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DISCUSSION PAPER

POST-PRESIDENTIAL VISIT

A Korean Perspective on the Political Nurturing of the India–Korea Economic Partnership

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Opening Remarks

Dr. Ashok Vishandass[1]

India and Korea were at broadly comparable levels of development until the 1960s, but subsequently followed very different development trajectories — a divergence that leaves each side with distinct experiences and capabilities from which the other has much to learn.

The changing global strategic environment, including China's growing assertiveness and increasing unilateral tendencies in the international system, makes it increasingly important for India and Korea to strengthen their relationship and explore areas of cooperation that remain underdeveloped.

The presence of the "three Korean tigers" in India — LG, Hyundai and Samsung — illustrates the impact Korean companies have already had in the Indian market. Their products and brands have become an integral part of Indian households, demonstrating the depth of their commercial presence. However, the existing relationship has considerable untapped potential, particularly in joint ventures, investment, technology cooperation and deeper industrial partnerships.

A key challenge is the perception gap regarding India's business environment. Concerns about the difficulty of doing business in India may reflect conditions that existed several decades ago but do not fully capture the significant economic and regulatory changes India has undergone. India has moved substantially from a command-and-control economic system towards a more open and market-oriented environment.

However, there can be a time lag between policy changes and their implementation across the wider system, and perceptions often take longer to change than policies themselves. Such perceptions need to be recalibrated on the basis of present-day reality rather than assumptions that are outdated, hypothetical or driven more by sentiment than by evidence.

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Post-Presidential Visit: A Korean Perspective on the Political Nurturing of the India–Korea Economic Partnership

Prof. Wongi Choe[2]

Abstract

The state visit of President Lee Jae Myung to New Delhi in April 2026 has injected much-needed political momentum into the India–Republic of Korea partnership. The summit produced a Joint Strategic Vision for the period 2026–2030, a comprehensive framework on shipbuilding, shipping and maritime logistics, and joint statements on energy resource security and on sustainability. This paper argues that the summit should be understood as the beginning of a process rather than as an outcome, and that converting agreements into credible commitments will require a longer strategic horizon and deeper strategic trust than the relationship has so far sustained. The paper traces the formation of Korea's regional outlook through the conventional geopolitical image of "a shrimp sandwiched between whales," a peninsula-centred strategic horizon, the "strategic myopia" that follows from it, and the long-standing formula of "security with the United States and economy with China." China's informal economic coercion in 2017 is identified as Korea's "Galwan moment" and as the catalyst for the economic diversification drive that produced the New Southern Policy of the Moon Jae-in administration (2017-22). Three lines of Korean thinking about India are distinguished: India as a market and trading partner, India as a leading country of the Global South, and India as a reliable partner with deep strategic convergence. Applying transaction cost theory, the paper attributes the gap between economic complementarities and lack of commensurate outcomes to political transaction costs arising from a lack of mutual awareness, a dearth of sustained attention, wide expectation gaps and short-term transactional approaches. The resulting condition is described as the "benign neglect of strategic potential."

[2] Wongi Choe is Professor of Indo-Pacific Studies at the Korea National Diplomatic Academy, Seoul. The views expressed are personal and do not represent the position of the Korea National Diplomatic Academy, the Ministry of Foreign Affairs or the Government of the Republic of Korea.

1. Introduction

India and the Republic of Korea are frequently described as natural partners, yet the economic and strategic potential of the relationship remains substantially unrealised. The April 2026 state visit of President Lee Jae Myung to New Delhi injected renewed political momentum into bilateral ties and created an opportunity to reassess both the achievements and the persistent constraints in the partnership. The central question is how the two countries can convert political goodwill, economic complementarities and converging strategic interests into credible and sustained cooperation.

This paper approaches that question from a Korean perspective. It examines the evolution of Korea's regional outlook, the turning point created by China's economic coercion in 2017, and the subsequent drive for economic and diplomatic diversification. It then distinguishes three strands in Korean thinking about India and applies transaction cost theory to explain why strong complementarities have not produced commensurate outcomes. The analysis is presented in the speaker's personal capacity, as recorded in the footnote to this paper.

The paper is organised as follows. Section 2 reviews the key deliverables of the Lee–Modi summit. Sections 3 and 4 trace the evolution of Korea's regional outlook and the turning point of 2017. Section 5 examines Korean perspectives on India, Section 6 analyses the principal challenges in the bilateral partnership, and Section 7 sets out the implications and ways forward before the conclusion.

