



Bangladesh Institute of International and Strategic Studies
1/46, Old Elephant Road, Eskaton, Dhaka-1000

Country Lecture
on
The Republic of Korea

organised by
Bangladesh Institute of International and Strategic Studies

Dhaka, 07 November 2013

Summary of the Proceedings

Bangladesh Institute of International and Strategic Studies (BISS) organised the third lecture of the "Country Lecture Series" on 07 November 2013 at BISS auditorium, Dhaka. The country lecture series aim at enriching understanding about friendly countries with whom Bangladesh has significant bilateral relations. The third lecture in this series was delivered by H.E. Mr. Lee Yun-Young, Ambassador, the Embassy of the Republic of Korea to Bangladesh. Major General SM Shafiuddin Ahmed, ndu, psc, Director General of BISS, delivered the address of welcome and chaired the session.

Address of Welcome

Major General SM Shafiuddin Ahmed, ndu, psc, Director General, BISS at the commencement of his address of welcome expressed his gratitude to H.E. Mr. Lee Yun-Young, Ambassador, the Embassy of the Republic of Korea for being the Guest Speaker on the occasion. He pointed out the early recognition of Bangladesh by ROK on 12 May 1972 and stressed on the significant contribution of ROK in rebuilding the war-ravaged Bangladesh. Describing Bangladesh-ROK relations as excellent example of bilateral relations, he viewed Bangladesh-ROK bilateral ties as a time tested friendship with mutually beneficial cooperation expanding over many areas. He mentioned that the two countries are closely cooperating in the fields of trade, investment, sharing of skill, development cooperation, technology transfer, education, training, employment, human resource development, cultural exchange and through people to people contact. In the international arena, the two countries are working closely to uphold international peace and stability promote free trade and fight adverse effects of climate change.

Considering the official visit of Honourable Prime Minister Sheikh Hasina to Seoul in May 2010 is an important milestone in Bangladesh-ROK relations, he opined that the visit helped open new horizons for a brighter future in mutual ties by signing a number of agreements in the areas of trade and economic cooperation, cultural exchanges, promotion and protection of investment, and scientific and technological cooperation. He mentioned that Korea has been a significant development partner for Bangladesh which has immense contribution in the

development of infrastructure such as the railways, telecommunication sector, transmission lines, e-government, infra-networking sectors, education, health, ICT, rural development and governance sectors etc. He informed that trade between the two countries is increasing at a phenomenal rate. Korea has reportedly invested US\$ 1,006 million in Bangladesh in various sectors like ready-made garments, textiles, tanning and shoe factories. He also touched upon the opportunities offered by ROK including Export Processing Zones (EPZ), Employment Permit System (EPS) and so on.

He emphasised that despite the existing close cooperation, there is a huge scope for further expanding and developing this in the days ahead. He urged that Bangladeshis should learn many things from their Korean friends. He also mentioned BIISS contribution in facilitating bilateral understanding and exchanges between the two countries, noting the example of joint Seminar on “Strengthening Strategic Partnerships between Bangladesh and the Republic of Korea” co-hosted by BIISS in collaboration with the Embassy of the Republic of Korea and the Ministry of Foreign Affairs of Bangladesh. He hoped that the Country Lecture would contribute significantly to further strengthening relations between the two countries by promoting greater mutual understanding.

Country Lecture on ‘All about Korea and Korea-Bangladesh Relations’

At the commencement of his presentation, H.E. Mr. Lee Yun-Young thanked BIISS for inviting him as the Guest Speaker on the third presentation of the Country Lecture Series. He mentioned that 2013 is the 40th anniversary of the diplomatic relations between ROK and Bangladesh. To commemorate the anniversary, the Embassy had organised a joint seminar with BIISS in June this year (2013). His presentation titled as “All about Korea and Korea-Bangladesh Relations” addressed ROK’s historical, economic, cultural and foreign policy issues in the first part and different aspects of Korea-Bangladesh relation in the second.

