

# ISAS Brief

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## **The Moon-Modi Meeting: A New Regional Order through the New Southern Policy?**

*South Korea's President Moon Jae-in visited India from 8 to 11 July 2018 to discuss ways to enhance the Korean-Indian relationship in trade, infrastructure, culture, science and defence with India's Prime Minister Narendra Modi. The Moon government has sought international support for its blueprint for sustainable peace in the Korean Peninsula, especially from countries such as China, Japan, Russia and the United States. India, which had adopted a non-alignment policy towards the Korean Peninsula conflict, recently expressed its support for North Korea's denuclearisation. The Moon government also seeks security cooperation with New Delhi through its 'New Southern Policy', which resonates with Modi's 'Act-East' policy. This paper examines the implications of the Moon-Modi meeting and the Moon government's efforts to build a new regional order in the Asia-Pacific region.*

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The Korean Peninsula came under the global spotlight when North Korean Leader Kim Jong Un and United States (US) President Donald Trump held their historic meeting in Singapore in June 2018. Buoyed by this diplomatic win, South Korea's President Moon Jae-in turned his

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attention to strengthening ties with India. He visited New Delhi from 8 to 11 July 2018 where he met with India's Prime Minister Narendra Modi. The visit resulted in the signing of dozens of memoranda of understanding (MoUs) on cooperation on trade, infrastructure, culture, science, and defence. During the visit, Moon also met with Indian President Ram Nath Kovind and Korean industrialists in India.

Through the MoUs, Moon and Modi agreed to facilitate ongoing negotiations on upgrading the Korea-India Comprehensive Economic Partnership Agreement by identifying key areas for trade liberalisation and cooperation in trade remedies. Also, the two leaders signed an agreement in the area of future strategy and science where the two nations will cooperate in the development of cutting-edge technologies related to the 4<sup>th</sup> Industrial Revolution, biotechnology, information and communication technology, big data and many others fields. Further, they agreed to cooperate on infrastructure endeavours such as railway development, and cultural and human resource exchanges.

Moon's visit to India is significant in several aspects. First, the Moon government considers India one of the primary partner countries for its 'New Southern Policy' (NSP), which aims to enhance bilateral and multilateral relationships in the realm of 3Ps – Peace, Prosperity and People – between South Korea and the member countries of the Association of Southeast Asian Nations (ASEAN) plus India. The NSP can be the tipping point at which the Korea-India relationship accelerates through its extension to cultural, political, and security cooperation from the previous econocentric ties. Also, the NSP's primary goals are congenial to those of the Modi government's 'Act-East' policy aiming at the region's prosperity. Second, enhancing the Korea-India relationship in the 3Ps can substantially contribute to regional prosperity and peace, which may bring a new regional order to Asia in the long run. However, there are some difficult tasks for South Korea and its partner states, such as India, to structure a new regional order. This paper will examine several important agendas for both South Korea and India to take the lead in the process.

## **New Southern Policy's Significance to India and the Asia Pacific Region**

The NSP is Moon's idea conceived during his visit to partner countries in Southeast Asia for the Asia-Pacific Economic Cooperation, ASEAN+3 (China, Japan, and South Korea) and the East Asia Summit in November 2017. It aims to build peace and prosperity in the region by expanding South Korea's diplomacy primarily to ASEAN+1(India) through the exchange of human and cultural resources. The Moon government suggests that it will put its strategic priority on ASEAN plus India, which will be a significant turning point from Seoul's long-time diplomatic focus on regional powers – China and Japan – and Russia and the US. The NSP will be focused on the 3Ps and encouraged by Seoul's trade expansion to the level of US\$200 billion (\$272 billion) with ASEAN and India by 2020.

What is the implication of the NSP and why is it so important to India and to the region? The NSP has a political impact not only on the Korean Peninsula, but also across Asia. First, the NSP presents South Korea's aspirations in taking the lead in structuring sustainable peace in the region. In the peace-building process leading to the recent Kim-Trump Singapore Summit, the Moon government has realised the necessity for South Korea's regional leadership. In order to facilitate a peaceful relationship with North Korea and ensure a fruitful summit, Moon extensively sought to bridge Pyongyang with the world through numerous international conventions. In the blueprint for the permanent peace-building, primarily through North Korea's denuclearisation and support from neighbouring states, the Moon government appears to consider ASEAN and India as the main partners. It is also a precise movement, raising its guard against the rising influence of China and Japan in the region. Park Jae-kyung, Head of the NSP Task Force in South Korea, indicated that the Moon government seeks to shift its balance of diplomacy by diversifying and re-balancing its previous diplomatic dependency upon four powers – China, Japan, Russia, and the US.<sup>2</sup>

