

# IDSA

## *Special Feature*

# North Korea: An Advance Frontier of India's “Act East”?

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## **S***ummary*

This article underlines the rationale for enhancing India's engagement with North Korea, discusses the present state of the bilateral engagement, underscores the likely impediments, and offers broad policy prescriptions. It argues that India should devise a new approach for its engagement with the Korean Peninsula that will help redefine its Act East policy.

In April 2015, North Korea's Foreign Minister Ri Su-yong visited India. He met Foreign Minister Sushma Swaraj and sought "more humanitarian assistance from India and reportedly asked Delhi to include Pyongyang in its Act East policy".<sup>1</sup> Foreign Minister **Ri** Su-yong's visit was the first high-level official visit from either side in more than two decades.

India was quick to make the next diplomatic move. In September 2015, it nominated Minister of State for Home Kiren Rijiju to attend an official event held at the North Korean Embassy in New Delhi. This was perhaps the first time, at least in reported knowledge in recent times, that a minister was deputed to represent the government at an official function marking North Korea's Independence Day. These two developments, particularly Rijiju's statement after the event, attracted considerable attention in national and international circles.<sup>2</sup> While stating that bilateral ties with North Korea are "going to change", Rijiju noted:

North Korea is an independent country and a member of the United Nations and we should have good bilateral trade ties. We have been discussing inside the government ways and means of upgrading bilateral ties with North Korea ever since the North Korean Foreign Minister visited Delhi last April. We feel that there should not be the usual old hurdles and suspicion in bilateral ties as North Korea is an independent country and also a member of the United Nations. A relationship based on greater trade and commerce between two sides is the way ahead.<sup>3</sup>

Minister Rijiju's statement on not letting "usual old hurdles" and "suspicions" come in the way of "upgrading bilateral ties", which came within a few months of Foreign Minister **Ri** Su-yong's visit to New Delhi, indicates a shift in India's approach towards North Korea. With the North Korean Foreign Minister urging India to include Pyongyang in its Act East policy (earlier known as 'Look East' policy) during his April visit, it is clear that the two countries are seeking ways to redefine and upgrade bilateral relations.

As India sheds its reticence towards North Korea, and as the two countries gear up for robust bilateral engagement, this article posits that North Korea could be an advance frontier for India's Act East policy. In the long-run, it could innovatively introduce India as a facilitator of peace and stability in the Korean Peninsula. The underlying assumption here is that a more constructive, innovative and proactive

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<sup>1</sup> "North Korea Foreign Minister in India, Meets Sushma Swaraj", *First Post*, April 14, 2015, at <http://www.firstpost.com/world/north-korea-foreign-minister-india-meets-sushma-swaraj-2195542.html> (Accessed September 30, 2015).

<sup>2</sup> "An Odd Partnership: Could Warmer India-North Korea Relations be on the Cards?", *First Post*, September 26, 2015, at <http://www.firstpost.com/world/an-odd-partnership-could-warmer-india-north-korea-relations-be-on-the-cards-2446190.html> (Accessed October 03, 2015); Tim Sullivan, "Odd couple: Ties Warm between India and North Korea", *Japan Times*, September 27, 2015, at <http://www.japantimes.co.jp/news/2015/09/27/asia-pacific/politics-diplomacy-asia-pacific/odd-couple-ties-warm-india-north-korea/#.VhATfn0pq2D> (Accessed October 03, 2015); Ankit Panda, "Are India and North Korea Really Upgrading Ties?", *The Diplomat*, September 19, 2015, at <http://thediplomat.com/2015/09/are-india-and-north-korea-really-upgrading-ties/> (Accessed October 03, 2015).

<sup>3</sup> Kallol Bhattacharjee, "India Reaches Out, Wants to Upgrade Ties with North Korea", *The Hindu*, September 16, 2015, at <http://www.thehindu.com/news/national/india-reaches-out-wants-to-upgrade-ties-with-north-korea/article7656332.ece> (Accessed September 29, 2015).

strategic engagement in Asian affairs would help enhance India's status even if it is not a permanent member of the United Nations Security Council (UNSC).

The Korean Peninsula has the long pending issue of unification of the two Koreas – North and South, officially the Democratic People's Republic of Korea (DPRK) and the Republic of Korea (ROK), respectively – since the end of the Second World War. North Korea's posturing over its nuclear and missile programmes and constant tension with South Korea have long been viewed with grave concern by the international community. India has a legacy of having played the role of a peacemaker during the Korean War (1950-53) under the aegis of the United Nations. India's strong relations with South Korea and exceptionally open lines of communication with North Korea, which is otherwise isolated from the international community, makes the Korean Peninsula a suitable region for further extending and intensifying the Act East policy.

Before exploring the prospects of India's active engagement with North Korea and at the larger peninsular level, let us look at the past and present status of India's ties in this subregion.

### Maintaining Equidistance

India, which now pledges only customary support to peaceful Korean unification and the Six-Party talks,<sup>4</sup> had played an active role in Korean affairs in the late 1940s and early 1950s. India was a member of the United Nations Temporary Commission on Korea (UNTCOK), which oversaw the general elections held in South Korea in May 1948. India's 60<sup>th</sup> Field Ambulance did a commendable job in South Korea during the Korean War (1950-53). India also held the chairmanship of the Neutral Nations' Repatriation Commission that was formed to oversee the exchange of prisoners after the end of the War. In addition, India diplomatically endeavoured against an expansion of hostilities during the war. This even-handed engagement with the two Koreas was an early example of India's non-aligned foreign policy. India's proactive engagement at that point in time stands in stark contrast to its subsequent reticence on Korean affairs.

Political complications in the Korean Peninsula and the larger Cold War dynamics, however, took a toll on India's early engagement with the two countries. North Korea was aligned with the communist-bloc led by the Union of Soviet Socialist Republics (USSR), whereas South Korea was allied with the United States (US) at the time. After the Korean armistice in 1953, India disengaged itself from Korean affairs and maintained only nominal relations with the two countries. It was only in 1973 that India extended diplomatic recognition to both.

Although India welcomed North Korea in the Non-Aligned Movement (NAM) in 1975, it was against its anti-South Korea polemics. During the 1983 NAM Summit held in New Delhi, for example, India successfully kept the discussion on the

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<sup>4</sup> The Six-Party Talks on North Korea's nuclear programme includes North Korea, South Korea, China, Japan, Russia, and the United States. The Talks began in 2003 and stopped in 2009. Jayshree Bajoria and Beina Xu, "The Six Party Talks on North Korea's Nuclear Program", *Council on Foreign Relations*, September 30, 2013, at <http://www.cfr.org/proliferation/six-party-talks-north-koreas-nuclear-program/p13593> (Accessed October 03, 2015).

Korean issue at a low key.<sup>5</sup> When India-South Korea economic relations began picking up in the 1980s, India cautiously avoided exhibiting any political interest in the Korean issue. It did not accept the South Korean suggestion to issue a joint statement during President Chun Doo-hwan's planned visit to India in 1983. India also declined to accept the proposal for a minister-level India-ROK Joint Commission.<sup>6</sup> This approach signified India's equidistance policy as well as loss of political interest in the Korean affairs.

