



## **View Point**

### **India-South Korea Relations: The Prospects of Defence Industry**

*Sudhakar Vaddi\**

During Cold War there was a disconnect between India and other nations in the Asia-Pacific region, because India's own economic policies were insular and protectionist. However, this scenario changed in 1991 through India's Look East policy. But the rise of China economically and militarily raises many questions for Asia-Pacific region nations including India. The increasing role of Beijing in developing strategic links with Islamabad and North Korea's transfer of nuclear technology to Pakistan has implications for India's security. The emergence of such unfriendly security environment has the potential for India and South Korea to converge their security interests in Asia-Pacific region. On economic front, though South Korea has emerged as one of India's largest FDI contributor there is enormous potential to enhance strategic cooperation.

The convergence of interests started after India and South Korea signed a Memorandum of Understanding on Defence Logistics and Supplies in the year 2005. In May 2007, Indian and South Korean Defense Ministers held their first-ever consultations on "matters of mutual interest" and agreed to strengthen cooperation on training of Armed Forces personnel, exchange of visits and strengthening the mutual cooperation between the Coast Guard of two countries.

The declaration of a 'strategic partnership' by South Korean President Lee Myung-bak and Indian Prime Minister Dr. Manmohan Singh in January 2010

included an enhanced focus on political and security cooperation. The security interest between New Delhi and Seoul was well acknowledged when Defense Minister A.K. Antony visited South Korea in September 2010 and two MoUs on defence-related exchanges of experience, information and futuristic joint defence technology development were signed.

So far, the military ties between India and South Korea were limited to the import of three Sukanya Class offshore petrol vessels (OPV) supplied by Tacoma firm in the early 1980's and low-level naval exercises.

Since India is trying to strengthen its defence capabilities South Korea is the genuine option for joint collaboration of defence equipment, mainly for the navy. India has the fifth largest fleet in the world and Indian navy continues to face procurement problems with delays in both domestically produced weapons system and foreign purchases. In fact, the navy's strategic assets will determine its future role and power projections capability. India is also expanding its maritime responsibilities and interests by increasing its fleet to more than 160 ships, including three aircraft carriers, 60 major combatants, including submarines and close to 400 aircraft of different types by 2022. Apart from Indian navy's perspective plan for the next 15 to 20 years, the collaboration would provide sustained business incentive to invest in naval systems, ships and aircraft for the Indian industry on their own or with foreign collaboration.

Apart from military cooperation, there is a strong case for both countries to co-operate in defence trade since South Korea possesses sophisticated military technology. South Korea's capabilities in missile development and naval combat system are well acknowledged in global arms market.

This will help to develop an indigenous defence and ship building industry in India. The recent 2012-13 budget of India increased the defence allocation to Rs 1.93 lakh crore (\$41 billion) which represents an increase of 17 per cent growth over the previous year's budget. India has emerged as a key market for overseas defence companies; it imports 70 per cent of its military equipment, making it the world's largest arms importer next only to China.

The South Korean defence industry is well positioned to meet many of India's military needs because it has created a robust arms industry. Meeting 70 percent of its military needs, South Korea has become a major player in the global arms market. South Korea plans to market indigenous weapons systems abroad and make the arms industry a key engine of economic growth. Seoul wants to sell three billion dollars worth of arms and become one of the world's top ten arms exporters by 2012. South Korean products are and will continue to be competitive in the global market because of their edge in both technology and price. Seoul's K-11 airburst assault rifle is the world's first multipurpose rifle in production, and its K-21 next-generation infantry vehicle is superior than the U.S. Army's M2 Bradley Infantry fighting vehicle (IFV). South Korea is also one among the countries having the most advanced Aegis combat system where it uses powerful computers and radars to track and guide weapons to destroy enemy targets. The minesweeper contract between India and South Korea estimated at US\$670 million each for Indian navy from South Korean firm Kanganam Corporation is a welcome step but difficulties in the fighter trainer competition demonstrate the tough aspects of the military acquisition process in India.

Seoul believes that its new strategic partnership with New Delhi would help improve the volume of its defense exports. However, South Korea and India should continue their relationship, which will benefit the long-term interest of their 'strategic partnership' and enhance the overall security dynamics of the region.

*\*Sudhakar Vaddi, Research Intern, at Indian Council of World Affairs, New Delhi  
110001*

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