers such as the United States, China, Japan and Russia (Botto 2021). As part the Indo-Pacific Strategy, South Korea aims to align itself with the United States and its allies, thereby aligning itself with universal values and common international norms, while also diversifying and strengthening its economic cooperation with the entire region. South Asia

has been identified as one of the most important regions in terms partnership for South Korea in the Indo-Pacific document, where India has been highlighted as one of the important partners for advancing strategic relations with South Korea.

III. Framework for Bilateral Cooperation between India and South Korea

Geographical factors have played a significant role in global politics, influencing the course of world affairs and providing a crucial basis for countries to formulate their strategies. India-South Korea relations is no exception. Over the past decade, scholars have observed that India-South Korea relations have not reached their full potential due to geographical distance and lack of mutual interests (Snyder 2015). South Korea's primary attention was largely directed towards major powers such as the United States, China, Japan and Russia due to their economic and strategic influence. India's primary interest has also been in the South Asian region, the United States, Russia, Central Asia, the Middle East, Africa, the European Union, China and Japan. However, with the changing times, India has emerged as one of the most dynamic relations for South Korea dominated by serving economic interests. Under its Act East Policy, India also prioritises deepening its relation with South Korea. The current political leadership in both India and South Korea is committed to aggressively expanding the bilateral relationship.

Both India and South Korea have been described as “middle powers” in international politics meaning that both states have sufficient power to pursue their independent policies without external influence. Since the establishment of the Westphalian system, scholars have delved into the origins of the concept of a “middle power” ascertaining that the term refers to a state positioned in the middle of the hierarchy of global powers with the categorisation ranging between great powers or superpowers, middle powers and small powers. Therefore, a “middle power” can be defined as a state that is able to protect its core interests and to initiate or lead changes in certain aspects of the international order (Holbraad 1984). “Middle powers” also have the ability to protect their national interests independently. In recent years, due to the sustained high economic growth, scholars have classified India as an emerging superpower especially after it overtook Japan in 2011 to become the world’s third largest economy in purchasing power parity (PPP) terms according to the World Bank and IMF reports.¹ India wields considerable influence in the South Asian region and has consolidated its power in the region. India’s influence in global politics is also growing, but it has yet to establish itself as a global major power.

South Korea is considered as the most innovative country in the world. As of 2019, South Korea ranked second in the world in terms of its R&D expenditure as a percentage of GDP

(Kim 2022) and has the highest number of patent applications per unit of GDP (Jamrisko et al. 2019). India on the other hand, as a growing economy looks forward to harnessing technology, which plays a fundamental role in wealth creation, improving the quality of life and real economic growth and transforming society at large. Therefore, as two “middle powers” India and South Korea have the potential to emphasise on coalition building and cooperate fully through bilateral, minilateral and multilateral approaches. India’s eagerness to strengthen ties with South Korea is fueled by South Korea’s remarkable economic strength while South Korea sees India as a valuable opportunity to seize and leverage for its exports of semiconductors, high-tech goods, electronics and consumer products.

IV. India’s Act East and South Korea’s Indo-Pacific

India’s “Act East Policy” focuses on strengthening political, economic, strategic and cultural ties with the Asia-Pacific region at various levels with the primary aim of increasing India’s foreign trade and attracting foreign direct investment (FDI). Korea’s “Indo-Pacific Strategy” is based on the idea of expanding Korea’s strategic cooperation in the Indo-Pacific region on issues related to bilateral, regional and global affairs. Both policies focus on the greater Asia-Pacific region as the center of the global economy. The region has the highest concentration of population, resources

¹ <https://economictimes.indiatimes.com/news/economy/indicators/india-displaces-japan-to-become->

<third-largest-world-economy-in-terms-of-ppp-world-bank/articleshow/34392694.cms?from=mdr>

and industrial power making it a crucial chess-board in the quest for global dominance. It also remains the engine of global economic growth. Both India and Korea are therefore actively seeking to expand their spheres of influence within the region.