2. The Lee–Modi Summit and Key Deliverables

President Lee Jae Myung visited New Delhi from 19 to 21 April 2026.[3] At the summit, President Lee stated that he had agreed to deepen cooperation across key strategic sectors — shipbuilding, finance, artificial intelligence and defence — and that Korea would remain a reliable and enduring partner for India. Prime Minister Modi, for his part, stated that from chips to ships, from talent to technology, and from environment to energy, Korea stands as an important partner in India's vision of Viksit Bharat.[4]

From India's perspective, shipbuilding is particularly important, and the two countries reached a landmark agreement establishing a comprehensive framework for cooperation in this sector. The two leaders also agreed to deepen defence cooperation, which has been attempted several times in the past; the two countries have now agreed to start afresh.

2.1 Key outcomes and deliverables

Four documents deserve particular attention. The first is the Joint Strategic Vision covering the period from 2026 to 2030, which is in effect an action plan spanning strategic issues, economic security, defence, shipbuilding and people-to-people relations. The second is the Framework on

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[3] Editor's note: the State Visit ran from 19 to 21 April 2026, the earliest visit to India by a Korean President after assuming office, and the two leaders held their bilateral meeting on 20 April 2026 (Prime Minister's Office, Government of India 2026).

[4] Editor's note: the formulation recorded in the official statement is 'from chips to ships, from talent to technology, from entertainment to energy'. The same statement announced a bilateral trade target of US$50 billion by 2030 (Prime Minister's Office, Government of India 2026).

Shipbuilding, Shipping and Maritime Logistics, known as VOYAGES. The third is the Joint Statement on Energy Resource Security, and the fourth is the Joint Statement on Cooperation in the Field of Sustainability.

2.2 Assessment of the summit

From the Korean perspective, many leaders and members of the academic and policy communities viewed the summit as having injected much-needed political momentum into bilateral relations, and some described it as a game-changer for a future-oriented partnership. The Indian policy expert C Raja Mohan has described it as the most consequential bilateral summit since 1973, the year in which India and the Republic of Korea established diplomatic relations.

The last state visit by a South Korean president to New Delhi was in 2018, when President Moon visited India.[5] Although the two countries produced an extensive document at that time, many of the commitments stayed only in papers and were not fully implemented. This created an implementation gap and contributed to a period of stagnation in bilateral engagement.

The summit should nonetheless be seen as the beginning of a process rather than an endpoint. Translating the numerous promises, agreements and commitments into substantive outcomes will require a long-term strategic horizon and deeper strategic trust between the two countries.

3. The Evolution of Korea's Regional Outlook

3.1 A shrimp sandwiched between whales

Image 1: Geopolitical Position of Korea

Source: Presentation by the speaker; reproduced with permission

[5] In fact, former President Yoon Suk Yeol visited New Delhi on the occasion of G-20 Summit in September 2023 and had a meeting with Prime Minister Modi, but it was a working visit, not a state visit.

Koreans' conventional geopolitical outlook has been captured in the image of a shrimp sandwiched between whales (Image 1). The Republic of Korea is surrounded by larger powers, including China and Japan and, in the broader strategic context, Russia and the United States. More recently the metaphor has shifted towards that of a dolphin, reflecting Korea's greater economic and strategic weight, but the older image continues to shape Koreans' strategic instincts.

3.2 The peninsula-centred outlook

Since the Korean War, Korean diplomatic practice has been preoccupied with security threats from North Korea. Korea has cared principally about the four major powers that exercise dominant influence on the Korean Peninsula, and the strategic horizon has been confined largely to the Peninsula itself. Regional security issues beyond the Peninsula have attracted indifference, and with that indifference has come a limited sense of responsibility for regional peace and stability. The consequence is a growing misalignment between Korea's actual interests and a strategic horizon that remains peninsula-centred.

The origins of that outlook are historical. After the armistice of 1953, South Korea stood at the forefront of the confrontation between the free world on one side and North Korea and communist China on the other. Under President Park Chung-hee, particularly during the 1960s and 1970s, South Korea functioned as a security-oriented state, and the Heavy and Chemical Industrialisation (HCI) strategy initiated in the 1970s was primarily motivated by security considerations: during much of the Cold War era, North Korea had far greater military strength than South Korea and received significant support from China and the Soviet Union. The security imperative to build a stronger military compelled South Korea to prioritize the development of steel and heavy industry.