Second, the efficient implementation of the NSP can provide opportunities for both South Korea and India to enhance not only their economic ties, but also their political and security-building cooperation in the region. For example, maritime security cooperation is an area

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<sup>2</sup> At the international conference on "Korea's New Southern Policy: Visions, Strategies and Ways Forward." 2018 Center for ASEAN-Indian Studies International Conference, Institute of Foreign Affairs and National Security, Korea National Diplomatic Academy, 3 July 2018, Seoul, South Korea.

where both nations can generate synergistic benefit to increase their influence in the Indian Ocean and the Pacific Ocean. However, the security cooperation was neither highlighted nor stipulated. However, Moon and Modi verbally agreed at the meeting to activate military exchange between the two countries. In fact, the Indian and the South Korean naval forces held a joint exercise in April this year. Also, the Moon government is currently considering supporting the countries of the Indian Ocean in their activities through inter-governmental and multilateral organisations like the Indian Ocean Rim Association. However, a change in the regional order effected solely through South Korea's and India's extensive cooperation in various sectors is uncertain. The extent by which NSP may act as a turning point in shifting the current geopolitics and regional order is juxtaposed against China's rising regional influence. The Chinese have been increasing their economic and diplomatic influence in the region through aggressive foreign investments and trade relationships, and confrontational behaviour in the South China Sea.

### **Difficult Tasks for South Korea in Effectively Pursuing the NSP**

There are some difficult challenges for South Korea in the effective implementation of the NSP and, further, a permanently peaceful regional order. First, South Korea's political will is needed for the consistent and continuous support of its policy implementation. In a recent meeting on the NSP, former secretary-general of ASEAN and a senior ambassador in Singapore, Ong Keng Yong, indicated that the ASEAN community encountered difficulties in dealing with different policies implemented by five different governments in South Korea in the past two decades.<sup>3</sup> Second, the Moon government needs to enhance the institutions responsible for the NSP by reinforcing them with knowledgeable and responsible human resources who specialise in the region. Third, support from partner countries is required for an effective NSP. In the same meeting on the NSP, Second Vice Minister for Foreign Affairs in South Korea, Cho Hyun, emphasised that both India and ASEAN can provide ideas and values for South Korea based on their diverse community experiences for substantialising the 3Ps. India recently presented its support of North Korea's denuclearisation and sustainable peace in the Korean Peninsula. It was significant that India clearly stated its position on the

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<sup>3</sup> Ibid.

Korean Peninsula's ceasefire and conflict issues after breaking its long silence due to its non-alignment approach to the region. In this regard, India can be a strong and supportive partner for South Korea's efforts towards the permanent peace-building in the region.

Further, the Moon government will need to address several issues in its efforts to ensure a peaceful regional order. The NSP may antagonise its neighbouring allies, such as China and Japan who may perceive the NSP as a new challenge in the competition in ASEAN's and India's political and economic domains. Their business communities, as well as governments, cannot avoid competing with those of South Korea in the region. Considering China's important influence on North Korea's domestic and foreign policy, the Moon government needs to act sensibly. In the recent Kim-Trump summit, Pyongyang highlighted its close ties with Beijing. In late March 2018, Kim had a secret meeting with China's President Xi Jinping in Beijing and assured Beijing of its strong political ties with North Korea, thus allaying China's worries about the two countries' fractious alliance. Although Xi has encouraged Kim to promote inter-Korean dialogue and ease tensions in the region, it is difficult to predict how China's political support for North Korea's decision will change in response to the Moon government's NSP.

Despite such challenges, the Moon government's NSP seems to bring only benefits to India. This is because the two countries do not share any conflicting interests in the region and the international community. Also, the primary aim of the NSP is congenial to those of the 'Act-East' policy. In this regard, both India and South Korea can be reliable partners and support each other on the regional and international stage.

## **Conclusion**

During the visit to India, Moon highlighted the needs to upgrade the previous Korea-India relationship on the basis of the NSP, which aims to enhance its political, economic, and cultural relationship with the ASEAN members and India. The NSP is congenial to the Modi government's 'Act-East' policy as both expect India and South Korea to strengthen economic and diplomatic ties with each other and further to contribute to ensuring a peaceful regional

order. However, the Moon-Modi meeting did not highlight the possibilities of such political and security cooperation beyond the enhancement of economic and cultural ties between South Korea and India. India could take the lead in supporting the implementation of the NSP in the international community as it will generate a synergy effect with its 'Act-East' policy. The enhancement of the Korea-India relationship is expected to contribute to peace-building in the region in the long run.

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