

From New Delhi by Susan Maitra

India, South Korea expand ties

Cooperation in economic, scientific, and technological fields could be a model of South-South relations.

The two-day official visit of South Korean Prime Minister Shin Yong Lho March 2-4 has given Indo-Korean ties a solid boost, and put into clearer focus the enormous mutual benefit such cooperation promises.

The relationship has been quietly building for some time, and a major push was planned around a scheduled visit by Korean President Shin Doo Chun in 1983. That visit was canceled abruptly, however, under tragic circumstances: When President Chun was in Burma, en route to India, a North Korean terrorist attack killed 17 South Koreans, including 4 cabinet ministers.

With the visit of Mr. Lho, who had served as ambassador to India during the 1970s when the decision to elevate diplomatic relations with both of the Koreas was taken, the momentum has been restored. The South Korean prime minister was accompanied by a 30-member economic delegation, led by Mr. Yong Sukyoon, president of the Daewoo Ship Building and Machinery Corporation, one of the largest ship builders in the world, and including the CEOs of all the major industrial and trading companies in Korea.

Besides a 45-minute meeting with Prime Minister Gandhi, which Mr. Lho described as "friendly and fruitful" and which focused on economic and trade relations primarily, the Korean prime minister called on the President and the Vice-President, and had meetings with the ministers for industry, commerce, and electronics.

In an address to Indian businessmen at the Federation of Chambers of Commerce and Industry, Prime Min-

ister Lho urged Indian and Korean businessmen to work out a cooperative structure that would be a model for South-South joint work. Significantly, Prime Minister Lho announced that the Korean government would give special recognition to the three joint economic councils in both the public and private sector.

Korean commitment to a substantially expanded relationship was also seen in the forthrightness with which the problem of the Indo-Korean trade balance—four to one in Korea's favor—was addressed. The stated purpose of the economic delegation accompanying Mr. Lho was to, first, find out how the imbalance can be corrected and, second, promote Indo-Korean joint ventures. Mr. Lho raised the issue publicly, stating his certainty that great scope existed for expanded purchases of iron ore, coal, cotton, and machinery from India.

Trade between the two countries climbed sharply from 1976 to 1984, when it reached the \$1 billion level following Indian purchase of a number of cargo vessels. Since then, it has dropped back to the \$700 million range, with India exporting iron ore and importing machinery, chemicals, cement, etc. from Korea. At present, there are also as many as 67 joint-venture projects in various stages of negotiation, most of them relating to arrangements for technology transfers to India.

India is especially interested in this aspect of the relationship, and is seeking assistance in modernizing its field plants and in developing its automobile industry, in particular the auxil-

iary manufacturing sector, among other things. Korea has already made a proposal for assisting in the expansion of the Paradip port, and is awaiting India's decision.

Both nations share a very practical interest in reducing their technological dependence on the big industrial powers. Moreover, the Indian and Korean economies are in many ways complementary—with Korea's efficient development of basic industries and India's depth in basic scientific work, notably space and nuclear science.

Prime Minister Lho's visit was preceded by the visit of a Korean science and technology delegation in late February, led by Mr. Sung-Tae Chang, director general for technical cooperation. The Korean delegation held talks with science and technology officials in Delhi and toured several scientific institutions to evaluate the prospects for collaboration.

According to newspaper reports, the Korean scientists were very impressed by India's achievements. Delegation leader Sung-Tae stated that nuclear fuel was one field in which South Korea would greatly value Indian assistance. Electronics, communications, computer systems, metallurgy, chemical engineering, and energy were other areas of potential cooperation, he added.

Mr. Sung-Tae discussed Korea's experience in being denied advanced technology by the developed countries and emphasized his country's reluctance to become dependent in crucial areas such as communications. The country spends 1.7% of its GNP on R&D.

The two governments are also discussing a proposal to share freight traffic between the two nations, which could increase dramatically if new agreements materialize. Direct air and shipping links have been discussed privately.