Therefore, both India and South Korea, within the framework of their respective policies, intend to expand and strengthen their bilateral cooperation and balance China's influence on their economies. The sea route from the Indian Ocean to the Pacific Ocean has also become the world's busiest and most strategically important trade corridor worldwide serving as a key chokepoint for global energy transportation. Currently, 70% of the world's energy trade in oil products is transported to East Asia via the region's sea lanes (Pratson 2023). Both India and South Korea rely heavily on the intra-regional sea lanes for energy transportation. More than 77 per cent of India's foreign trade is transported by sea (Roy-Chaudhury 1995) and more than 90 per cent of South Korea's energy imports and 30 per cent of its total trade exports pass through the Indo-Pacific maritime transport zones (Wi and Sohn 2015). Therefore, strengthening India-Korea relations in the region is of strategic importance for both economies. India's geographical advantage of proximity to the Indian Ocean region makes it a natural power in the region. Maritime cooperation on regional security can therefore be highlighted as an important security cooperation between India and South Korea in the Indian Ocean region thus influencing a greater role in international

affairs. Korea's experience in the anti-piracy operations in the Gulf of Aden, where it participated in the Combined Maritime Forces (CMF) as part of international efforts to conduct maritime security operations can be a valuable experience to share with India for the security of the Indian Ocean region.

V. Overview of Bilateral Relations between India and South Korea

1. Economic Cooperation

Following the implementation of the Comprehensive Economic Partnership Agreement (CEPA) in 2010, the financial and business relations between India and South Korea have been on a positive trajectory. Trade and investment continue to be the most important link between the two countries. Following Prime Minister Modi's visit to South Korea in 2015, the relationship was upgraded to a "special strategic relationship" indicating that the significance of the relationship is not limited to business ties. Subsequently, he also initiated a multi-billion-dollar infrastructure fund to boost infrastructure investments in India which was well received by both the Korean and the Japanese investors in India. The project called for a public-private partnership model which is best suited to infrastructure development for foreign firms to invest in India. South Korean companies have seen India as an ideal location for overseas manufacturing due to the abundance of human resources.

Korean presence in India includes Hyundai, POSCO, Samsung India Electronics, Kia Motors, LG Electronics reciprocated by Indian businesses such as Novelis, Tata Motors, Mahindra and Mahindra. On the investment side, South Korea's direct investment in India has grown rapidly. From 2005 to 2017, with the expansion of the global economy, South Korea's direct investment in India increased from USD 4.7 billion to USD 46.6 billion, an increase of 6.6 times in 10 years. Furthermore, the bilateral investment between the two sides was large in 2018, but then experienced another downturn in 2020. While this downturn can be partly attributed to the global pandemic, there is still a need to reinvigorate the trade flows between the two. South Korean companies have seen India as an ideal location for overseas manufacturing of their products due to its abundant human resources. Many large Korean companies have invested in various industries in India. South Korean companies such as Hyundai Motor, Samsung Electronics and LG Group are planning to expand further in India. Direct investment of nearly USD 3 billion has been made by a joint venture between Ssangyong Motor (Mahindra & Mahindra), Aditya Birla Group and Tata Dae-woo Commercial Vehicles. Hyundai Motor Group has set up a car plant in Tamil Nadu with a capacity to produce more than 650,000 vehicles per year. Kia Motors, a sister company of Hyundai Motor Group, announced a USD 1.1 billion investment to set up a manufacturing facility in Andhra Pradesh. The plant will have an annual production capacity of 300,000 vehicles. Samsung Electronics has set

up two factories and five research centres in India and spent USD 760 million to expand a plant in Noida that makes smartphones and consumer electronics. LG Group also has two plants in India, one in Noida and one in Pune, and a research centre in Bangalore. LG Group, in partnership with Vedanta Group, set up India's first LCD manufacturing unit in Maharashtra.

South Korea's main exports to India include integrated circuits, auto parts, telecommunications equipment, hot-rolled steel products, petroleum refinery products, basic lubricants, nuclear reactors, machinery and equipment, motor parts and steel products while its imports from India are mainly raw and industrial materials including aluminium. With the rapid economic growth, India's demand for South Korean capital and high-tech industries is also increasing, and shipbuilding, automobiles, electronics, textiles, food processing and manufacturing have become areas of particular interest to South Korea. India and South Korea have launched a 'Korea Plus' initiative in June 2016 as part of Narendra Modi's plan to boost foreign investment and trade in India in June 2016. Prime Minister Modi also initiated a special "Korea Desk" within the Prime Minister's office as a single window system to specifically address issues of Korean businesses in India, reiterating India's commitment to smooth business cooperation with Korea.

