Political and Diplomatic Ties

The First Session of the Korea-Malaysia Roundtable held on November 13, 2009, in Kuala Lumpur, Malaysia, was jointly-chaired by Tan Sri Mohamed Jawhar Hassan, then Chairman & CEO of ISIS Malaysia, and His Excellency Ambassador Yim Sung-joon, President of the Korea Foundation. The two speakers of the session were His Excellency Mr. Yang Bong-ryull, the Ambassador of the Republic of Korea to Malaysia and Dato' M. Santhananaban, Malaysia's former Ambassador to South Korea. ***Keith Leong****, Researcher at ISIS Malaysia, reports.*

(From left) M. Santhananaban, Yim Sung-joon, Mohamed Jawhar Hassan, Yang Bong-ryull

Ambassador Yang said that he believed that the Roundtable came at the right time. The year 2010 would mark the 50th Anniversary of the establishment of diplomatic relations between Malaysia and the Republic of Korea. He believed it would be appropriate to reflect on the key aspects of the two nations' shared pasts, as well as on the positive elements and important tasks that the future could hold.

Yang went on to review political and diplomatic relations between Malaysia and South Korea over the past 50 years. He defined the period as an `era of a mutually beneficial partnership' between the two countries, amidst unprecedented economic growth. He felt that the substantive aspects of the partnership, especially in the economic dimension, began with former Prime Minister Tun Dr Mahathir's Look East Policy

in 1981, with Korea as one of the `Four Asian Tigers' and with Malaysia as a follower.

The numbers speak for themselves. Trade volume between Korea and Malaysia, which amounted to RM 460 million in 1979, increased to as much as US$ 15.7 billion in 2008. Korea is also Malaysia's 8th largest investment partner; Korea's investment in Malaysia since last year has amounted to a whopping US$ 3 billion.

The construction sector is also an important area of economic ties. For instance, Korean companies had by February 2009 won orders for 180 projects worth some US$ 8 billion. We should also not forget the human element behind all these figures: President Lee Myung-bak was CEO of the Hyundai Construction Company when it successfully bid for the Penang Bridge project in 1981, while Samsung Engineering helped build one of the iconic Petronas Twin Towers.

Presently, economic cooperation between Malaysia and Korea has evolved into more complex and value-added areas. These include the financial market (i.e. Korean banks opening representative offices in Kuala Lumpur, and strategic alliances between Daewoo Securities and CIMB), tourism (Berjaya's development of the US$ 1.8 billion Yerae Recreational Resort) and high-tech industry (the collaboration between Samsung Electronics and YTL in developing the Wimax service in Malaysia).

Also significant is the cultural and people-to-people exchanges between Malaysia and Korea. The most visible manifestation of this is of course tourism, which has increased exponentially. In 1998 for instance, the number of Koreans visiting Malaysia was 21,700. By 2008, this figure had increased to 270,000 -- by more than 12 times in a decade. Conversely, in 2008, over 83,000 Malaysians visited Korea, a figure that was twice that ten years ago. Also, `Korean Wave' dramas such as `Winter Sonata' and `Jewel in the Palace,' as well as Korean animation and music have become increasingly popular in Malaysia.

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Turning to the future, Yang posited that the Korea-Malaysia partnership, particularly in terms of politics and diplomacy, would grow more comprehensive and cooperative, based on three points. Firstly, both countries have successfully laid a firmer foundation for the future, and share the 21st century's predominant values, namely peace, democracy and the market economy. Also, both governments have worked in tandem in regional and international institutions like the UN and Asean. Yang noted for instance Malaysia's unequivocal and consistent stance that the Korean Peninsula be denuclearised, and that it be peaceful and stable. Malaysia has also expressed grave concern over North Korea's nuclear ambitions and has urged it to return to the Six-Party talks.

Secondly, Yang felt that international and regional trends are likely to reinforce ties between Malaysia and Korea. Asia will become the centre of the global economy and Asean will play a central role in driving greater integration in

the continent via the East Asia movement. Asean's influence will increase enormously as it becomes a single community by 2015, and the Asean-ROK FTA, as well as the Asean+3 and EAS processes will increase trade as well as people-to-people exchanges.

Third, the policy initiatives announced by the governments of Korea and Malaysia will pave the way for closer ties. Yang cited President Lee Myung-bak's `New Asia Initiative,' which seeks to lift overall relations with Asian countries, including Malaysia, through concrete, tailor-made policy measures. Korea has also committed to operationalising the US$120 billion Chiang Mai Initiative Multilateralisation (CMIM) fund by the end of the year. It continues to actively participate in the development of the Asian Bond Market, to increase the capital of the ADB and improve regional response mechanisms to financial crises.

On Malaysia's part, Prime Minister Najib Tun Razak's foreign policy focus has been on strengthening relations with Northeast Asian countries. For instance, he attended the Asean-ROK Summit in Korea in April 2009, and visited China in June. Najib has also expressed his wish for more senior official exchanges between the ROK and Malaysia to further boost relations. In line with this, several Malaysian Cabinet Ministers have visited Korea. Najib and Lee will also exchange visits to mark the 50th Anniversary of bilateral relations.

Yang also noted that both Korea and Malaysia have made sustainable development a national priority: Korea with its `Low-Carbon and Green-Growth Policy' and Malaysia with its endeavours to develop itself into a biotechnology hub via its `National Biotechnology Policy' as well as its `Malaysian Green Technology Policy.' All of these indicate that the two countries share similar goals and place great importance on shared ties.

