

The ASEAN-ROK 25th Anniversary Commemorative Summit: Past Achievements & Vision for the Future

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Among the established Dialogue Partners of ASEAN, ASEAN relations with the Republic of Korea (ROK) are generally considered by ASEAN to be the most practical and effective. Former ASEAN General Secretary Rodolfo Severino stated in his published book in 2006 that, “Among ASEAN’s Dialogue Partners, I found the ROK one of the easiest to deal with in terms of development cooperation..., focus on small practical projects, not too many arguments, and expeditious processing.” ASEAN scholars have observed that the ROK does not usually promise much but that they usually deliver on what they promised. Statistics show that ASEAN ROK economic relations have been fast developing. After 25 years, trade value has increased 13 times ASEAN has become ROK’s second largest trading partner (just behind China) and the ROK is now also ASEAN’s 5th largest customer. In the past 10 years, FDI from ROK to ASEAN expanded sevenfold and represents 15.8% of the total amount of incoming FDI into ASEAN countries. In several ASEAN member countries (including Vietnam) the ROK is the largest investor. Labours from ASEAN represent 65% of the number of migrant labours (around 150,000) in the ROK. ASEAN countries are a preferred tourist destination for 1 in 3 Korean tourists.

At the 25th anniversary of the relationship, it would therefore be useful to review the driving forces behind such strong development of the relationship during the past 25 years. First, it was a mutual interest in economic cooperation. In 1989, when ASEAN invited Seoul to become its first ever “Sectoral Dialogue Partner”, the ROK’s economy was witnessing robust growth with an annual GDP growth rate of almost 10% in several consecutive years. The expansive and booming ROK economy required raw materials, labourers, and market access from ASEAN countries. ASEAN wanted

to diversify its foreign relations after 20 years of maintaining a formal Dialogue Partnership with first world developed countries (the US, Japan, Australia, Canada, EU and New Zealand) for development cooperation. The ROK became the first developing country that ASEAN established relations with and opened the second wave of Dialogue Partnership establishment with ASEAN those followed with agreements with Russia, India and China. Second, in terms of geopolitics, ASEAN and ROK are both geographically sandwiched within the major powers that require an outward approach to partnerships. The ROK needed to compete with a more technologically advanced Japan, without being undercut by low cost China manufacturers. Southeast Asia is an ideological intersect for the influence of major powers that requires it to transcend geopolitical boundaries. Third, over the past 25 years, ASEAN and the ROK both enjoyed a relatively peaceful and stable environment for economic development. There were no historical disputes or major conflict of interests between the two sides that could interfere with the establishment of a relationship based on trust. The ROK had a relatively low profile approach to trade and investment with no “other attachment” to sensitive political and security issues that could suspicion among ASEAN governments and allowed the ROK to quietly establish itself in several ASEAN members. Fourth, the 1997 Financial Crisis in East Asia further pushed ROK and ASEAN relations closer into a new framework of East Asia cooperation. Both sides were driving forces behind the establishment of the ASEAN+3 mechanism, which is one of the foundations for today’s increasingly complex East Asia Cooperation framework. Lastly, China’s sharp economic rise after acceding to the WTO in 2011 also motivated ASEAN and the ROK to strengthen cooperation in order to benefit from China’s huge market (now integrated to the global economy) as well as to better compete with the new economic giant.

The questions for the next 25 years are: will the factors that contributed to achievements continue to exist and support ASEAN ROK ties? What will be the new factors influencing the relationship? How should both sides adjust their policies to better adapt to a changing environment and further promote cooperation?

One noticeable feature of the next 25 years is that the region will be very different in terms of geo-politics and geo-economics that will new challenges as well as opportunities for ASEAN ROK relations. The relatively peaceful and stable environment that both sides enjoyed over the past 25 years could no longer be taken for granted due to new developments in the relationship of major powers in the region and the heightening tension in regional hot spots. The security environment of Southeast and Northeast Asia will be increasingly linked and heavily influenced by Sino US & Sino Japan relations, by common issues like freedom of navigation and increasing demand for natural resources. Meanwhile, ASEAN attractiveness as an economic block will increase in the next decade due to a booming middle class and the corresponding demand, a golden demography, and a more

integrated and inter-connected ASEAN. The ROK is also transforming itself into an advanced economy that has surpassed Japan in certain fields however, it will be partially held back by an aging demographic trend seen in all North East Asian countries. These future regional settings the right conditions for tighter ASEAN ROK economic cooperation in the next 25 years. Not to be overlooked is the expanding and deepening social ties between ROK and ASEAN. Citizens of the ROK and ASEAN will play increasingly important parts in ASEAN and ROK societies over the next 20 years to further relationships that will become an important force in contributing to the relations.

There are new dynamics and opportunities for further ties between ASEAN and the ROK for the next 25 years. The established political trust between the two sides should be consolidated and strengthened by constructing a collaborative vision for the region that supports commonly accepted norms and principles in the region. ASEAN and the ROK are middle powers, which are neither strong enough to change the rules in favour of their interests, but are neither weak enough to just accept any rules imposed upon them. Consolidating and enforcing the rules based regional order should be the ASEAN-ROK common vision and prime principle for the future. Considering trade, qualitative development should be considered just as important as quantitative expansion. ASEAN-ROK should promote two way trade and investment as well as allow for a greater emphasis on sustainable development, balanced trade and economic model transformation for long-term growth and development. In social cultural aspects, ASEAN and ROK should invest even more on people-to-people ties, capitalise on expanding social networks and linkages to turn the cooperative relationship into biotic mutual dependence, because a solid and strong social bond will be the most important foundation to guarantee the future strength of ASEAN ROK relations.

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