2. Security Cooperation

Apart from the economic sphere, India and South Korea also have significant potential for

cooperation in the security and strategy fields. One of the most significant agreements signed by India and South Korea in the field of defence is the agreement on the sharing of classified military information including nuclear proliferation activities of North Korea and Pakistan, on the grounds that it serves the strategic interest of both (Kim 2014). This agreement is an example of the trust in the sector, with each side entrusting the other with the most crucial aspect. The visit of Korean President Lee Myung-bak to India in January 2010 resulted in the elevation of the bilateral ties between India and South Korea to the level of “strategic partnership” (Jyoti 2013). It was further defined as a “Special Strategic Partnership” during the reciprocal visit of Prime Minister Narendra Modi to Korea in 2015 (Chae 2023). This agreement also called for the cooperation in the field of military cooperation (R&D) and the establishment of an annual 2+2 dialogue at the vice-ministerial level. In 2018, the two sides conducted the “Sahyog-Hyeoblyeog” joint anti-piracy search and rescue exercise off the coast of Chennai in Tamil Nadu (Rohit 2018). To date, the Indian and South Korean coast guards have conducted eight rounds of exercises.

Secondly, the cooperation between the two countries has also made progress in the manufacture and export of weapons and equipment, particularly in the manufacturing of small vessels. In addition to the naval exercises, South Korea's defence minister also asked India to post a military attache to its embassy in Seoul

to form a formal military advisory body, primarily to identify South Korean military material that could be exported to India. Since then, India has stationed a military attache at the Indian embassy in Seoul (Lee 2012). The establishment of a military supply relationship between South Korea and India marks a closer strategic relationship between the two countries. Due to India's defence spending over the past few years which has been on a steady upward trajectory, India is considered a major customer of South Korea for imports of sophisticated military equipment. India's current military equipment strategy focuses on the expansion of its naval forces. India vigorously promotes the localisation of military equipment, however, South Korea's technological achievements in shipbuilding will become a strong synergy to India in the manufacturing of weapons and equipment. South Korea's Kangnam, for example, lost a contract to build twelve minesweepers for the Indian Navy due to alleged irregularities in 2014 (Singh 2018). However, in 2015 the company again reemerged as a strong contender, working with India's Goa Shipyard Co. Ltd., on a project to build minesweepers (Raghuvanshi 2017).

The National Security Council dialogue between South Korea and India continues to be held regularly. A “Trust Politik” for inter-Korean reunification was also proposed at the 44th World Economic Forum after a summit meeting between the Indian and the South Korean sides which stated that the Northeast Asia

peace initiative was inspired by German reunification and learned from ASEAN integration (Yoon 2014). These initiatives can be

seen as the basis for broader and more effective bilateral cooperation.

Table 1. Major Agreements Signed between India and South Korea

S. No	Agreement	Description
1	Agreement on the Protection of Classified Military Information	India and Korea agree to cooperate in the field of defence and to ensure protection of classified military information exchanged under the agreement.
2	Implementing Agreement for Cooperation in the Peaceful Uses of Outer Space	Indian Space Research Organisation (ISRO) and Korea Aerospace Research Institute (KARI) agree to promote the peaceful uses of outer space in the interest of international cooperation at the regional and global levels
3	Memorandum of Understanding (MoU) on a Joint Applied Research and Development Programme in Science and Technology	India's Ministry of Science and Technology and South Korea's Ministry of Science, ICT and Future Planning agree to develop further cooperation in the field of prospective technologies for the mutual benefit of the two countries by involving industry-academia-institute partnerships for translational research leading to the practical application of research and development (R&D) findings, and to cooperate in a joint applied research and development programme.
4	Cultural Exchange Programmes for the years 2014-2017	India and South Korea agree to enhance cooperative activities under the Cultural Agreement concluded between the governments of the two countries on 12th August 1974.
5	MoU on the Establishment of Nalanda University	India and South Korea agree to cooperate in reviving Nalanda University as an international institute that will advance the concept of an Asian community by bringing together future generations in a common objective of making new discoveries of old relationships to realise a unity of minds.
6	Agreement on Cooperation between Doordarshan and Korea International Broadcasting Foundation (Arirang TV)	India and South Korea agree to develop and strengthen mutual friendly relations in the field of Broadcasting with the aim of leading to greater understanding between the two countries.
7	Joint Declaration of Intent on Cooperation in the field of Information and Communications Technology	India's Ministry of Communications & IT and South Korea's Ministry of Science, ICT and Future Planning signed a declaration of intent to promote, facilitate and support joint ventures, joint initiatives and markets in the ICT sector.
8	MoU on Cooperation and Information Exchange for Development of an Arrangement for Mutual Recognition of Certifying Authorities	India's Controller of Certifying Authorities (CCA) under Ministry of Communications & IT and South Korea's Korea Internet and Security Agency (KISA) signed an MoU to develop cooperation between the parties for facilitating development of an arrangement which will provide such mutual recognition of the certifying authorities of the two countries.
9	MoU on Cooperation in the Field of Cyber Security	Indian Computer Emergency Response team (CERT-in) under the Ministry of Communications and IT and South Korea's Korea Computer Emergency Response Team Coordination Centre (KRCERT/Cc) of Korea Internet and Security Agency signed an MoU to develop cooperation between the parties in the area of information security to deter cyber threats and to further improve computer security readiness and raise awareness around the importance of keeping systems secure, and security practices and procedures current and up to date.