Yang called for the institutionalising of Korea-Malaysia relations, which he felt were essential to consolidate the benefits from the close ties. He was disappointed that there were few bodies that could allow representatives from Korean and Malaysian private and public sectors to network, as well as exchange views -- something which he believed was vital.

He praised the work of bodies like the Korea-Malaysia Business Council and the Korea Chamber of Commerce in Malaysia. He called on Malaysian companies to support and join in the work of these bodies. Yang also called for the establishment of regular channels of exchange at a government-to-government level, in the form of, for instance, an `Energy and Resources Cooperation Committee' or a `Science and Technology Cooperation Committee.'

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Such exchanges will facilitate communication and help develop mutual interests. Koreans and Malaysians regard each other highly and it would be a shame for these

opportunities to be wasted. Yang ended by promising to give full support to any initiative that would strengthen ties between the two countries.

Dato Santhananaban declared that bilateral cooperation between Korea and Malaysia over the last five decades existed in virtually every sphere of human endeavour. These bilateral relations have been free from controversy due to shrewd management by both Kuala Lumpur and Seoul.

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When ties were established in the late 1950s, both Korea and Malaysia were, in Santhananaban's words, `backwaters.' Malaya, as it was known then, was still in a state of emergency, while Korea not only had to deal with the threat of the DPRK but was also dependent on external aid for development. ROK, in fact lagged behind the North in areas like per capita income, and industry, although that situation has been reversed today and South Korea's per capita income outstrips that of their Communist counterparts by some 40 times.

The year 1961 was a turning point for both nations. The Emergency ended in Malaya and Tunku Abdul Rahman, then Prime Minister, put forward his `Malaysia' proposal. It was also the year that General Park Chung-Hee seized power and put South Korea on a path of economic empowerment. Both Tunku and Park played an important role in shaping Korea-Malaysian bilateral relations.

Santhananaban said both nations also shared the view that the looming threat of Communism would best be neutralised by economic development, although their foreign policies became more pragmatic over time. The fact that the ROK began to participate in the Merdeka Soccer Tournament from 1957 when Tunku Abdul Rahman was President of the Asian Football Confederation also helped to boost ties.

A watershed year was 1962, when South Korea established its diplomatic mission in Kuala Lumpur. Its first Ambassador was the famous and controversial General Choi Hong-hi, who helped develop the sport of taekwondo. He founded the International Taekwondo Federation (ITF) and did much to popularise this martial art in Malaysia. He was succeed by Professor Chu Khu-Yah, who later served as Foreign Minister and Prime Minister to President Park Chung-hee, and eventually, as President in his own right, after Park's assassination.

Malaysia, on the other hand, established its Seoul embassy in 1964, becoming the third Asean country after the Philippines and Thailand (who were members of Seato) to do so. Malaysia's first two Ambassadors were Dato' Mohd Ismail Mohd Yusof and Bahadun Haji Hassan, both of whom were from the Tunku's home state of Kedah. Santhananaban posited that the political and diplomatic leadership that these personalities provided were vital in influencing the course of bilateral cooperation between Korea and Malaysia.

The successors of both Tunku and Park continued to build upon the foundation laid down

in the 1950s and 1960s, contributing to enhanced bilateral relations. Exchanges of visits at all levels were initiated and intensified. For instance, Malaysia's kings have been visiting the ROK regularly since 1969.

Malaysia's 1982 Look East Policy brought Korea further to the centre of Malaysian foreign policy. Such was the dynamic nature of relations between the two nations that the ties not only attained a high level of functionality, facilitation and sophistication, but were also strongly influenced by regionalism and globalisation.

Bilateral agreements, including those on trade, defence, tourism, visa-free facilities, airlines services and cultural cooperation further strengthened relations, as did the implementation of the Asean-ROK FTA from 2006-2009. All these signify that Malaysia or any other Asean country cannot stand aloof from the forces of globalisation.

The presence of Korean expatriates in Malaysia, and vice-versa as well as the two-way flow of tourists are also a sign of closer people-to-people ties. Trade, investment and business cooperation are all steadily increasing, and in all these areas ICT has been integral. To Santhananaban, these developments demonstrate the greater interdependence between Korea and Malaysia.

Santhananaban admitted that there were some weaknesses and ironies in Korea-Malaysia relations. For example, Proton cars are not sold in Korea, there are only a few Malaysian restaurants there, and not many Malaysian businessmen operating in Korea compared to expatriates.

More needs to be done to benefit from the strengths of both countries. He pointed to Korea's use of sound scholarship and innovation to drive its economic growth and its superior universities that have hosted Nobel Prize winners. He felt that Malaysia should send senior scientists and technologists to such institutions, rather than limit such exchanges to students alone.

He also felt that Malaysia should learn ship-building technology from Korea rather than simply buying the vessels, and Korean chaebols should be willing to facilitate such transfers of technology. Korea on the other hand, being a homogenous society, could benefit from Malaysia's multicultural experiences.

In conclusion Santhananaban stated that a reunified Korea was not a distant prospect. Such a united and resurgent entity would, like Germany, rise as an economic and political middle power and could very well become the world's sixth or seventh largest economy. Malaysia is well-positioned to benefit from such a prospect and thus needs to play an active part via more joint ventures and other forms of cooperation.

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