3.3 "Strategic myopia"

The resulting condition may be described as "strategic myopia." Observers of Korean policy have made the point in various ways: that Korean foreign and defence policy is narrow in focus and neglects the country's capacity for shaping regional order; that Koreans have tended to view security partners through an economic prism, with less developed thinking on wider strategic interests; and that Korea has felt it imperative to be seen to balance between China and the United States.[6]

3.4 Political polarisation and the partisan divide

Korean foreign policy is also shaped by domestic political polarisation. The country has a single five-year presidential term with no possibility of re-election, and progressive and conservative governments alternate. Because presidents have only five years in office, each administration seeks to leave a distinct mark on foreign policy, which produces frequent changes in foreign-policy branding even where substantive continuity is considerable. Table 1 sets out that alternation and the corresponding milestones in relations with India.

[6] The observations are those of Hayley Channer, Peter Lee and Bill Paterson respectively, as cited in the presentation.

Table 1: Korean Presidencies, Foreign-policy Priorities and Relations with India

President and period	Orientation	Foreign-policy priorities	Milestone in relations with India
Roh Moo-hyun 2003–2008	Progressive	Engage the DPRK; strategic autonomy from the United States	Long-Term Partnership (2004)
Lee Myung-bak 2008–2013	Conservative	Alliance with the United States; deterrence of the DPRK	Strategic Partnership (2010)
Park Geun-hye 2013–2017 (impeached)	Conservative	Balance between the United States and China; deterrence of the DPRK	Special Strategic Partnership (2015)
Moon Jae-in 2017–2022	Progressive	Equidistance between the United States and China; engaging the DPRK	New Southern Policy (2017), with India as the key partner
Yoon Suk-yeol 2022–2025 (impeached)	Conservative	Alliance with the United States; deterrence of the DPRK	Indo-Pacific Strategy (2022)
Lee Jae-myung June 2025 to present	Progressive	Balance between the United States and China; peaceful co-existence with the DPRK	Lee–Modi 2030 Joint Vision (2026)

Source: Presentation by the speaker; reproduced with permission.

The centre-left is largely nationalist, gives priority to reconciliation with North Korea, seeks strategic autonomy from the United States, remains critical of Japan on historical questions and is comparatively sympathetic towards China. The centre-right is largely internationalist, gives priority to the alliance with the United States, emphasises shared interests and values with Japan while not forgetting the past, and is vigilant towards China with an emphasis on reciprocity. It is important to note, however, that despite this polarisation there is a strong bipartisan consensus in Korea on the importance of India.

3.5 Security with the United States, economy with China

Korea's conventional stance towards China since the normalisation of relations in 1992 has been captured in a four-character formula: "security with the United States and economy with China." The intention was to maintain the security alliance with Washington while continuing to benefit from economic relations with Beijing. As President Lee observed in Washington in August 2025, Korea relied for its security on the United States and for its economic cooperation on China;

as US–China competition has intensified and supply chains have been readjusted, it is no longer possible to maintain that kind of logic.

4. The 2017 Turning Point and Economic Diversification

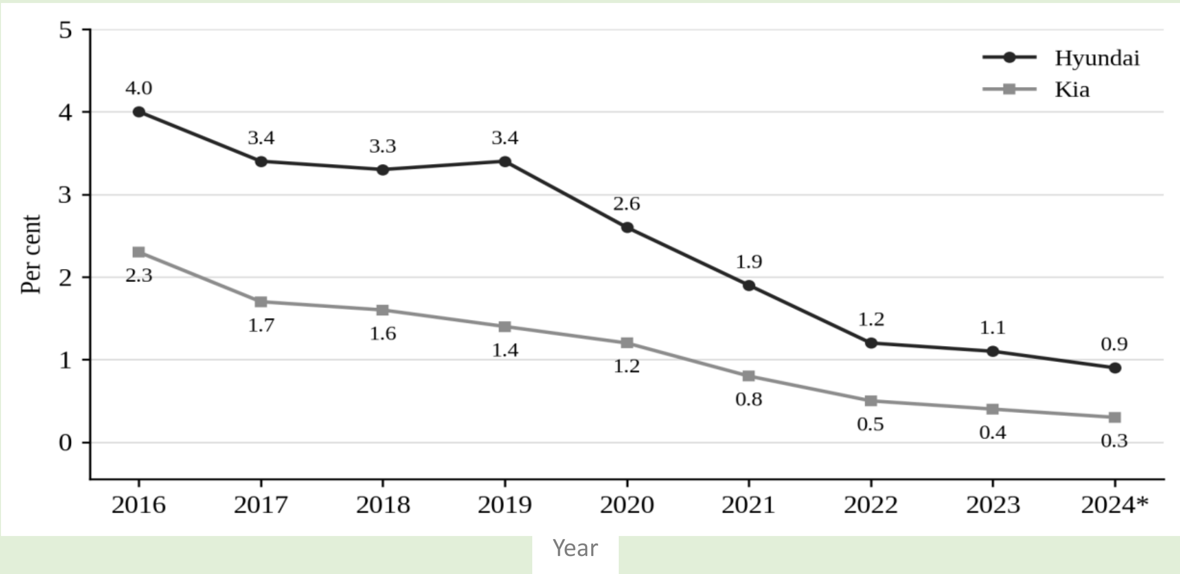
The turning point for a new regional approach came with China's economic coercion in retaliation for the deployment of the THAAD missile-defence system in 2017. This was, in effect, Korea's "Galwan moment," and it became the catalyst for the economic diversification drive and for President Moon's New Southern Policy of the same year.