Source: <https://www.indembassyseoul.gov.in/list-mousagreements-signed-during-visit>

3. Education and Science & Technology (S&T) Cooperation

In recent years, India and South Korea have seen a significant increase in cooperation in various fields such as education, society and science and technology. In 2011 and 2012, both sides inaugurated their cultural centres - the Indian Cultural Centre in Seoul and the Korean Cultural Centre in New Delhi (MEA 2017). They have also made significant efforts to enhance educational exchanges, particularly in the field of Korean language. The Korean Foundation expanded its support for Korean language courses in Indian universities and strengthened collaboration in the cultural industry and promoted cooperation in the creative economy. In 2012, the agreement on “Simplification of Visa Procedures” was also signed in 2012, between the two countries to further facilitate this cause. Prominent universities teaching Korean studies in India such as Jawaharlal Nehru University, University of Delhi, Central University of Jharkhand, Madras University have established educational cooperation with Korean universities such as Yonsei University, Hankuk University of Foreign Studies and Busan University of Foreign Studies. Several universities in South Korea have also initiated courses in India Studies such as Indian Philosophy, Hindi Language, Yoga and Ayurveda etc. The Indian Council for Research on International Economic Relations and the Seoul Forum for International Affairs jointly organised the India-South Korea Dialogue making policy recommendations and proposing practical measures

to strengthen bilateral relations. Recently, the Korea Institute of International Economic Policy (KIEP) also inaugurated its Delhi chapter further emphasising on the importance of studying India (MOFA 2023). However, these initiatives still fall short of actively promoting Korean soft power in India and Indian soft power in Korea. Both sides still have a long way to go in bringing together the majority of the population to understand the importance of India- Korea relations.

S&T cooperation has emerged as a prominent area of collaboration between India and South Korea. In 2014, the leaders from both sides agreed to establish a USD 10 million fund for S&T cooperation (Jojin 2022). The aim was to promote large-scale projects involving the industry, academia and research institutes, with a particular focus on technology commercialization research. This agreement proclaimed the recognition of the innovation economy for sustainable growth and the talent of both sides to work together and contribute to the development of the software industry. A report by the Australian Strategic Policy Institute (ASPI)’s report on “Critical Technology Tracker- The Global Race for Future Power” ranks both India and Korea in the top 5 in parameters such as advanced materials and manufacturing, artificial intelligence, computing and communications, energy and environment, quantum, biotechnology, genetic engineering and vaccines, sensing, timing and navigation, defence, space and robotics (Gaida et al. 2023). This is an extremely positive picture for two

countries to individually further strengthen cooperation in the above areas and play a significant role in global S&T diplomacy.