It was with the opening up of the economy in the early 1990s that India finally jettisoned its equidistance policy in favour of developing strong economic relations with South Korea. The 'Look East' policy, which too was unveiled in the early 1990s,<sup>7</sup> marked a new phase in relations with the Korean Peninsula as South Korean companies were among the first to respond to the new economic environment in India. India's economic ties with South Korea have since flourished though their 'Special Strategic Partnership' needs greater strategic substance. Meanwhile, North Korea has yet to find a visible space in India's Act East policy.<sup>8</sup>

It should be recalled that when South Korea was responding to India's Look East policy in the early 1990s, North Korea was relapsing into isolation with the disintegration of the USSR, and was becoming increasingly dependent on its other Cold War benefactor China. As a result, North Korea remained outside the ambit of the Look East policy. Also, India's relations with North Korea have been so low profile that no independent view of that country has emerged in the Indian foreign policy discourse. In fact, the Indian view on North Korea remains largely coloured by imageries propagated in the Western media.<sup>9</sup> This explains India's inability to come up with an integrated policy towards the Korean Peninsula, though support for peaceful unification of the two Koreas, denuclearisation of the peninsula and the Six-Party Talks on North Korea's nuclear programme regularly figure in joint statements with South Korea and the United States.

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<sup>5</sup> India shared the reservations expressed by NAM member countries against South Korea's entry into the movement because of the presence of US military bases in South Korean territory. Besides, on its part, South Korea was not interested in NAM either. See Skand Tayal, *India-Republic of Korea Relations: Engaged Democracies*, Routledge, India, 2014, pp. 69-70.

<sup>6</sup> President Chun Doo-hwan's visit to India was cancelled after an assassination attempt on his life during a visit to Rangoon (now Yangon) in October 1983. See Skand Tayal, *Ibid*, pp. 75-76.

<sup>7</sup> The Act East policy has grown out of the Look East policy, which India had adopted in the early 1990s. The Look East policy began with the aim of connecting to, and drawing inspiration from, the highly successful East Asian economies. It created frameworks for deepening relations in economic, political and defence affairs and led to the forging of several strategic partnerships with key countries of the region. Visualising a more proactive engagement with the region in the strategic realm, Prime Minister Narendra Modi renamed the 'Look East' as 'Act East' policy. At present, the policy covers the whole of the Asia-Pacific.

<sup>8</sup> For many decades, India's non-aligned foreign policy maintained equidistance between the two sides. India simultaneously established consular relations with them in the 1960s. Later, when the two countries agreed to accept simultaneous diplomatic recognition for their governments, India extended diplomatic recognition to both in 1973. However, in the 1980s, India's economic interests gradually took precedence. Prime Minister Narasimha Rao's visit to South Korea in 1993 without paying a simultaneous visit to North Korea demonstrated the abandonment of the equidistance policy which had been maintained for some four decades. After this visit, economic imperatives and India's concerns about the North Korea-Pakistan nuclear and missile cooperation tilted the scale further in favour of relations with South Korea. See Skand Tayal, Note No. 5, pp. 82-84.

<sup>9</sup> The author here alludes to the general silence within India's foreign policy and security studies community on North Korea, with the Indian media largely reproducing reports published in Western and other foreign news agencies on North Korea.

The challenge for India is how to deepen its strategic engagement with the Korean Peninsula. Apart from having a relook at its relations with North Korea, India needs to develop a peninsular context to its engagement with the two Koreas without at the same time undermining its ties with other stakeholders in the region — the United States, Japan, China and Russia.

### North Korea: Low Key but Sustained Engagement

In the longer historical timeline, it can be said that India and North Korea have had good relations. India has maintained full diplomatic ties with North Korea since 1973 and has kept communications with it open all along. But the relationship has been a low key affair. Further, while India has articulated its principled opposition to Pyongyang's nuclear programme and proliferation activities, it does not hold a hostile view of North Korea.

The two countries had first agreed upon a Cultural Exchange Programme (CEP) in 1976. Subsequently, they signed agreements on cooperation in science and technology in 1991 and 1994. In fact, in the late 1980s and 1990s, high level bilateral visits and other political contacts were quite frequent.<sup>10</sup>

At present, data available in open sources indicate that India is perhaps North Korea's third largest trading partner after China and South Korea. North Korea's imports from India account for 5.5 per cent of its total imports,<sup>11</sup> and its exports to India constitute 3.6 per cent of its total exports.<sup>12</sup> Sojin Shin, a scholar at the Institute of South Asian Studies (ISAS) in Singapore, notes that India was North Korea's third largest trading partner in 2013.<sup>13</sup> The latest Indian figure for bilateral trade is USD 208.45 million.<sup>14</sup> North Korea has been a regular participant in the Indian Technical and Economic Cooperation (ITEC) programme at least since 2002-03, and the Professional Course for Foreign Diplomats (PCFD) conducted by the Foreign Service Institute (FSI) since 2001. It has received consignments of humanitarian assistance from India in 2001, 2004, 2005, 2006, 2008 and through the UN World Food Programme (WFP) in 2011. On its part, North Korea too had made a goodwill gesture by donating USD 30,000 to the Prime Minister's National Relief Fund in the wake of the 2004 Tsunami. Further, India and North Korea had signed their 11<sup>th</sup> CEP in 2010 for the year 2011-12. The 12<sup>th</sup> CEP for 2015-19 is said to be underway.<sup>15</sup>

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<sup>10</sup> "India DPRK Relations", Country Brief, Ministry of External Affairs, at [http://www.mea.gov.in/Portal/ForeignRelation/DPRK\\_2015\\_07\\_14.pdf](http://www.mea.gov.in/Portal/ForeignRelation/DPRK_2015_07_14.pdf) (Accessed October 03, 2015).

<sup>11</sup> Observatory of Economic Complexity website, at <https://atlas.media.mit.edu/en/profile/country/prk/> (Accessed October 03, 2015). The data is from open sources.

<sup>12</sup> "How Does North Korea Make Its Money?", *CNN*, April 10, 2013, at <http://edition.cnn.com/2013/04/09/business/north-korea-economy-explainer/> (Accessed October 03, 2015).

<sup>13</sup> Sojin Shin, "Political Risks in India-North Korea Ties – Analysis", *ISAS Brief*, No. 382, July 2015, p. 4.

<sup>14</sup> See "Export-Import Data Bank", Department of Commerce, Ministry of Commerce & Industry, Government of India, at <http://commerce.nic.in/eidb/iecnt.asp> (Accessed October 03, 2015).