4.1 Korean companies in China

The experience of Korean firms illustrates the point. Hyundai and Kia together had once operated five factories in China and enjoyed a substantial market presence; around fifteen years ago most of the taxi cabs on the streets in Beijing were Hyundai cars, but Hyundai taxi cabs have completely vanished afterwards. Their combined market share has since fallen to close to 1 per cent, as Figure 1 shows.

Figure 1: Market Shares of Hyundai and Kia in China

Per cent of the Chinese passenger vehicle market

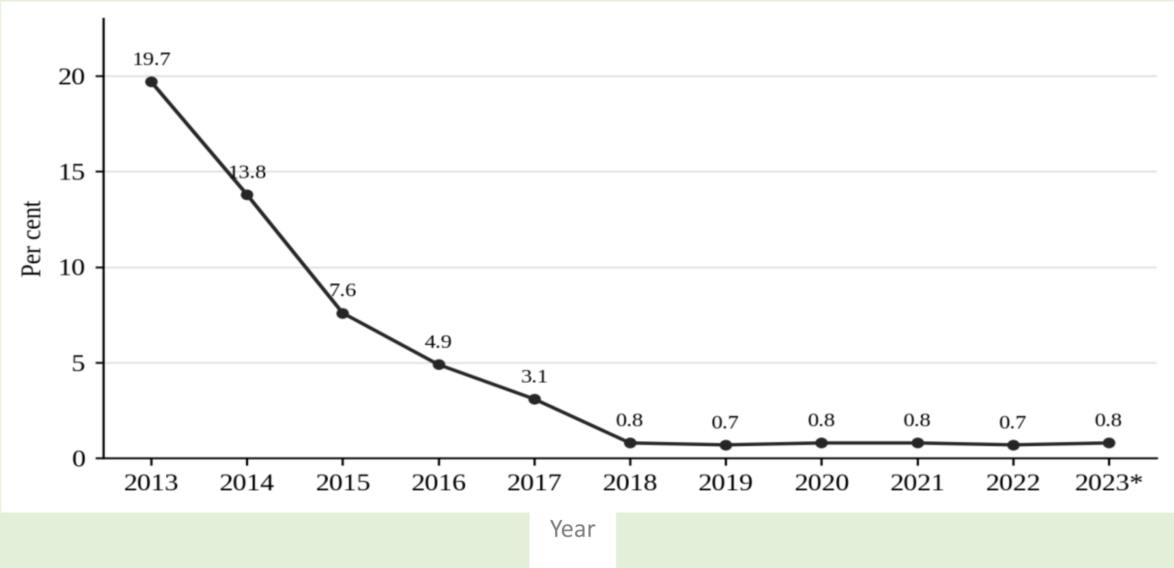


Source: Presentation by the speaker; reproduced with permission.

The position of Samsung in the Chinese smartphone market followed a similar course. Having held close to 20 per cent of that market in 2013, the company's share fell below 1 per cent by 2018 and has remained near that level since, as Figure 2 shows.

Figure 2: Samsung's Share of the Chinese Smartphone Market

Per cent of units shipped



Source: Presentation by the speaker; reproduced with permission.

These developments contributed to Korean companies looking towards other markets, including Vietnam and India, and formed part of the broader context behind Korea's economic diversification drive.

4.2 The New Southern Policy and Korea's regional initiatives

The New Southern Policy of 2017 was Korea's first-ever major regional strategy. It contributed to expanding Seoul's regional outlook towards Southeast Asia and India, but it focused mostly on economic cooperation and people-to-people exchanges and avoided sensitive security issues such as the South China Sea and Taiwan. It rested on an approach of "balanced diplomacy," maintaining equidistance between Beijing and Washington and staying away from the Indo-Pacific strategy of the United States.[7] Table 2 places the New Southern Policy alongside the regional initiatives of the preceding and succeeding administrations.

