

Strengthening Korea-ASEAN Relations through the New Southern Policy¹

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Introductory Remarks

Esteemed convenor of this session, Ambassador Suh Chung-ha (also President of JPI), my session moderator esteemed and distinguished Ambassador Lee Sun-jin and co-panelists Phongsavath Boupha, Dewi Anwar Fortuna, Ravi Velloor and Kitti Trasirtsuk, distinguished guests, ladies and gentlemen. It is a great honor to be a part of this year's forum especially in this signature panel on Diplomacy and Security taking place at this momentous occasion right after the summits between President Moon Jae-in and Prime Minister Kim Jung Un on the one hand, and between US President Donald S. Trump and Prime Minister Kin Jung Un on the other hand that brought so much hope in our much-challenged world. I join the rest of the distinguished Nobel Laureates and World Leaders in congratulating my Korean friends of long-standing for this singular achievement. May the peace thus set by these summits remain the basis for our sustained and lasting progress, peace, and prosperity! Congratulations and deep appreciation for this new world you have bequeathed to all of us.

Let me now earn my keep, so-to-speak and address the task I agreed to undertake here as discussant in this august panel.

ASEAN-Korea Relations

Bilateral Relations was forged as early as 1989 when Korea was ASEAN's Sectoral dialogue partner. Elevation to full dialogue partnership took place in 1991. In 1997, their relations were raised to summit level in Kuala Lumpur's Annual Ministerial Meeting (AMM). The Republic of Korea (ROK) remains my favorite donor country because it did

¹ A discussion paper prepared for the 2018 Jeju Forum: Reengineering Peace for Asia, International Convention Center, Jeju, ROK, 26-28 June 2018.

not hesitate to be a member of the Organization for Economic Cooperation and Development – Development Assistance Committee (OECD-DAC) the moment it reached the Gross National Product (GNP) per capita required by this organization.

In 2004, two landmark events in their bilateral relations took place: ROK signed the Treaty of Amity and Cooperation (TAC), ASEAN's chief document for external relations defining voluntary and self-inhibiting rules and principles of interstate behavior, and the two partners also signed the Joint Declaration on Comprehensive Cooperation Partnership (DCCP) with an attached Action Plan that kept on being updated regularly with the latest for 2016-2020. Their comprehensive cooperation partnership was elevated to one of strategic partnership with the signing of their Joint Declaration on ASEAN-ROK Strategic Partnership for Peace and Prosperity and its Action Plan covering 2011-2015. A new Action Plan to implement this agreement covering 2016-2020 was adopted also in Kuala Lumpur on 5 August 2015. Merely three (3) years following the coming into force of the ASEAN Charter in 2009, ROK in 2012 sent an ambassador to ASEAN.

In December 2014, ASEAN and ROK marked twenty-five (25) years of their relations with a Commemorative Summit consisting of diverse activities held in ASEAN and in Busan, ROK. They adopted the Joint Statement on the 25th Anniversary of their Dialogue Relations subtitled *Our Future Vision of ASEAN-ROK Strategic Partnership, "Building Trust, Bringing Happiness"*, basically renewing their commitments to bring their bilateral relations to new heights.

As is usual in ASEAN's dialogue relations, these joint declarations are periodically reviewed and renewed for their mutual benefit. Needless to say, the ROK is in ASEAN-led mechanisms such as the ASEAN Regional Forum (ARF), the ASEAN Plus 3 or APT, the East Asia Summit (EAS), and the ASEAN Defense Ministers Meeting Plus each of their dialogue partners (ADMM+). The ROK also supports ASEAN Community Building through programs such as maritime security, humanitarian assistance and disaster relief (HADR), peacekeeping operations (PKOs), counter terrorism under the ASEAN Political and Security Community (APSC) Blueprint; trade and investment relations with ROK

being ASEAN's fifth largest trading and investment partner, a Framework Agreement on Comprehensive Economic Cooperation, a 2010 ASEAN-Korea Free Trade Agreement (AKFTA), an ASEAN-Korea Economic Cooperation (AKEC) Fund that President Moon promised to increase (doubling it as well as tripling the South Korea-Mekong Cooperation Fund²), the ASEAN-Korea Business Council (AKBC), transport, connectivity and tourism cooperation, the ASEAN-Korea Centre (AKC) among many others under the ASEAN Economic Community (AEC) Blueprint; and various projects in the areas of education, sports, culture, environmental protection, sustainable water management, disaster management, health, and people-to-people exchanges under the ASEAN Socio-Cultural Community (ASCC) Blueprint.³

The New Southern Policy: Breaking the Glass Ceiling⁴?