<sup>15</sup> "India DPRK Relations", Note No. 10; "Annual Report, 2001-02", Policy, Planning and Research Division, *Indian Ministry of External Affairs*, New Delhi, p. 32, at [http://www.mea.gov.in/Uploads/PublicationDocs/164\\_Annual-Report-2001-2002.pdf](http://www.mea.gov.in/Uploads/PublicationDocs/164_Annual-Report-2001-2002.pdf) (Accessed

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The Foreign Office Consultation (FOC) dialogue mechanism between the two countries has been in operation since 2000. Senior Indian Foreign Ministry officials – Secretary (East), Joint Secretary (East Asia) and Director (East Asia) – have visited North Korea as part of this mechanism. Sanjay Singh, Secretary (East), represented the Indian side in the last FOC held in Pyongyang in September 2011. The two sides had established Joint Secretary-Director General level talks in 2013 when Gautam Bambawale, then Joint Secretary (East), had led the Indian delegation for the first meeting under the mechanism in April 2013.<sup>16</sup> At the initiative of North Korea, former Indian External Affairs Minister Salman Khurshid had met his North Korean counterpart Pak Ui-chuan on the sidelines of the East Asia Summit held at Bandar Seri Begwan in Brunei in June 2013.<sup>17</sup>

India is one of the few countries with which North Korea maintains diplomatic contacts. While the scale of the bilateral engagement may be low, India could be an important window to the world for North Korea. Though the last high-level visit from the Indian side was in September 1998 when former Minister of State for Information and Broadcasting Mukhtar Abbas Naqvi had attended the 6<sup>th</sup> Pyongyang Film Festival, North Korea's Vice Foreign Ministers and Vice Chairman of the Supreme People's Assembly had visited India after that.<sup>18</sup> Hence, despite the general impression given by the media, recent developments are not entirely a new beginning in India-North Korea relations.

### Select Bilateral Visits

From India	Year	From North Korea	Year
Vice President Dr. Shankar Dayal Sharma	1992	Prime Minister Li Gun Mo	1988
H.S. Surjeet, General Secretary, CPI(M)	1993	Vice President Li Jong Ok	1991; 1993
Jyoti Basu, Chief Minister of West Bengal	1994	Yang Hyong Sop, Chairman, Supreme People's Assembly (SPA)	1998
P. Shiv Shankar, Governor of Sikkim	1995	Choe Thae Bok, Chairman, SPA	1998
Mukhtar Abbas Naqvi, Minister of State for Information &	1998	Vice Foreign Minister Pak Gil Yon	2000

October 20, 2015); "Annual Report, 2005-06", Policy, Planning and Research Division, *Indian Ministry of External Affairs*, p. 37, at [http://www.mea.gov.in/Uploads/PublicationDocs/167\\_Annual-Report-2005-2006.pdf](http://www.mea.gov.in/Uploads/PublicationDocs/167_Annual-Report-2005-2006.pdf) (Accessed October 20, 2015); and "Annual Report, 2007-08", Policy, Planning and Research Division, *Indian Ministry of External Affairs*, p. 34, at [www.mea.gov.in/Uploads/PublicationDocs/169\\_Annual-Report-2007-2008.pdf](http://www.mea.gov.in/Uploads/PublicationDocs/169_Annual-Report-2007-2008.pdf) (Accessed October 20, 2015).

<sup>16</sup> "India DPRK Relations", Note No. 10.

<sup>17</sup> Elizabeth Roche, "India Raises Nuclear Proliferation Issue with North Korea", *Live Mint*, July 01, 2013, at <http://www.livemint.com/Politics/LODdydiXBZ0K64pBqL27xJ/India-to-hold-nuclear-talks-with-North-Korea.html>

<sup>18</sup> "India DPRK Relations", Note No. 10.

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Broadcasting			
Rajiv Sikri, Secretary (East), Ministry of External Affairs (MEA)	2005	Jang Chol, Vice Chairman, SPA	2003
N. Ravi, Secretary (East), MEA	2008	Choe Chang Sik, Vice Minister, Health	2005
Jawahar Sircar, Secretary, Ministry of Culture	2010	Ma Chol Su, Director, Foreign Ministry	2006
Sanjay Singh, Secretary (East), MEA	2011	Ri Ju Kwan, Vice Chairman, Information Committee	2006
Gautam H. Bambawale, Joint Secretary (East Asia), MEA	2013	Vice Foreign Minister Kim Yong II	2007; 2009
Sitaram V. Yechuri, Tarun Vijay and M. Hamdullah Sayeed	2013	Foreign Minister Ri Su-yong	2015

**Source:** "India-DPRK Relations", *Indian Ministry of External Affairs*, at [http://www.mea.gov.in/Portal/ForeignRelation/DPRK\\_2015\\_07\\_14.pdf](http://www.mea.gov.in/Portal/ForeignRelation/DPRK_2015_07_14.pdf) (Accessed November 01, 2015).

### Concerns over North Korea-Pakistan Nexus

The break in minister-level visits from the Indian side appears to be a fallout of North Korea's missile cooperation with Pakistan which was viewed with serious concern in New Delhi. In December 1999, the then Minister of External Affairs Jaswant Singh had informed the *Rajya Sabha* (Upper House of the Indian Parliament) that "it is widely believed North Korea has assisted Pakistan with liquid fuel long range missiles, missile technology and components...the Government believes that continuing supply of sophisticated missiles and related technology to Pakistan poses a threat to India's security and is not conducive to maintenance of peace and stability in the region."<sup>19</sup> In a serious incident, India had detained a North Korean ship at the Kandla Port on its western coast carrying "parts and components of missiles including machines for making missiles...printing design and blue prints of missiles etc."<sup>20</sup>

Further, in July 2000, the then Minister of State for External Affairs Ajit Panja had also categorically stated that the supply of North Korean long range missiles, missile technology and components to Pakistan was 'a fact' and that "Ghauri is a Pakistani version of the North Korean Nodong [Rodong] missile capable of carrying

<sup>19</sup> "Supply of Missile by North Korea to Pak", Unstarred Question No-1587, Answered On-16.12.1999, *Rajya Sabha*, at <http://164.100.47.5/qsearch/QResult.aspx> (Accessed October 02, 2015).

<sup>20</sup> "Detention of A North Korean Ship at Kandla", Unstarred Question No-706, Answered on-07.12.1999, *Rajya Sabha*, at <http://164.100.47.5/qsearch/QResult.aspx> (Accessed October 02, 2015).

nuclear warheads."<sup>21</sup> In return, Pakistan assisted North Korea's nuclear programme. It had reportedly smuggled "a centrifuge plant for uranium enrichment" to North Korea.<sup>22</sup>

Concerns about the North Korea-Pakistan nexus echoed in the Indian Parliament between 1999 and 2005. Out of the total 20 questions asked in *Rajya Sabha* (Upper House) between 1999 and 2012 on North Korea's activities, 14 were asked between 1999 and 2005. The questions were mainly about North Korea's assistance to Pakistan's missile programme, and India's detection and detention of North Korean ships in Indian waters carrying sensitive strategic material. In its answers, the government expressed awareness of North Korean assistance to Pakistan. However, not every media report about North Korean ships being detected or detained was confirmed by the government.