VI. Potential Areas of Cooperation between India and Korea

Against the background of the existing areas of cooperation mentioned above, the two sides should seek to further expand their cooperation in various fields as time goes by. One such area is the space sector. India has already offered to launch South Korean satellites on Indian satellite launch vehicles on a commercial basis (Kim 2014). More recently, the new space policy released by the Indian Space Research Organisation (ISRO) in April 2023 allows for privatization of space missions in India. Under the new policy, Indian consumers of space technology will also be allowed to procure from the private sector as well. India is also in the process of revising its FDI policy in the space sector to allow 100% FDI in space to encourage greater collaboration (Siddiqui 2023). Currently, India allows FDI in the space sector only for the establishment and operation of satellites. Under the revised policy, it will allow foreign investment in three different types of space activities including satellite establishment and operation, launch vehicle operation and manufacturing, and subsystem manufacturing. India already has formal agreements in the space sector with Korea under the International Cooperation Mechanism of the Indian Space Program. The new revised FDI policy revisions provide scope for the pri-

ivate sector in the space sector to further diversify commercial interests and market competition with India. As of 2023, South Korea has also committed to expand its space capabilities by an increase of 19.5 percent over previous years (Park 2023) in its budget for 2023 (Lee 2022). The details of this budget have already been announced and it aims to make the country a major space power. The country also has a robust international space partnership program. Therefore, under the new space policies implemented by India and South Korea's intensified importance to the space sector, both sides see an important avenue for collaboration. It can also prove to be a vibrant mechanism for both to address global issues as well.

South Korea held a special Electric Vehicle (EV) Cooperation Forum in India on the 25th May 2022 (MOFA 2023). The EV sector in India is still in an early nascent stage accounting for less than 1% of the total vehicle sales in India. However, in the coming years it is projected to grow to more than 5%. As a country with a huge population, EV has the potential to reduce carbon footprint, dependence on imported crude oil, create jobs and build a new technology knowledge hub in India. Korea is also one of the pioneers in the EV business both in terms of both industry innovation and technological improvements in EVs, batteries and infrastructure for charging them. In terms of electric cars and buses, India's Tata Motors is one of the biggest players and given Tata's existing experience of working with Korea, there is potential for further cooperation in this sector.

VII. Challenges for India-South Korea Partnership

Currently, the trade deficit between India and Korea is one of the major challenges in the bilateral relation (PTI 2022), but through careful review and dialogue on the CEPA based on mutual interest of both sides, the upgrading negotiations are expected to yield positive results. Since the signing of the CEPA in 2009, the Indian industry has also been upgrading and increasing capacity in various sectors. This includes South Korean manufacturing companies operating in India using more locally sourced components for their finished goods, especially in the case of the automotive sector. The revised CEPA could therefore incorporate the amendments from these areas. India and South Korea have already held nine rounds of talks to mitigate the complementarities of CEPA for both sides starting from in 2015. While this seems like a big challenge, the two countries do not have any major conflicts of interest, so it can be resolved peacefully through diplomatic channels.

Another challenge in the bilateral relationship between India and South Korea is market access for Indian agricultural products to Korea. Agricultural products such as walnuts, mangoes, grapes and vegetables are still awaiting approval from the relevant Korean authorities. Technical data for Pest Risk Analysis (PRA) has been submitted since 2004.² The PRA process has only been completed for mangoes,

which were introduced in Korea in 2017. On the other hand, Korea has also applied for PRA approval for mushrooms, pears, apples, grapes and paprika which are under consideration by the Indian authorities. The Korean Organic Standards Team of the Ministry of Agriculture, Farmers and Rural Affairs visited India in 2018 and submitted a report on the equivalency standards determination as a step that can be taken towards a Mutual Recognition Agreement (MRA) for organic products. India's Agricultural and Processed Food Products Export Development Authority (APEDA) visited Korea for inspection but due to certain pending issues, APEDA proposed another visit.³ This issue has been pending since the pandemic which has also halted the organic MRA process. Trade in agricultural products can prove to be another feather in the cap of India-South Korea relations. The Korean agricultural market is very mature, which could prove beneficial for India, and at the same time it is a win-win situation for Korean organic products to enter the huge Indian consumer market.

In the services sector, where India is particularly strong, Korea has also denied Indian services companies full access to the Korean market. Under Mode 4, services are traded by persons of one WTO member through their presence in the territory of the other. However, Korea is concerned about job losses for Korean nationals. South Korea is more interested

² Embassy of India, <https://www.indembassyseoul.gov.in/india-rok-trade-and-economic-relations>

(accessed on July 3, 2023)

³ *Ibid.*

in Mode 3 which allows Korean firms to establish a presence in India and use local talent without bringing them to Korea (Singh 2023). Cooperation in the services sector could prove beneficial for both India and Korea to play an important role in the greater East Asian region.