The 'New Southern Policy' is taking place amid the unprecedented 27 April 2018 bilateral summit between South Korea's President Moon Jae-in and North Korea's Kim Jung Un that, among others (1) heralded peace on the Korean Peninsula, (2) promised 'denuclearization' of the North, and (3) brought an end to the 'war' between them. The two heads not only brought hope and joy to a much-challenged world, but also raised new issues. Nevertheless, there is no longer for now the threat of missile testing and launching from the North, a strategic situation that is in general much welcomed, including by the two side's immediate neighbors around the Korean Peninsula (*ASEAN Member States not excluded*). Meeting in Singapore, the ASEAN Foreign Ministers issued their Statement on Developments in the Korean Peninsula on 27 April stressing their desire for all parties concerned "...to work towards reducing tensions, and the complete, verifiable and irreversible denuclearisation of the Korean Peninsula which will contribute to the peace

² See Prashanth Parameswaran, "Questions remain over Moon's new Southern Policy", *The Straits Times*, 9 December 2017.

³ Culled from 'Overview of ASEAN-Republic of Korea Dialogue Relations', a pdf document probably from the ASEAN Secretariat, downloaded on 4 April 2018.

⁴ The term 'breaking the glass ceiling' was borrowed from Jaehyon Lee, "ASEAN-South Korea Relations: Towards Closer Security and Strategic Cooperation", in *ASEAN Future Forward: Anticipating the Next 50 Years*, Mari Elka Pangestu and Rastam Mohd Isa, editors (Kuala Lumpur: Institute of Strategic and International Studies Malaysia, 2017), pp. 165-174.

and stability of the region.”⁵ It would appear that ASEAN and the ROK are of the same mind in regard to the issue of denuclearization and although President Moon was in Panmunjom, concerns over denuclearization were echoed in Singapore where ASEAN and Related Summits were being held.

No doubt, ASEAN-ROK relations were already strong even before President Moon’s election. The ROK is ASEAN’s 2nd largest trade and investment partner and ASEAN plays a key role in the North Korean issue as well as in the diversification of ROK’s foreign policy. In order to prepare for a post-China relations by Seoul ⁶ and further strengthen the strategic dialogue partnership between ASEAN and South Korea, ROK’s newly elected President, Mr. Moon, in his first state visit to Southeast Asia announced in Jakarta on 5 November 2017 ROK’s ‘New Southern Policy’. Accompanied by a delegation of some 200 business leaders, President Moon said that the New Southern Policy seeks to connect ROK with ASEAN better, and expand the economic influence of ROK – Asia’s fourth largest economy – to Southeast Asia’s more than half a billion people. Noting that ROK’s diplomacy has so far been towards China, Japan, and Russia, President Moon pledged to “dramatically strengthen cooperation with ASEAN”.⁷ This thrust towards ASEAN is intended to make for a more balanced diplomacy as ROK has also launched its northern diplomatic thrust towards its Northeast Asian neighbors - China, Japan, Russia, and Mongolia.

For the New Southern Policy, President Moon outlined his strategies to include the expansion of ASEAN-Korea exchanges of technology, heritage, the arts, and people as well as reinforcing cooperation in transportation, energy and water resources and information technology (IT). He concluded his vision of making ASEAN-ROK relations

⁵ From the *ASEAN Foreign Ministers’ Statement on Developments in the Korean Peninsula*, Singapore, 27 April 2018. Underscoring mine. It must also be mentioned that ASEAN sent food aid in the form of rice to the North during this time, clandestinely shipped by my former student from Singapore to Pyongyang.

⁶ Parameswaran, “Questions remain”.