[7] Wongi Choe, "South Korea's New Southern Policy: The Limits of Indo-Pacific Geopolitics"in Peng Er, Lam. ed., *South Korea's New Southern Policy: A Middle Power's International Relations with Southeast Asia and India*, Routledge (2023), pp. 19-41.

Table 2: Korea's Regional Outlook and Initiatives, 2013–2025

Presidency and period	Regional outlook	Regional initiative	Priority and key elements
Park Geun-hye 2013–2017 (Conservative)	Northeast Asia	Northeast Asia Peace and Cooperation Initiative (NAPCI)	Trust-building in Northeast Asia. Balance between Beijing and Washington; a multilateral mechanism for Northeast Asia, isolating North Korea; soft security cooperation such as nuclear safety, disaster relief and public health
Moon Jae-in 2017–2022 (Progressive)	ASEAN and India	New Southern Policy (NSP)	Economic diversification. Balance between Beijing and Washington; focus on economic and functional cooperation; regional security issues avoided
Yoon Suk-yeol 2022–2025 (Conservative)	Indo-Pacific	Indo-Pacific Strategy	Commitment to a rules-based order. Ties with like-minded countries; trilateral cooperation with Japan and the United States; priority on regional security engagement, especially the South China Sea

Source: Presentation by the speaker; reproduced with permission.

5. Korean Perspectives on India

5.1 Overall perception

Korea's overall perception of India is very positive and benign, and the two countries are frequently described as natural partners. The relationship rests on rich historical, cultural and people-to-people ties without historical baggage; on India's invaluable contributions during the Korean War; on shared political values as two vibrant and resilient democracies; on the absence of outstanding conflicts on the bilateral front; on strong economic complementarities with considerable potential; and on a largely congruent strategic outlook regarding the desirable security architecture and regional order in the Indo-Pacific. As a result, South Korea has a strong bipartisan consensus on India in spite of the political polarization.

Historical and cultural connections reinforce the positive foundation of the relationship. India and Korea are linked through Princess Suriratna from Ayodhya in India, who is recorded in ancient Korean historical records to have travelled to the Korean Peninsula more than two thousand years ago, married to King Kim Suro and became Queen "Heo Hwang-ok" of Gaya Kingdom.She became the founding ancestor of the Kim family from Ghimhae in Korea and millions of modern Koreans, Kim family, trace their lineage to her. The tomb of King Kim Suro and Queen Heo

Hwang-ok remains well preserved in Ghimhae, and every new Indian Ambassador to Korea, once he or she arrives in Korea, travels to Ghimhae in order to pay homage to the King and Queen. The influence of Buddhism provides a further connection, and temple-stay programmes at Korean Buddhist temples have become popular among visitors. India's role during the Korean War went well beyond the dispatch of a medical team: India served as chair of the Neutral Nations Repatriation Commission, managed the prisoner-of-war issue and played an important part in facilitating efforts in the ceasefire negotiations between the parties to the conflict. Table 3 sets out the principal milestones of the relationship.

Table 3: Milestones and High-level Visits in India–Korea Relations, 1973–2026

Year	Event	Status of the relationship
1973	Diplomatic relations established	
1993	Visit by Prime Minister Rao	
1996	Visit by President Kim Young-sam	
2004	Visit by President Roh Moo-hyun; FTA study group	Long-Term Partnership
2006	Visit by President Kalam	
2010	President Lee Myung-bak, Chief Guest at Republic Day	Strategic Partnership
2011	Visit by President Patil	
2012	Visit by Prime Minister Singh	
2014	Visit by President Park Geun-hye	
2015	State visit by Prime Minister Modi to Seoul	Special Strategic Partnership
2018	Visit by President Moon Jae-in	
2019	Visit by Prime Minister Modi	
2026	State visit by President Lee Jae Myung, 19–21 April; first ROK state visit in eight years	Joint Vision 2030; 25 outcomes

Source: compiled from the timeline presented by the speaker, drawn from Torunika Roy, India + Korea: A Production Partnership. President Lee Jae Myung's State Visit to India, New Delhi: Council for Strategic and Defense Research, June 2026, p 5

5.2 India as a market and trading partner

Under the domestic consensus on India, there are three strands of Korean perspectives on India, which are not mutually exclusive but prioritize substantively distinctive elements of Korea-India bilateral ties. The first line of thinking, and Seoul's most dominant view, treats India as a market and trading partner, and consequently as the main target of the economic diversification drive. For example, the domestic narrative based on this economic perspective describes India as a potentially lucrative market for expanding Korea's "economic territory.", and it explains why Seoul has always prioritised commercial ties with India. Trade and investment are, however, precisely the areas in which Indian demands and expectations are strongest. They are also the most important foundational bases of the partnership. President Lee's remark in New Delhi that "India is no longer merely a consumer market but a key country driving global production and supply chains" illustrates Seoul's commercially oriented approach vis-à-vis India.