After 2005, questions about North Korea have been mainly about its nuclear and missile tests. Interestingly, a search on the website of *Lok Sabha* (Lower House) could produce only one question asked during the 13th *Lok Sabha* (1999-2004), whereas in the same period *Rajya Sabha* members had asked 14 questions about North Korea's proliferation activities and its nexus with Pakistan. This single question in the *Lok Sabha* was about North Korea-Pakistan relations. Two questions each were asked in the 14th *Lok Sabha* (2004-09) and 15th *Lok Sabha* (2009-14) about North Korea's nuclear and missile tests.

The questions asked in the two houses reveal that while North Korea-Pakistan relations concerned the law makers between 1999 and 2005, the larger issue of North Korea's nuclear and missile tests and the UN sanctions against it interested them more after 2005. North Korea conducted its first nuclear test in 2006 followed by another in 2009 and one more in 2013. In its answers to the questions in Parliament, the Government conveyed that it deems North Korea's nuclear tests a violation of "its international commitments" and held the view that "the nuclear issue in the Korean Peninsula should be resolved peacefully through negotiations including under the aegis of six-party talks."<sup>23</sup>

India's concerns over the North Korea-Pakistan nexus coincided with the development of strains in US-North Korea relations. The framework agreement of 1994 for nuclear non-proliferation between the two countries had come under duress. The US accused North Korea of clandestinely pursuing a nuclear weapons programme. This was also the time when the India-US strategic engagement was taking shape in the post-Pokhran II phase -- the Jaswant Singh-Strobe Talbott talks of 1998. Thus, the imperative of deepening strategic engagement with the US

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<sup>21</sup> "Pakistan's Relationship with North Korea", Unstarred Question No-541, Answered On-27.07.2000, *Rajya Sabha*, at <http://164.100.47.5/qsearch/QResult.aspx> (Accessed October 02, 2015).

<sup>22</sup> "Transportation of Equipment for Nuclear Weapons from Pakistan to North Korea", Unstarred Question No-265, Answered On-20.02.2003, *Rajya Sabha*, at <http://164.100.47.5/qsearch/QResult.aspx> (Accessed October 02, 2015).

<sup>23</sup> "Nuclear Test by North Korea", Unstarred Question No-1765, Answered On-07.12.2006, *Rajya Sabha*, at <http://164.100.47.5/qsearch/QResult.aspx> (Accessed November 30, 2015); "Missile Test by North Korea", Unstarred Question No-264, Answered On-26.07.2006, *Lok Sabha*, at <http://164.100.47.192/Loksabha/Questions/QResult15.aspx?qref=29508&lsno=14> (Accessed November 30, 2015).

possibly required India to maintain a certain distance from North Korea.<sup>24</sup> Later, the UN sanctions against North Korea in view of its repeated nuclear tests since 2006, combined with the lack of economic underpinnings in the bilateral sphere, have been disincentives for political visits from the Indian side.

Notwithstanding the concerns over the North Korea-Pakistan nexus and the absence of ministerial-level contacts, India continued to have normal diplomatic engagement with North Korea as discussed previously. In fact, since the last FOC held in 2011, relations have witnessed a subtle acceleration – the creation of the JS-Director General dialogue mechanism in 2013, the Khurshid-Pak Ui-chuan meeting in 2013 in Bali, Ri Su-yong's India visit in April 2015 and Rijiju's statement in September 2015. The MEA *Annual Report 2014-2015* explicitly underlines North Korea's support for India's candidature at the United Nations Human Rights Council (2015-17); Intergovernmental Committee for the Safeguarding of Intangible Cultural Heritage for the term 2014-18; and the post of Secretary General of Asia Pacific Tele-community for the term 2015-18,<sup>25</sup> departing from unspecified mention of North Korean support for India in the UN and other international bodies in earlier reports. This shows North Korea's importance for India's ongoing quest for a permanent seat in the UNSC. This also perhaps explains Rijiju's stress on North Korea being a UN member. Thus, a modest but definite incrementalism could be seen in India-North Korea relations.

### Motivating Factors for a Deeper Relationship

A perusal of the national and international contexts is necessary to understand the motivations behind the perceived desire to deepen relations on the part of both countries. India's motivations could include the North Korean mineral market, particularly rare earth elements (REE),<sup>26</sup> the imperative of stopping North Korea's clandestine missile cooperation with Pakistan, the ambition of finding more strategic space vis-à-vis China, and finally a function of its general aspiration for greater status in the Asia-Pacific.

The stopping of REE supply to Japan in 2010 by China, which has a near monopoly on REE mining, for political reasons was viewed warily by the international community. Concerned by the Chinese monopoly and its efforts to use this as leverage, India, Japan and Vietnam have begun to collaborate in this sector.<sup>27</sup> Although no authentic data about REE deposits in North Korea is available, reports suggest that the country has the potential to emerge as an alternate supplier which could change the international strategic equations.<sup>28</sup> It is

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<sup>24</sup> This insight about the possible impact of the US-North Korea tensions on India-North Korea relations was provided by Skand Tayal, former Ambassador to North Korea.

<sup>25</sup> *Annual Report, 2014-15*, Policy, Planning and Research Division, *Indian Ministry of External Affairs*, New Delhi, p. VIII, at [http://www.mea.gov.in/Uploads/PublicationDocs/25009\\_External\\_Affairs\\_2014-2015\\_\\_English\\_.pdf](http://www.mea.gov.in/Uploads/PublicationDocs/25009_External_Affairs_2014-2015__English_.pdf) (accessed October 20, 2015).

<sup>26</sup> Bhattacharjee, "India Reaches Out, Wants to Upgrade Ties with North Korea", Note No. 3.