He noted that Korea is a rising middle power in Asia who successfully transformed its economy and democracy and also became a growing soft power. He noted that the country is actively promoting regional cooperation, green growth and cultural communication. Though ROK is facing some challenges like division between two the Koreas and the aging problem, the country has many things to offer to the world and to contribute to Asia for peace and prosperity. The growing influence and popularity of Korean culture, known as ‘Korean Wave’, including TV drama, films and sports, is a significant aspect of Korean soft power.

Noting the economic success of Korea, Ambassador Lee described that the economy of Korea grew 485 times in the last 50 years. Now, Korea is the 13th largest economy, being ranked in top five in several sectors including shipbuilding, steel, automobiles, semi-conductors and petro-chemical. He said that strong political leadership, institution building, consistent outward-looking and growth oriented economic policy, emphasis on education and human capital, dynamic entrepreneurship and well trained labour force are the main factors behind the Korean economic development successes. He described the new administration in Korea as a new era of hope and happiness with the objective of creating a trustworthy government, individual happiness of the people and a

dynamic and innovative economic system. He gave three suggestions for Bangladesh in this regard: (1) to attract FDI particularly in heavy industry and service sector; (2) to develop local brand and export on their own; and (3) to prepare for liberalisation of economy and negotiation for FTA/RTA.

He stated that major directions of Korean foreign policy are resolving the North Korean nuclear issue, developing relations with neighbours, promoting peace in the Northeast Asia and playing role as a responsible middle power contributing to world peace and progress. In the diplomatic sphere, he offered two recommendations for Bangladesh: (1) to try to join the ASEAN as a member; and (2) to participate in the regional trade initiatives.

The Ambassador stated that excellent bilateral relations prevail between Bangladesh and Korea in all fronts from economy and development cooperation to governance, education, culture, military etc. In 2013, the 40th anniversary of the diplomatic relations, Korea organised joint seminar in June, hosted business round table in Korea in July and bilateral meeting between the foreign ministers in October. He added that as the largest investor in Bangladesh, Korea invested not only in garments but also in infrastructure such as power plant, R&D sector, ICT and business service areas. Trade with Korea is in upward trend with the highest amount recorded in 2011 at US\$ 1.9 billion. Korea also receives a large number of Bangladeshi workers through its Employment Permit System (EPS). In the current year, Korea has given enormous importance in the cultural exchange sectors and the Embassy has arranged several cultural performances of Korean dance, music and martial art in Bangladesh. He hoped that this bright prospect for more deepening relations with Bangladesh will be enhanced in the coming years as well.

Open Discussion

Ambassador Humayun A. Kamal, in his statement, appreciated the work ethics of Korea and mentioned that their work, culture and discipline have made the country successful. He mentioned that Bangladesh is grateful for the duty-free and quota-free access to Bangladeshi products offered by Korea and noted that there is scope to improve public-private partnership (PPP) between the two countries. He also suggested cooperation in sectors like ship-building, ICT and technology sharing can be profitable for both countries. He also appreciated that that by introducing Employment Permit System (EPS), the cost of migration from Bangladesh to Korea has been greatly reduced. Ambassador Kamal expressed hope that the Korean President would pay a visit to Bangladesh in near future. In response, H.E. Lee Yun-Young mentioned that he too hopes the Korean President would visit Bangladesh soon. He stated that Korea already has four large ship-building industries and more than twenty-five small and medium sized ship-building industries. He opined that the small and medium ship-building industries can move their operations to Bangladesh that will increase their competitiveness with regard to Chinese ship-building industries and benefit both Bangladesh and Korea.

Dr. Mustafizur Rahman, Chairman, Institute of Development Strategy, noted that Korea emphasised on the advent of science and technology and this is the cause of their success. He mentioned that without technology-based development and high-value product Bangladesh cannot follow the path of

Korea. He appreciated the trend of economic success in Korea and noted that the practice of providing policy support to initiatives at various levels underlies Korean achievement. Dr. Rahman opined that Bangladesh should learn from Korean practices. In response, Ambassador Yun-Young mentioned that development in Korea was pushed by President Park by driving the wheel of export. He noted that the President tried the technocrats to take the lead of government and that helped Korea to stand where it stands today.