5.3 India as a leading Global South country

The second line of thinking, one of Seoul's mainstream views, treats India as a subject of the diplomatic diversification drive and as a leading country of the Global South. The diplomatic rhetoric that 'Korea intends to elevate its relationship with India to a level on a par with the four major powers,' which was most frequently used by President Moon Jae-in when he embarked on New Southern Policy in 2017, is a case in point. Korea's India policy is, on this view, part of a broader approach towards the Global South, in which India is regarded as capable of providing additional diplomatic space. This perspective values India for instrumental diplomatic reasons rather than out of intrinsic strategic conviction.

5.4 India as a reliable partner with deep strategic convergence

The third line of thinking rests on the strategic judgement that the rise of India aligns with Korea's own strategic interests. It supports India's quest for a multipolar Asia as against a unipolar Asia or an exclusive sphere of influence by a particular country; it hopes that India may become Korea's strategic anchor in the coming years, much as the United States became Korea's sole strategic option after the Korean War; and it expects India to play a pivotal role in reshaping the strategic imbalance in Asia towards building a favourable balance of power in the Indo-Pacific. It actively supports India's vision of Viksit Bharat 2047 and prioritises strategic investment in India with a long-term outlook. This third perspective, however, is not yet a mainstream view in Korea.

6. Challenges in the Bilateral Partnership

The constraints in the bilateral partnership are better understood as challenges rather than obstacles. The central question is why strong complementarities have not resulted in the expected level of success in bilateral engagement to date. Transaction cost theory, which was developed to explain instances of market failure, groups the costs of transacting into search and information costs arising from information asymmetry, bargaining and coordination costs, and enforcement costs. Between India and Korea, the major sources of political transaction costs are a lack of mutual awareness, a dearth of sustained attention, wide expectation gaps, and short-term transactional approaches pursued without a long-term strategic horizon.

6.1 A dearth of sustained attention

Exchanges at the leaders' level have been sporadic. Prime Minister Modi's most recent visit to Korea was in 2019, and, as Figure 3 shows, state visits in either direction have been infrequent. Ministerial exchange has been similarly thin: the visit of the External Affairs Minister to Seoul on 24 June 2026 followed a visit in March 2024, which was itself the first by a sitting Indian External Affairs Minister in nine years.[8] There is also a lack of track 1.5 and track 2.0 bilateral forums and dialogues. The consequence is a very low level of communication and exchange between the strategic communities of the two countries.

6.2 Expectation gaps

The second source of transaction costs is a gap in expectations, summarised in Table 4. Korean expectations and Indian expectations are each internally coherent, but they are quite often at odds with each other. As a result, Indian demands and expectations are not aligned well with the preferences of Korean private firms.

Table 4: Expectation Gaps in the Bilateral Economic Relationship

Korean expectations	**Indian expectations**
Views India predominantly as a vast and fast-growing export market	Views Korea as an instrumentally useful source of advanced technology and of long-term investment in key sectors
Looks for quick profits and commercial gains	Expects ready technology transfer and foreign direct investment in line with Indian standards and requirements

Source: Presentation by the speaker; reproduced with permission.

6.3 Benign neglect of strategic potential

The outcome of these costs may be described as the "benign neglect of strategic potential." On the Korean side, there is a myopic view of India and a short-term transactional approach; on the Indian side, there is an instrumental, wait-and-see approach towards Korea. In the past, splendid diplomatic and cosmetic narratives have abounded, while substantive progress has often lagged. The result is frequent "market failure" in the India–Korea partnership.

7. Implications and Ways Forward

7.1 Implications

Four implications follow for Indian policy. The first is the need to give due consideration to the quest of Korean private firms for commercial viability, and to their profit motivations. The

[8] Note: the External Affairs Minister of India visited the Republic of Korea on 5–6 March 2024 (Embassy of India, Seoul 2024) and again on 24–25 June 2026.

second is the need to give due consideration to the concerns of Korean counterparts about intellectual property rights in technology and about their proprietary skills, know-how and expertise. The third is the need to give due consideration to the assessment made by Korean private firms of the investment climate in India. The fourth is the need to understand the strategic culture of Korea's economic growth and industrialisation, and in particular the experience of export-oriented industrialisation, which continues to shape how Korean firms behave abroad.