⁷ Darren Whiteside, “South Korea’s Moon unveils new focus on Southeast Asia”, *Reuters*, 9 November 2017.

a community for their people, a community of peace, and a community of co-existence and co-prosperity.⁸ (3 Ps)

Writing for *The Straits Times*, Prashanth Parameswaran notes that despite its promises to strengthen bilateral dialogue relations, the New Southern Policy is challenged by (1) the fact that ROK has not invested strategically enough in ASEAN compared with China and Japan, (2) whether Seoul can provide the resources to substantiate the New Southern Policy given the relative underdevelopment especially in infrastructures of ASEAN Member States compared with Beijing and Tokyo, (3) the issue of calibrating the different areas of the bilateral relationship or among the ASEAN -10. So far, President Moon's New Southern Policy has focused on the economic and people-to-people areas, but what about the other dimensions of the relationship?⁹ Parameswaran continues to echo these concerns into 2018.¹⁰

Before the much-awaited summits with the North's Chairman Kim, President Moon visited Vietnam that he remarked as a hugely important country for the New Southern Policy. Meanwhile, the ASEAN-Korea Center (AKC) Council chaired until passed on to Singapore, was successfully steered by Philippine Ambassador to the Republic of Korea, Ambassador Raul Hernandez whom I know but is not blood-related to my husband, Anti Graft Court Justice Jose R. Hernandez, now retired. The mainstream media in Seoul reported Ambassador Hernandez's 'successful' chairing of the AKC Council particularly the adoption of over 20 programs in 47 projects on diverse fields including trade and industry, public relations, culture and tourism as well as information services.¹¹ These are already covered in the New Southern Policy.

⁸ From Sohn Jiae, "President Moon unveils New Southern Policy for ASEAN", jiae58532korea.kr.

⁹ Prashanth Parameswaran, "Questions remain over Moon's new Southern Policy", *The Straits Times*, 9 December 2017.

¹⁰ Prashanth Parameswaran and Ankit Panda, "Making Sense of the Third Inter-Korean Summit: What It Means and What Comes Next," *The Diplomat*, 4 May 2018.

¹¹ "PH Concludes Successful Chairmanship of the ASEAN-Korea Centre Council", from a news item dated 2 March 2018, possibly from the *Korea Times*. <https://dfa.gov.ph/dfa-news-from-our-foreign-servivepostsupdated/15795-ph-concludes-successful-chairmanship-of-the-asean-korea-centre-council> accessed on 20 April 2018.

In Manila during the commemoration of ASEAN @ 50, ROK said it would further strengthen its relations with ASEAN. And on the heels of the record breakthrough in intra-Korean relations ushered in by the bilateral summit between ROK's President Moon and Chairman Kim of the Democratic People's Republic of Korea (DPRK) on 27 April 2018, while Singapore hosted the 32nd ASEAN summit and the agenda included the Rohingya issue as well as the South China Sea, the minds of the 32nd summit participants were on the intra-Korean summit. In fact and as already noted, ASEAN issued a statement echoing the issues dealt with in Panmunjom, particularly on the issue of denuclearization that ASEAN had nurtured over the years.

Ahead of the much-heralded Trump-Kim summit of 12 June, Philippine President Rodrigo R. Duterte visited the ROK. His bilateral 'summit' with President Moon stressed the two countries' almost seventy years (70) of diplomatic ties. President Moon emphasized their trade relations pointing out that the ROK is the Philippines' 5th largest trading partner with a two-way trade amounting to US\$ 14.3 billion in 2017, and that remarkable progress in every field including politics, the economy, culture, and people-to-people exchanges have been achieved in their nearly seven (7) decades of diplomatic ties. For his part, President Duterte stressed the common platform of the Korean War where both countries stood together in support of freedom and democracy.¹²

It must be noted that there are some 60,000 Pinoys in South Korea according to the Philippine Commission on Filipinos Overseas (PCFO) and the ROK was the Philippines' 10th largest market for its exports in April 2018 with shipments valued at US\$157.11 million according to the Philippine Statistics Authority (PSA). Korean industrial giants Samsung, LG, Hanjin and Hyundai are also very much present in the Philippines as well as Korean pop music and television soap operas¹³ not to mention Korean food! It was expected that the bilateral agreements on transportation, trade and industry, science, and a

¹² See Pia Ranada "Duterte, Moon hail 'solid friendship' between Philippines, South Korea", <https://www.rappler.com/nation/204088-duterte-moon-je-in-philippines-south-korea-friendship> and Dharel Placido, "Duterte, Moon meet, reaffirm PH-Korea ties", *news.abs-cbn.com/news/06/04/18/duterte-moon-reaffirm-ph-korea-ties* on this bilateral 'summit'. Accessed from the web on 20 June 2018.