Similarly, in the pharmaceutical sector, the government of India is keen to keep the medicines affordable to Indians especially for the huge population living in poverty. Therefore, while cooperating with India in the pharmaceutical sector, South Korea needs to be sensitive to India's needs especially in the pharmaceutical industry (Singh 2023).

Table 2. South Korea's Exports to and Imports from India

Year	Exports (in USD Million)	Imports (in USD Million)	Trade Balance (in USD Million)
2010	11.43	5.67	5.76
2011	12.65	7.89	4.76
2012	11.92	6.92	5.00
2013	11.37	6.18	5.19
2014	12.78	5.27	7.50
2015	12.02	4.24	7.78
2016	11.59	4.18	7.40
2017	15.05	4.94	10.10
2018	15.60	5.88	9.72
2019	15.09	5.56	9.53
2020	11.93	4.90	7.03
2021	15.60	8.05	7.54
2022	18.87	8.89	9.97

Source: Trade Statistics, https://unipass.customs.go.kr/ets/index_eng.do

India and Korea have primarily focused on “business diplomacy” as the backbone of the bilateral relationship. However, after 50 years of diplomatic relations, the relationship needs to move beyond the business dynamic to the societal level as well. Both sides need to deep-

en their understanding of each other's culture and society in order to appreciate each other's national conditions. The culture of doing business with mutual trust and respect can go a long way.

VIII. Policy Recommendations

India and South Korea should not merely aim to cement the relationship at the business level. The two sides need to move beyond “business diplomacy” and aim at deepening society-to-society relations to engage people through natural channels. South Korea has an active civil society working on various social and health issues, India and South Korea could seek to strengthen cooperation in these areas. Enhanced cultural relations could play a pivotal role in sustaining dialogue and cooperation between the two sides. In 2023, India hosted 108 Buddhist pilgrims from South Korea who walked over 1,100 km in India over a period of 43 days to Buddhist pilgrimage sites.⁴ India’s Foreign Minister, S. Jaishankar welcomed this event at the foreign minister’s meeting and acknowledged the importance of India to the Korean pilgrims. Through the lens of Buddhism, India and South Korea should enhance their image as centres of religious tourism thus giving a boost to their people-to-people relations.

On the occasion of the 50th anniversary of the establishment of bilateral relations between India and South Korea, high-level political visits could be beneficial in providing sustained momentum to the bilateral cooperation. High-level visits have the potential to directly impact the momentum of development and the importance attached to the relationship as a major diplomatic step.

The Government of India under the scheme of the “Pradhan Mantri Kaushal Vikas Yojana (PMKVY)”⁵ under the Ministry of Skill Development & Entrepreneurship (MSDE), implemented by the National Skill Development Corporation, is initiating skill certification programs to enable a large number of Indian youth to acquire industry-relevant skills. The aim is to help them secure a better livelihood. Indians are amazed by the training programmes conducted by “World Skills Korea” under its Human Resources Development Service of Korea (HRDK) programs, especially for the vocational training of the teachers, managers for capacity building and training. With the increased investment in the manufacturing sector, Korea’s industries and manufacturing units may feel more confident if their local recruits have the chance to be trained by such specialised institutes like this and vice versa.

Entering into the Indian market is often perceived as a challenging and lengthy process. However, the real picture on the ground shows prominent examples of success stories of South Korean businesses excelling in the Indian market. On the occasion of the Uttarakhand Investors’ Summit held in India on 7-8 October, 2018, Prime Minister Modi expressed his utmost fondness for South Korea in a comment where he mentioned that he wanted to adopt the South Korean development model for the Indian state of Gujarat

⁴ [https://www.firstpost.com/world/108-buddhists-from-republic-of-korea-to-walk-for-over-1100-km-on-a-](https://www.firstpost.com/world/108-buddhists-from-republic-of-korea-to-walk-for-over-1100-km-on-a-4fir3-day-pilgrimage-12112072.html)

[4fir3-day-pilgrimage-12112072.html](https://www.firstpost.com/world/108-buddhists-from-republic-of-korea-to-walk-for-over-1100-km-on-a-4fir3-day-pilgrimage-12112072.html)