7.2 Ways forward

Five directions may be suggested. Strong leader-level political guidance should be maintained, so that agreements are transformed into credible commitments. Sustained attention should be given to Korean counterparts at various levels of leadership. Gaps in mutual expectations should be carefully managed and minimised. Both sides should strive to forge strategic trust with a view to moving towards a partnership beyond trade. Greater communication and exchange between the strategic communities of the two countries are also needed in order to increase mutual awareness.

8. Conclusion

A practical conclusion follows from this analysis: India should continue to make offers that Seoul "cannot refuse" — offers capable of reconciling Korean commercial incentives with India's expectations for investment, technology and strategic cooperation. Sustained political attention, realistic expectations and deeper strategic trust will be essential if the renewed momentum after the 2026 summit is to produce durable outcomes

Discussion

Prof. Jitendra Uttam[9]

Professor Choe has taken all of us through a very important journey concerning Korea–India relations and the kind of expectations and realities that we are confronting. He traced the formation of Korea's peninsula-centred strategic horizon based on the conventional geopolitical image of a shrimp sandwiched between whales, which gave rise to the long-standing formula of security with the United States and economy with China. Prof Choe added that China's informal economic coercion in 2017, in response to the deployment of THAAD (Terminal High Altitude Area Defence) in Korea, acted as the catalyst for the economic diversification drive that produced a paradigm shift from dependent to autonomous foreign policy instances. Korea's desire to be autonomous got expression in the 'New Southern Policy' specifically focused ASEAN and India. Korea's Southern push provided renewed focus on India culminating in high-level exchanges between the top leadership, complemented by institutional and individual interactions.

Besides overall excellent government to government interaction, Prof Choe has pointed towards the lack of mutual awareness, a dearth of sustained attention, wide expectation gaps and short-term transactional approaches as the stumbling block to realize the full potential of bilateral ties. These smaller instances of benign neglect have impacted the way Koreans perceive India. The main point Prof Choe has made concerns the way in which Koreans perceive India, and that perception originates in Korea's own experiences. In the 1950s, Korea and India stood at almost the same level of development. But, beginning with the 1960s, Korea became a success story of an export-oriented economy, and everything in Korea changed very rapidly. On the other hand, the pace of changes in India has always been gradual or incremental.

When I was a doctoral candidate at Seoul National University back in the 1990s, I came across books about India written in the 1940s, the 1950s and the 1960s. They described India as a great economic power that was emerging, with descriptions like an elephant coming and of India's untapped economic potential. But what then happened to India? During the 1960s, the 1970s and most of the 1980s, the Indian economy grew close to its population growth rate of 3 per cent, earning the term 'Hindu Growth Rate'. Such a long, lacklustre developmental performance ended with the arrival of a balance of payments crisis in the late-1980s and the subsequent rescue efforts by the IMF, leading to the structural reordering of the nation's economy in 1991. Post-economic reforms, India has been moving with respectable economic growth and in that upward movement, India's position and priorities have changed. Now, we speak of 'Atmanirbhar Bharat', of creating our own manufacturing capabilities and of developing domestic industries, and we are therefore also trying to reset the terms of our engagement with Korea.

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During the post-war decades, Korea's experiment with mass-production and export-orientation produced what many prefer to call the 'Miracle on Han River'. The birth of an economically developed, politically democratic, and socially assertive Korea led to changes in the country's aspirations and even identity. This prompted Korea's pursuit of greater autonomy and diversification. Korea's 'New Southern Policy' sought to move away from excessive dependence on the major powers and to diversify its economic relationships to other parts of the world.

At the dawn of 21st Century, we can see that India and Korea have emerged on the world stage with differing identities and aspirations: Korea became an integral part of developed Asia, and India remained associated with developing Asia, having poverty and underdevelopment as its hallmark. It is true that Korea has moved upwards, but India also consolidated its democracy and achieved respectable economic growth. Now both countries have to understand that they are no longer the nations of the past. They are very different countries with strikingly altered aspirations today. This rise in the aspirations level has led to certain gaps in the perception between Asia's two prominent economies. The challenge now is how to bridge the understanding gap that has emerged due to contrasting developmental experiences.