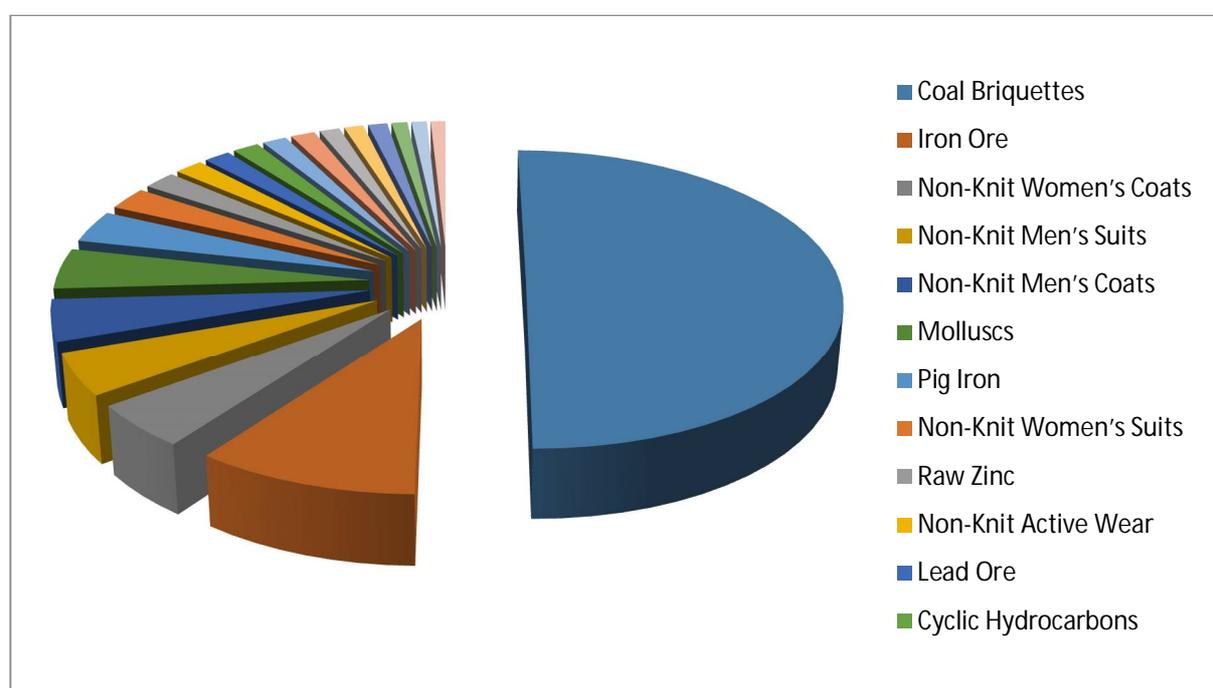
<sup>27</sup> Ajey Lele, "Challenging China's Rare Earth Monopoly", *IDSA Comment*, July 19, 2012, at [http://idsa.in/idsacomments/ChallengingChinasRareEarthMonopoly\\_alele\\_190712](http://idsa.in/idsacomments/ChallengingChinasRareEarthMonopoly_alele_190712) (Accessed October 10, 2015).

<sup>28</sup> "The Geopolitical Implications of North Korean Mineral Reserves", *Global Risk Insights*, at <http://globalriskinsights.com/2015/04/the-geopolitical-implications-of-north-korean-mineral->

to be noted that REE is used in manufacturing computers, laptops, televisions, cell phones, cruise missiles, precision guided munitions, reactive armours, radar systems, and in green technologies.<sup>29</sup>

India mainly exports chemicals used in industrial production and some agriproducts to North Korea, whereas it primarily imports agriproducts such as asafoetida, natural gum and dried and fresh fruits from that country. North Korea has the potential to supply minerals to India and buy refined petroleum, fertilizers, agricultural staples, trucks, cars and broadcasting instruments. However, the UN sanctions on North Korea are likely to remain a barrier in furthering trade and investment relations, at least in the short to medium term.<sup>30</sup>

**Chart 1: North Korea's Export Basket**



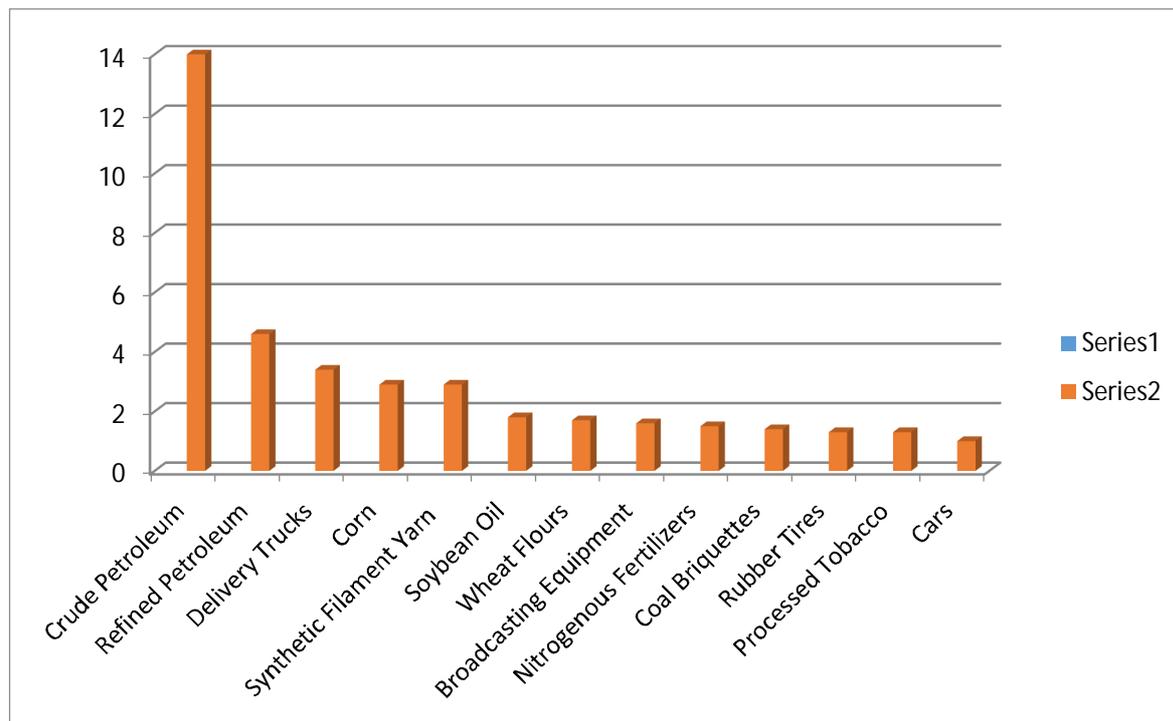
**Source:** Author's chart based on data drawn from <https://atlas.media.mit.edu/en/profile/country/prk/>

reserves/ (accessed October 12, 2015); Cecilia Jamasmie, "Scepticism Grows over North Korea's Massive Rare Earth Discovery", March 27, 2015, at <http://www.mining.com/scepticism-grows-north-koreas-massive-rare-earth-discovery/> (Accessed October 12, 2015).

<sup>29</sup> Ajey Lele, "Challenging China's Rare Earth Monopoly", Note No. 27.

<sup>30</sup> Author has sourced this data from the Export Import Databank section of the Department of Commerce, Ministry of Commerce and Industry, Government of India, at <http://commerce.nic.in/eidb/default.asp>

Chart 2: North Korea's Import Basket



Source: Author's chart based on data drawn from <https://atlas.media.mit.edu/en/profile/country/prk/>

In the last few years, the regional context has become more conducive for enhancing India-North Korea relations. Since 2011, the new North Korean leadership under Kim Jong-un has displayed a desire for reducing strategic dependence on China.<sup>31</sup> North Korea making overtures to Russia, Japan and the West could be noted during this period. North Korea is reportedly drawing inspiration from the improvement in US-Vietnam relations and has been making diplomatic overtures for mending fences with the US.<sup>32</sup> More broadly, the British

<sup>31</sup> Bonnie S. Glaser and Yun Sun, "Chinese Attitude towards Korean Unification", *International Journal of Korean Unification Studies*, 24 (2), 2015, pp. 83-87. The article underlines the developing strains in North Korea-China relations. More importantly, the article underscores how developing good relations between China and the US and China and South Korea combined with President Xi Jinping's personal intolerance for defiance by smaller countries are contributing to China's greater emphasis on the denuclearisation of North Korea. For an excellent review of China-North Korea relations, see Pranamita Baruah, "Relations between China and the Korean Peninsula in 2014: Dilemma over Engagement and Estrangement" in Prashant Kumar Singh (ed.), *China Yearbook 2014*, Magnum Books, New Delhi, pp. 149-163. Also, see Gilbert Rozman, "Russia's Reassessment of the Korean Peninsula", *International Journal of Korean Unification Studies*, 24 (2), 2015, pp. 41-70; and Sebastian Maslow, "An End to the "Lost Decade" in Japan-North Korea Relations?", *The Diplomat*, May 07, 2014, at <http://thediplomat.com/2014/05/an-end-to-the-lost-decade-in-japan-north-korea-relations/> (Accessed October 03, 2015).