⁵ <http://www.pmkvyofficial.org/>

when he was the Chief Minister of the state.⁶ South Korea is one of the focus countries of the Gujarat Global Summit, a biennial investors' summit organized by the government of Gujarat to attract trade and business representatives from all over the globe. Gujarat is a western state in India focusing on renewable energy, chemicals and petrochemicals, agri-food, aerospace and defence, healthcare, automobiles including EVs and pharmaceuticals. Many of these sectors are similar to South Korea's areas of expertise and interest. In recent years, Gujarat has also emerged as a global export hub of India. Gujarat also received the highest amount of FDI equity inflows in India in 2021, accounting for 37% of the total FDI received in India that year. Gujarat is also one of the top Indian states in terms of ease of doing business. Korean businesses already have strong presence in the state of Gujarat. There is the presence of a Memorandum of Understanding (MoU) with the Gujarat Chamber of Commerce and Industry to explore joint ventures in automobile, defence and textile sectors. Recently in January, 2022, India's Adani Group also signed an MoU with the Korean steelmaker POSCO to develop and set up an integrated steel plant in Mundra, Gujarat. Therefore, in order to promote India as an attractive investment destination, South Korea could use these examples to encourage Korean businesses to enter and invest in the Indian market.

⁶ <https://www.wionews.com/india-news/wanted-to-make-gujarat-like-south-korea-when-i-was-cm-modi-170119>

Another successful model for Korea's trade relations with India is the state of Maharashtra in sectors such as metallurgical industries, automobile industry, machine tools and hospitals and diagnostic centres are eager to attract FDI from Korea.⁷ Maharashtra already has a well-established Korean ecosystem with 32 manufacturing units, 13 wholesale and retail units, 11 transport units, 6 construction units and 17 other units. Prominent Korean names in Maharashtra include MTK Co. Ltd., Hwacheon Pvt Ltd., Hyosung, LG, Ohsung, Starion, POSCO Maharashtra Steel, Hyundai Construction Equipment India, Dong-il Aluminium Co Ltd. Kumkang Kind, Autopen, DK Pharmaceuticals, Mirae Asset Global Investments and Hanjin Shipping. These models can serve as important models to brand India.

India and Korea have been successful in signing a number of MoUs in critical sectors, but to ensure the communication and the practical implementation of the MoUs, the establishment of joint working groups in each of the sectors and regular review of the functioning of the MoUs is crucial. Definitive nodal points/ministries/departments for each MoU need to be identified, clearly stating the objectives, intentions and exceptions for each of the agreements signed in order to take the cooperation further.

India and South Korea should not merely look at the relationship between the two through the

⁷ <https://www.investindia.gov.in/state/maharashtra> (updated on June 7, 2023)

lens of a bilateral relationship; both have the potential to play a much larger role in the geopolitics of the region. With the geo-strategic environment facing acute changes such as the U.S.-China dynamic, the tense Korea-China relationship and the India-China conflict, India and South Korea should initiate their middle-power diplomacy and strengthen the regional security environment in the Indo-Pacific.

VIII. Concluding Remarks

South Korea is an indispensable economic and security partner for India. As vibrant democracies, both sides have a deep appreciation for each other's political and social culture. India has a long history of engagement in the Indo-Pacific region where India is committed to a rule-based order and is willing to work with other like-minded countries in the region towards a multipolar regional order. India's partnership with Korea in the Indo-Pacific has the potential to work towards a balanced and stable environment in the region. Especially, after the India-China border clashes in the 2020s, India wants to engage with meaningful partners in the Indo-Pacific region to ensure the peace and stability in the region and counter unilateral dominance in the region. The

Indo-Pacific represents a shared region beyond the hegemony of traditional nation-states with the aim of establishing natural and indispensable partners in the region. India and South Korea, guided by their common development principles should choose to co-opt and build a unified model of macro-geopolitics.

Secondly, looking at the overall India-Korea relations within the framework of the bilateral relations, the Indian market is driven by a large youth population and a rapidly growing middle class. This has the potential to prove an attractive destination for South Korean business diversification. India's strong ties Africa and the Middle East can also serve as an influential medium for Korean companies to penetrate markets in the Africa and Middle East as well. Korea as a hardware power and India as a software power can make a difference if they decide to cooperate meaningfully in the outer region as well.

Under the leadership of Prime Minister Narendra Modi and South Korean President Yoon Seok Yeol, the bilateral relationship has the potential to evolve from a primarily business-based cooperation to a more comprehensive one. Through partnership in the Indo-Pacific region, India and Korea can aspire to play a greater global role. **KIEP**

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