Changing public perceptions

A profound developmental contrast, expressed through the ground reality of 'developed Korea' vs 'developing India', has impacted public mood. Today there is a developed Asia on one side and a less-developed Asia on the other, and India remains part of a South Asia that is still relatively underdeveloped. These fundamental changes have given rise to certain complexities in each other's understanding. I visited Korea last summer and found that many ordinary Korean people did not appear to hold a particularly favourable perception of India. I do not know from where such a perception comes — perhaps from social media or from other forms of individual experiences — but it is important to understand how popular public perception views each other. At the government-to-government or official level, we may see a positive perception, but at the people-to-people level, we sense differences emerging. These differences matter in promoting bilateral ties. We need to research and carefully understand how and why ordinary Koreans increasingly perceive India in a negative light.

Korea's technological strength and Indian expectations

Professor Choe is very friendly towards India and genuinely wants India–Korea relations to develop. There are, however, people in Korea whose perceptions have witnessed a paradigm shift, not only toward India but more broadly toward the world as well. There is a realisation that Korea has become a formidable manufacturing power, having control over cutting-edge technologies. From ships to chips, Korean products are competing head-on with products from the advanced economies. Korean goods, services and cultural products now have global appeal.

This has precipitated a new level of confidence that has percolated in Korean society, impacting its foreign policy attitude. It is therefore difficult for India to simply dictate terms to Korea, which is in search of autonomous status at the world stage.

India in Korea's changing strategic calculus

The same caution applies to our strategic partnership. When we say that Korea can diversify away from the United States or China and look towards India, or that India can become a kind of guarantor of Korean security, we need to be realistic. India is not there yet. India's per capita income remains low, and while we can make arguments regarding strategic convergence, ordinary people in Korea also compare the relative economic strength and technological capacities of the two countries. Korea has emerged as a global player in technologically sophisticated weapon production, and India is trying to catch up in the field. One of my professors, who is also known to Professor Choe, once said that many Koreans do not wish to know much about South Asia; often, general readers turn together several newspaper pages devoted to South Asia without reading them. This reflects the fact that Korea is a neo-rich society whose aspirations and ambitions are not only directed to India but elsewhere.

The need for realistic expectations

These are issues that India and Korea need to understand at the level of government and of business alike. Public perception matters, and Korean aspirations and ambitions are different from India's. From the Indian side, we sometimes approach Korea by saying: invest more in India and give us technology. However, India should understand that Korea has only one resource, that is, technology. Natural resources in Korea are in acute short supply. Thus, we cannot simply expect Korea to offer its technology on India's terms. We should not make excessive demands Korea realistically cannot fulfil.

Professor Choe concluded that India should make offers that Korea can accept while ensuring that those offers also create opportunities for India. I would endorse that formulation, and add that we should not advance proposals which are not economically or commercially tenable. At the same time, we must recognise Korea's technological strength. Korea is a relatively small country, but it has built a strong technological and manufacturing base in precisely the areas India needs, including semiconductors and shipbuilding. India therefore needs to make realistic and mutually beneficial offers, and try to minimise transaction costs. Indian leadership should avoid unnecessary generalisations about Korea.

There have been instances in which Indian ministers have said openly that Korean companies are in India only to make money. Of course, Korean companies are in India to make money, and there is nothing wrong with that: profit is a legitimate commercial motivation. What is required is a realistic assessment of what both sides want and of what each side can offer. Confirming with Prof Choe's ideas, I can say that there is a growing need for political nurturing of a potentially very large economic partnership between the two countries.

There are also practical issues in the manner in which Korean companies operate in India. When a Korean company comes to India for a venture, there have been instances in which inputs that could be sourced domestically are instead brought from Korea. Tyres are one example that comes to mind: a Korean company may operate in India and yet continue to import tyres from Korea or source from a Korean vendor in India rather than use tyres manufactured by an Indian firm. Such practices raise questions about the depth of local integration and about the extent to which Korean investment contributes to domestic manufacturing ecosystems. These practical concerns need to be addressed alongside the broader questions related to technology transfer, investment, regulatory rationalisation, etc.

Building a special relationship

When we say that everything is good between India and Korea, there is indeed a positive foundation. The absence of major bilateral disputes is an advantage, but it should not be treated as an end in itself. The fact that there are no serious issues between the two countries may also mean that there has not been enough engagement to generate deeper areas of cooperation, or to bring differences to the surface where they might be addressed.

There are therefore many things that India and Korea can still build together. This is an opportunity to develop a model economic relationship, a model political relationship, or even a special relationship comparable in spirit to that between the United States and the United Kingdom. We already possess a social and historical framework for such a relationship, including the traditional connection associated with the Indian princess who travelled to Korea and married into the Korean royal family, and Buddhism travelling from India to Korea. The foundations exist. What is required is to build upon them through realistic expectations, mutually beneficial economic engagement and a better understanding of each other's changing positions.

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