¹³ Placido, *news.abs-cbn.com/news/06/04/18/duterte-moon-reaffirm-ph-korea-ties*

loan agreement for the Cebu International Container Port project would be signed at the end of his visit to Seoul. Indeed, Duterte came home with ‘gifts’ from President Moon consisting primarily of business deals worth some US\$4.9 billion signed in memorandum of agreement (MOA), memorandum of understanding (MOU) and letters of intent (LOI). These deals are expected to generate some 50,000 new job opportunities for Filipinos in the Philippines in the fields of shipbuilding, manufacturing, food production and food processing, agribusiness, energy (including renewables), finance and banking, infrastructure, tourism and real estate, as well as other labor intensive Korean industries. These deals were forged during a Philippine-Korea Business Forum that took place in Manila on 5 June.¹⁴ Truly, the intra-Korean and U.S.-DPRK summits are record-breaking and could herald a new situation on the Korean Peninsula, but our concern here is with regard to ROK’s New Southern Policy.

In this regard, my two concerns are (1) the Philippines is the 2nd fastest growing economy in the world, second only to India according to the International Monetary Fund (IMF). If the New Southern Policy wishes to avail of Southeast Asia’s economic dynamism, why then is Vietnam (as of March 2018) the most preferred ROK partner in ASEAN? I hope it is only because President Moon was visiting Vietnam at that time in the same manner that he announced the New Southern Policy while on his first state visit as - ROK’s newly-elected President - to ASEAN’s largest member state, Indonesia. Yet, the Philippine President is the first ASEAN head of state/government to visit President Moon in Seoul at which visit Duterte said that ROK’s new Southern policy will help Manila’s goal in its ‘*Ambisyon Natin*’ (Our Ambition) to become a high income country by 2040,¹⁵ (2) Since the AKC Council- the highest decision making body in the AKC - covers areas President Moon includes in ROK’s New Southern Policy and the ASEAN ambassadors to ROK, particularly Singapore’s are all naturally keen to obtain as much benefits for ASEAN in this bilateral relations, what is really new in or the value-added of the New

¹⁴ Ruth Abbey Gita, “Duterte’s South Korea Trip yields 23 business deals”, at www.sunstar.com.ph/article/1746606/Manila/Business/Duterte-South-Korea-trip-yields-23-business-deals accessed on 20 June 2018.

¹⁵ See <https://www.youtube.com/watch?v=zKKQWqWm-Xw>(preview) on visit accessed on 20 June 2018.

Southern Policy? Is it the case then that the New Southern Policy will break the ceiling in ASEAN-ROK relations?

Concluding Remarks

Indeed, as the late Dr. Surin Pitsuwan often noted, ASEAN needs the help and cooperation through their resources of all the ASEAN Partners (i.e., Full Dialogue, Sectoral and Development Partners) due to the very limited capability of ASEAN as a whole to finance its numerous and diverse requirements to achieve its goals – from the *1967 Bangkok Declaration* through the *1997 ASEAN Vision 2020*, the *2003 and 2011 Bali Concord II and III*, to the *2015 ASEAN 2025 Forging Ahead Together*. The ROK is one such partner and as I already acknowledged, it is an honorable partner having joined the list of donor OECD –DAC countries once its GNP per capita qualified it of membership there. It has also expended huge amounts of its resources for its bilateral partnership with ASEAN and the latter’s Member States.

By way of a concluding thought, let me state that the challenges wrought by its New Southern Policy are not ROK’s alone, but also those of ASEAN and its 10 Member States. Together, they can make or break their relations using this new policy that offers both challenges as well as opportunities. Knowing ASEAN, it will find numerous opportunities and not be overly bothered by the challenges. However, caring for one’s own challenges must take priority – a lesson well learned in ASEAN circles as well, and as this session’s panel of speakers has demonstrated.

Good evening and may we all enjoy the full benefits of this 2018 Jeju Forum!