



## Global Korea's "Backyard" Ventures in Southeast Asia

By Balbina Y. Hwang, Ph.D.

*Balbina Y. Hwang, Ph.D. [[hwangb@georgetown.edu](mailto:hwangb@georgetown.edu)], is a Visiting Professor at Georgetown University. From 2007-2009, she served as Senior Special Advisor for East Asian affairs at the US State Department. An extended version of this paper was presented March 6, 2012 at the Korea Economic Institute's Korean Compass Series: "Triangle With a Gap? Korea-Southeast Asia-U.S. Relations." (<http://www.keia.org/newsstory/kei-events-triangle-gap-korea-southeast-asia-us-relations>)*

Traditionally South Korea's "backyard" in terms of foreign policy priorities, Southeast Asia today is experiencing robust Korean engagement not just socially through the wild popularity of *hallyu*, or the "Korean wave" of pop culture, but economically as well. The ROK's shift from an almost exclusive focus on its "frontyard" neighbors in Northeast Asia has important consequences not only for the region but for the success of the US "pivot" toward East Asia. Washington's renewed interest in the broader Asia-Pacific region and expansion of cooperation beyond its traditional treaty allies can be greatly enhanced through commensurate and robust engagement by reliable partners such as the ROK, which shares not just interests but global values.

While South Korea has had economic interests in Southeast Asia for decades – the ROK officially launched dialogue with ASEAN in 1989 – peninsular interests always took precedence, followed by those in Northeast Asia, then the broader region, and finally at the global level. In part, the prioritization of local affairs was a functional necessity given Korea's existential reality of being geographically situated at the intersection of Northeast Asia's three largest powers: China, Japan, and Russia. As the "shrimp-among-whales," tiny Korea historically had little means or ability to maneuver an independently consequential foreign influence beyond its own neighborhood. Today, the ROK has the capabilities to promote its interests and implement them at a regional and global level.

Lee Myung-bak began his presidency in February 2008 with a grandiose vision for a "Global Korea." Although reminiscent of Kim Young Sam's 1993 *segyehwa* or "globalization" strategy, Global Korea has the chance for success because the requisite capabilities, infrastructure, and political capacity to implement the strategy exist, unlike two decades earlier. Relatively confident in having secured stable relations with his closest neighbors – China and Japan – early in his first year, Lee expanded South Korea's diplomatic horizons to the broader Asia region in 2009, enlarging the scope of cooperation from an economic focus to one that included security issues, cultural exchanges, and energy and environmental development. Announced during a presidential

tour of Southeast Asia in March 2009, the "New Asia Initiative" (NAI) aimed to "enhance substantial cooperation with all the countries of Asia, and ASEAN in particular." These include tripling 2009's \$862 million ODA budget by 2015, and launching the "Low Carbon, Green Growth" strategy with half of its \$200 million budget pledged to the "East Asia Climate Partnership" with ASEAN.

At the core of the NAI is South Korea's belief that it can play a "bridging" role between large and small powers, as well as between the developed and developing economies. The global financial crisis in late 2008 boosted South Korea's credibility as an effective bridge for Southeast Asia by elevating the G20 into the primary forum to address global priorities, and Seoul playing host to the Leaders' Summit in November 2010. Seoul also initiated actions that further cemented the ROK as a globally responsible and active actor in the international arena: it initiated a rapid and significant response to the earthquake in Haiti (January 2010); joined the Proliferation Security Initiative (PSI); sent ships to join in multinational efforts to battle pirates in the Gulf of Aden; and expanded its contributions to peacekeeping operations (PKO). International attention turned to Seoul again in late March when it hosted world leaders for the Nuclear Security Summit.

South Korea's new-found international confidence is built on its decades-long development experience that while unique in some ways, can provide lessons for many underdeveloped economies in Asia. Such a role is more plausible for South Korea than for China or Japan, whose occasional overbearing attitudes have often tainted political goodwill in the region. Indeed, as a small power that often fell victim to the exigencies of great power rivalries, Korea's historical experiences have great resonance with many countries in Southeast Asia who have similarly been dominated culturally, politically, and economically by the Chinese and Japanese empires. South Korea is also uniquely positioned to play the "honest broker" in the region as the only truly "middle power," and one without any territorial and historical disputes in the region, unlike China and Japan. An increasingly assertive China has driven smaller countries in the region to greater cooperation under the auspices of ASEAN, and moved them closer not only to the United States, but to South Korea, Japan, and Australia. But because many Southeast Asian countries' have an uneasy history of colonialism under Japan and the West, South Korea carries less historical baggage.

Notably, the ROK also serves as a unique role model not only for its economic accomplishments but its political shift from authoritarian rule to a vibrant democracy. This development lesson offers a stark contrast to China's singularly economic focused success. Under the auspices of the NAI, the ROK government has established several organizations and programs designed to draw Southeast Asian

bureaucrats and technocrats to Seoul to study Korea's developmental achievements more closely.

The success of the NAI is reflected in the tremendous growth in economic ties between the ROK and Southeast Asia: since the start of the official relationship with ASEAN in 1989, bilateral trade increased 11 fold from \$8.2 billion to \$90.2 billion. ASEAN is now the ROK's third largest trading partner (after China and the EU) and second largest investment destination (after the United States), with South Korean investments in ASEAN growing from \$500 million to \$3.6 billion by 2009. In 2012, that number will grow substantially larger with the announcement of several large deals, including Posco's \$6 billion plant in Indonesia.

South Korea has come a long way since it signed a bilateral security treaty with the United States in 1954, which for many decades was the single most important foreign policy relationship for the ROK. Today, South Korea is recognized not only for its remarkable economic and political development, but as a solid middle-power in East Asia. While South Korea's continued reliance on the United States for its primary security needs reinforces a certain dependence on the superpower, the ROK has cultivated a remarkable level of independent engagement in its own sub-region of Northeast Asia, the broader East Asia region, and the world. Given the future-oriented blueprint of the "Joint Vision for the U.S.-ROK Alliance" to develop the bilateral relationship into one capable of addressing global issues, the increased capacity of the ROK to play a more positive and influential role beyond the peninsula reinforces renewed US focus in Asia.

*PacNet commentaries and responses represent the views of the respective authors. Alternative viewpoints are always welcomed.*