<sup>32</sup> Shweta Desai, "Why is US Pleased with India's Outreach to North Korea?", *Scroll.In*, April 16, 2015, at <http://scroll.in/article/720530/why-is-us-pleased-with-indias-outreach-to-north-korea> (Accessed October 03, 2015).

Broadcasting Cooperation's (BBC) willingness to begin its services in Pyongyang is perceived as a step towards reconciliation between North Korea and the West.<sup>33</sup>

In recent years, India has strengthened its relations with the United Arab Emirates (UAE) and Saudi Arabia, perceived to be traditionally sympathetic towards Pakistan, as part of its diplomatic campaign against Pakistan-sponsored terrorism. Upgrading relations with North Korea also fits into this scheme of diplomatically isolating Pakistan on the issue of terrorism. Rijju's statement mentioned earlier suggests that India is willing to put its concerns over North Korea-Pakistan nexus behind. Nothing has been officially stated by New Delhi in the last many years in this regard. Considering North Korea's perceived bid to diversify its international relations, that country could be dissuaded from further pursuing or reviving any such nexus (even if it is not there at present) in future.<sup>34</sup> Besides, the value of North Korea's vote in the UN General Assembly will increase as India's quest for a permanent seat at the UNSC intensifies.

### Key Stakeholders

Undoubtedly, India would have to assure key stakeholders in the Korean Peninsula – South Korea, the US, Japan, China and Russia (parties to the Six-Party Talks) – about its intentions and objectives behind deepening relations with North Korea.<sup>35</sup> India also needs to factor in the dynamics of their respective relations with North Korea which are briefly discussed below.

#### South Korea

South Korea is the primary stakeholder in developments in the Korean Peninsula involving North Korea. It stands for 'a gradual, step-by-step and peaceful' unification of the two Koreas. It considers the isolation of North Korea and "sudden collapse" of the North Korean regime undesirable.<sup>36</sup> It strives for denuclearisation of the Korean Peninsula. It advocates economic engagement with North Korea to improve the latter's economic conditions so as to facilitate a smooth unification, when it happens.<sup>37</sup>

#### The United States

The US has been a security provider for South Korea since the Korean War. It has since maintained its military presence in the country. It opposes North Korea's

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<sup>33</sup> Bhattacharjee, "India Reaches Out, Wants to Upgrade Ties with North Korea", Note No. 3

<sup>34</sup> "Indian Air Force Fighter Contingent Makes Maiden Visit to Saudi Arabia", *Times of India*, August 05, 2015, at <http://timesofindia.indiatimes.com/nri/citizen-journalists/citizen-journalists-reports/irfan-mohammed/Indian-Air-Force-fighter-contingent-makes-maiden-visit-to-Saudi-Arabia/articleshow/48360473.cms> (Accessed October 03, 2015); and C. Raja Mohan, "How India, UAE Looked beyond Pak to Forge a New Partnership", *India Express*, August 18, 2015, at <http://indianexpress.com/article/explained/looking-beyond-pakistan-india-and-the-uae-forge-a-new-partnership/> (Accessed October 03, 2015). For political, security, economic and other contexts of possible Korean unification and their interface with India, see M.S. Prathibha, "Effects and Roles: India", in Kyuryoon Kim et. al. (ed.), *Global Expectations for Korean Unification*, KINU, Seoul, 2014, pp. 183-199.

<sup>35</sup> Sojin Shin, "Political Risks in India-North Korea Ties", Note No. 13, p. 4.

<sup>36</sup> Young Ho Park, "South and North Korea's Views on the Unification of the Korean Peninsula and Inter-Korean Relations", p. 4 at <http://www.brookings.edu/~media/events/2014/1/21-korean-peninsula-unification/park-young-ho-paper.pdf> (Accessed November 26, 2015).

<sup>37</sup> Jayshree Bajoria and Beina Xu, "The Six Party Talks on North Korea's Nuclear Program", Note No. 4

nuclear programme and remains highly critical of the human rights situation within the country. It has imposed unilateral sanctions on North Korea for the latter's proliferation activities since 1992. The US focus in the Six-Party talks is on denuclearisation of North Korea. There is a perception that the US implicitly supports regime change in North Korea.

### *Japan*

Japan has serious security concerns vis-à-vis the North Korean nuclear and missile programme. It also pushes the bilateral (with North Korea) issue of Japanese abductees in the Six-Party Talks. Japan by and large shares the US approach in these talks. But it does not have enough leverage to influence North Korea or the outcome of the talks.<sup>38</sup>

### *China*

China, as a traditional communist ally, has enjoyed special status with North Korea since the Korean War. North Korea is China's only treaty ally in the world. However, in recent years, it seems to have begun viewing North Korea as a liability. China under President Xi Jinping seems to believe that the persistence of North Korea as a security threat will guarantee the continued US presence in South Korea. It also considers the North Korean nuclear and missile programme as against its own interest. Therefore, China appears to be stepping up pressure on North Korea for resuming the Six-Party Talks. Nevertheless, a fundamental shift in China's North Korea policy is yet to be seen. It remains a key source of strength for the regime despite the perceived strains between the two sides.

China formally supports a peaceful unification of the two Koreas that is not driven by external influence. It defines peace, stability and denuclearisation as its policy interests in the Peninsula. However, on the other hand, for China, North Korea is an important counter against the US presence in South Korea. It abhors the idea of forcing a regime change in North Korea. An independent North Korea is a security hedge against the potential emergence of a unified Korea as a strong nationalistic force in the Chinese vicinity, as well as an independent force in the regional security architecture. North Korea is also a great ideological asset for China as a non-democratic country and an ally in its neighbourhood. An alternate view is that China would not mind a South Korea-led unification process, if South Korea could convince it that post-unification Korea would maintain equidistance between China and the US.<sup>39</sup>

### *Russia*

Russia, a key benefactor of North Korea from the Cold War period, became a party in the Six-Party Talks in 2003 after a decade-long neglect of North Korea. Russia too opposes forced regime change and ignores concerns about the human rights issue in North Korea. Russia supports the idea of using economic incentives to convince North Korea to abandon its nuclear programme. It is clearly opposed to South Korea leading the unification process. At present, Russia under President

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<sup>38</sup> Sheila A. Smith, "North Korea in Japan's Strategic Thinking", *The ASAN Forum*, October 07, 2013, at <http://www.theasanforum.org/north-korea-in-japans-strategic-thinking/> (Accessed November 3, 2015).

<sup>39</sup> Bonnie S. Glaser and Yun Sun, Note No. 31, pp. 71-98.

Vladimir Putin has got its own geopolitical objective – to regain influence in the erstwhile USSR territories or zones of influence. North Korea appears prominently in this scheme. Economically, Russia wants to link North Korea with its own Far East region. In 2012, Russia wrote off debts to North Korea and has increased the frequency of contacts with that country.<sup>40</sup>

How these stakeholders would perceive the deepening of India's relations with North Korea would depend on what kind of "upgradation" in bilateral ties is planned. Here, it should be noted that India supports both peaceful unification as well as denuclearisation — a fundamental requirement for an acceptable and constructive engagement with North Korea as endorsed by the stakeholders.

If India were to upgrade its relations with North Korea, Chinese displeasure could be expected as sections in China view India's Act East policy as a long-term strategy to establish India as a counterforce to China in the Asia-pacific. As for Russia, its response to India's upgradation of bilateral ties with North Korea would be shaped by its scheme for Northeast Asia and the overall quality of India-Russia relations.

Interestingly, North Korean Foreign Minister Pak Ui-chuan had apprised his Indian counterpart Salman Khurshid of his country's position on its nuclear programme when the two met on the sidelines of the East Asia Summit held in Indonesia in 2013.<sup>41</sup> Khurshid, on his part, conveyed India's concerns about the North Korean nuclear programme. Recently, Foreign Minister Swaraj too conveyed similar concerns to the visiting foreign minister of North Korea in April 2015.<sup>42</sup> We can infer that in the FOC and Joint Secretary-Director General level talks as well, the two sides may have discussed the issue. Thus, India may be a privileged country outside the Six-Party Talks with which North Korea is discussing its nuclear programme. In fact, the US had welcomed Foreign Minister Ri Su-yong's visit to India by describing India's diplomatic engagement with Pyongyang as a "positive development" and treating it as a sign of North Korea's opening up.<sup>43</sup> Similarly, the Japanese response towards India's constructive upgradation of relations with North Korea is likely to be positive. The India-Japan strategic partnership visualises a relationship that is committed to regional peace, stability and order.

### Taking Care of India-ROK Relations

Implications for India-South Korea relations need to be factored in any plan of upgrading India's relations with North Korea because any move in this direction will have a more direct impact on India-South Korea relations than in the case of the other stakeholders. Besides, as previously underlined that India should develop a peninsular context for its relations with the two Koreas, India's relations with South Korea are far too important to compromise for upgrading India-North Korea relations. India and South Korea have thriving bilateral and investment relations. At present, India's trade with South Korea stands at USD 18.1 billion, with South Korea being India's ninth largest trading partner and bilateral trade constituting

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<sup>40</sup> Gilbert Rozman, Note No. 31, pp. 41-70.

<sup>41</sup> Elizabeth Roche, "India Raises Nuclear Proliferation Issue with North Korea", Note No. 17.

<sup>42</sup> "North Korea Foreign Minister in India, Meets Sushma Swaraj", *First Post*, Note No. 1.

<sup>43</sup> Shweta Desai, "Why is US Pleased with India's Outreach to North Korea?", Note No. 32.

around 4.23 per cent of India's total trade.<sup>44</sup> South Korean investments in India from 2000 to February 2014 stood at USD 1.39 billion, making South Korea the 13<sup>th</sup> biggest investor with 0.65 per cent of total Foreign Direct Investment (FDI) in India.<sup>45</sup> The 2015 India-ROK Special Strategic Partnership, an upgradation of the earlier 2010 Strategic Partnership, covers the entire gamut of strategic and people-to-people relations. Cyber-security and maritime cooperation and possibilities of arms trade between them are notable examples in this regard.<sup>46</sup>

However, as India is supportive of South Korea's expectations of unification and denuclearisation of North Korea, there should be no adverse response from South Korea to India's upgrading relations with North Korea. In fact, the memory of India's role in the 1950s enjoys a certain degree of admiration within South Korea. In the 1980s, South Korea was found making overtures possibly seeking Indian mediation in inter-Korean affairs. Even now, leftist South Korean politicians are open to the possibility of India playing a facilitator's role in the inter-Korean affairs.<sup>47</sup> Often, visiting South Korean delegates insist on discussing Korean unification, the domestic situation in North Korea and the North Korean nuclear issue in their interactions with Indian think-tanks. This could be seen as an attempt to gauge India's willingness to play a role in inter-Korean affairs.

Finally, as long as growing relations between India and North Korea are seen as beneficial, any objection to the enhancement of ties between the two sovereign nations would carry little conviction. It is unlikely to face serious opposition from most of the responsible stakeholders in the peninsula. Considering India's past involvement in Korean affairs and its present political and economic weight, the idea of India facilitating North Korea's constructive and responsible engagement with the world and thereby ending its isolation might have a value.

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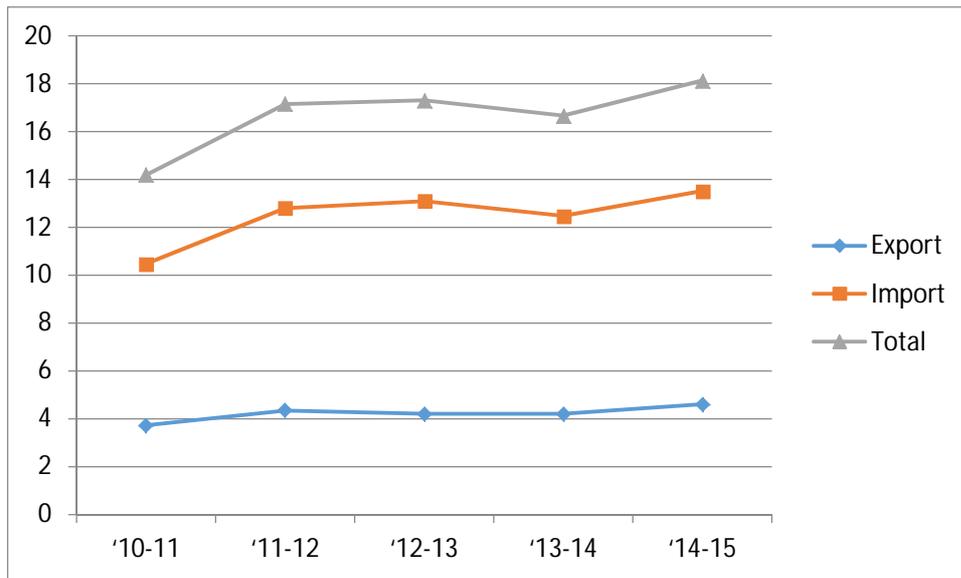
<sup>44</sup> "Export-Import Data Bank", Department of Commerce, Ministry of Commerce & Industry, Note No. 14.

<sup>45</sup> "FDI Synopsis on Country South Korea", *Department of Indian Policy and Promotion (DIPP)*, Government of India, at [http://dipp.nic.in/English/Investor/Korea\\_Desk/fdi\\_synopsis\\_korea.pdf](http://dipp.nic.in/English/Investor/Korea_Desk/fdi_synopsis_korea.pdf) (Accessed October 03, 2015).

<sup>46</sup> The details can be found in the India-South Korea documents, *Indian Ministry of External Affairs*, at [http://www.mea.gov.in/bilateral-documents.htm?53/Bilateral/Multilateral\\_Documents](http://www.mea.gov.in/bilateral-documents.htm?53/Bilateral/Multilateral_Documents) (Accessed October 03, 2015).

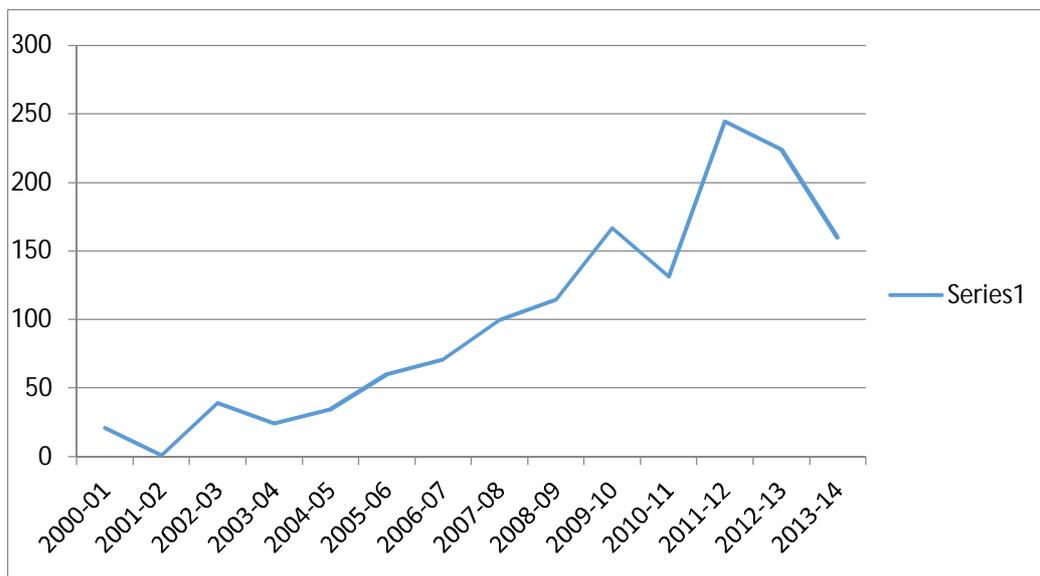
<sup>47</sup> Skand Tayal, *India-Republic of Korea Relations*, Note No. 5, p. 75. Tayal shared with the author information about South Korean leftist politicians' interest in India as a possible facilitator in inter-Korean affairs.

Graph 1: India's Trade with South Korea



**Source:** Author's graph based on data from Department of Commerce, EXIM Bank, India; Unit (USD Billion)

Graph 2: South Korean Investment in India: 2000-2014



**Source:** Author's graph based on data from Department of Industrial Policy and Promotion, Government of India. Unit: USD Million. Period: April 2000-February 2014

### Conclusion

North Korean insularity, its reliance on China, the UN sanctions and its confrontation with the US over its nuclear programme, have all constrained an effective exploration of India's relations with North Korea. Any attempt to upgrade relations will eventually depend on how responsibly North Korea behaves in the international community. Be that as it may, India should persist with its approach to enhance bilateral relations with North Korea. India and North Korea are no strangers to each other. There are institutional mechanisms which could be utilised to explore and exploit new opportunities of cooperation.

This might be the time for India to expand its role in the Korean Peninsula and contribute towards regional peace and stability, while promoting its own national interest in the Asia-Pacific. A constructive engagement with North Korea is necessary to facilitate its international socialisation. North Korea's nuclear programme and human rights situation should not be allowed to become a drag on bilateral relations. Only sustained engagement and incentives can make North Korea address India's strategic concerns vis-à-vis its nexus with Pakistan. A strong Chinese dimension to nuclear and missile cooperation between North Korea and Pakistan makes India's engagement all the more important.

India's initiatives in the Korean Peninsula may not result in dramatic gains, at least in the short-term. However, from a long-term view, this is a bet worth taking. Persistent engagement with the two Koreas as a facilitator could deepen India's strategic space in the Korean Peninsula. However, facilitation need not be carried through formal mechanisms. It need not be an official spectacle too. India could consider soft facilitation through a long-drawn process of dialogue in various formats such as parliamentary, media and scholarly exchanges. Sincere efforts will deepen trust for India and its Act East policy in the region. Thus, engagement with North Korea could be a new frontier of India's Act East policy, very much in line with the Modi Government's emphasis on adding "substance, speed and content" to the policy.<sup>48</sup>

To begin with, India should be more expressive on issues involving the two Koreas, i.e., unification, nuclear and other security related issues. It should strengthen the strategic partnership with South Korea while simultaneously enhancing channels of communication and dialogue with North Korea. In effect, India should establish itself as a disinterested power in the Peninsula. It should focus on Track-2 and Track 1.5 engagements with North Korea, jointly with South Korea where possible, otherwise independently, on various issues of common strategic and developmental interest. India should pro-actively engage North Korea and explore the prospects of enhancing trade and investment particularly in health, food, agriculture and other

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<sup>48</sup> The India-Republic of Korea (South Korea) Joint Statement of May 2015, issued during Prime Minister Narendra Modi's visit to South Korea, commits upon the two countries to "add new substance, speed and content". The statement underlines the ROK as "an indispensable partner in its 'Act East' strategy." Drawing cue from this, author's view is that graduation from Look East to Act East policy is about adding 'new substance, speed and content' to the policy. In other words, it is about pursuing a proactive strategic engagement with the Asia-Pacific. See "India-Republic of Korea Joint Statement for Special Strategic Partnership", *Indian Ministry of External Affairs*, May 18, 2015, at [http://www.mea.gov.in/bilateral-documents.htm?dtl/25261/India\\_Republic\\_of\\_Korea\\_Joint\\_Statement\\_for\\_Special\\_Strategic\\_Partnership\\_May\\_18\\_2015](http://www.mea.gov.in/bilateral-documents.htm?dtl/25261/India_Republic_of_Korea_Joint_Statement_for_Special_Strategic_Partnership_May_18_2015) (Accessed October 23, 2015).

similar developmental areas. It should contribute to train North Korean manpower in the diplomatic and academic arenas and build up its own domestic expertise on the sub-region.

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