Suhel Chowdhury, former commerce secretary of Bangladesh government, made observation that Bangladesh runs behind in its efforts towards Free Trade Areas (FTAs). Noting the progress of Koreans towards FTAs, he mentioned that Bangladesh should learn from Korea and deal with its problem of capacity-building in this regard. Sohel Chowdhury also opined that considering the export potentials of Bangladesh, Korea may consider providing deeper trade preferences to Bangladeshi product and can also think of assisting the light engineering industry of Bangladesh like outsourcing of motor spare parts of car industry. H.E. Lee Yun-Young noted that to expand export Bangladesh will have to develop its own brand as well as export strategy toward Korea. He stated that 80 per cent of all export of Bangladesh consists of Ready-made Garments (RMG) which is in fact dependent of foreign buyers. Since Korean market for RMG is large enough, Bangladesh can improve their export strategy to deepen bilateral trade relations. He also noted that there is room for local business import where Korean investor can assemble and create automobiles in Bangladesh.

Jaglal A. Chowdhury, senior journalist and columnist, questioned the Ambassador over a number of issues. He asked whether the process of rapprochement between two-Koreas will resume and considering the military strength of North Korea, in an event of full-blown war, will China help North Korea or not? In his response, Ambassador Yun-Young noted that in the process of rapprochement and managing North Korean nuclearisation, six-party talks will have to play a vital role. He further mentioned that China is a member of the six-party talks and they have also joined the sanctions of United Nations Security Council (UNSC) against North Korea. He expressed his concern over the economic situation of North Korea and isolated status and opined that a change in policy is required.

Ambassador M. Zamir, opined that since South Korean has shown great success in development of renewable and environment-friendly energy; they can start initiatives to develop solar power and bio-gas in coastal areas and islands of Bangladesh in short, medium and long-term projects. In his response, H. E. Lee Yun-Young noted that it is not easy for people of rural areas to get access to full power electricity. Therefore, establishing solar power panel is important for Bangladesh. He mentioned that Korea has commercially entered the business of solar power and renewable energy and have already established 1200 solar panels.

H.E. Iwan Wiranata-atmadja, Ambassador of the Republic of Indonesia, said that South Korea was hit by the Asian financial crisis but the country showed resilience and recovered very fast. The rest of the Asian countries were able to recover with the help of domestic market. He enquired to know what was the main recipe or policy of coping with the crisis? In his response, Ambassador

Yun-Young mentioned that during the economic crisis of 1997-98, South Korea adhered to the guideline by the IMF which also provided some loan to reshuffle the total economy. The government and entrepreneurs changed their mindset. People sacrificed for the recovery of economy. At that time South Korea also refrained from risky business. This strategy helped the country recover quickly from the economic crisis.

Dr. Mahfuz Kabir, Senior Research Fellow of BISS, mentioned that there is regional FTA in SAARC but no bilateral FTA with South Korea. He first asked about the reshuffling of energy sector in Korea after Fukushima crisis. Mentioning the R&D plant of Samsung in Bangladesh, he asked how Bangladesh can invite more investment from South Korea. And finally, he said that 80 per cent of total export Bangladesh comes from RMG sector. How can Bangladesh boost its export? In his response, Ambassador Yun-Young mentioned that after Fukushima nuclear disaster, South Korea also thought about how to use nuclear energy in the future. The government and the civil society agreed that they will reduce the size of the nuclear power plant. As a result the cost of electricity will be high and people will have to pay for it. He reminded that South Korean Daewoo company first trained Bangladesh on how to set up RMG industries.

Ambassador Shahed Akhtar, former principal of the Foreign Service Academy, commented that the participants were more knowledgeable after the discussion on South Korea. He said that in Olympics South Korea always ranks among the top five countries. He wanted to know what the national agenda was to take sports to a different height. Ambassador Yun-Young said that apart from the performance in the Olympics, South Korea also does well in golf and other sports. The reason behind their success is parents try to find the talent of their children at young age and support them. The government's policy and effort of parents contributed behind this success.

Colonel Emdad Uddin Ahmed (retd.), mentioned that the East and West Germany as well as Vietnam was divided. But they unified and are now moving very fast. He enquired about the inter-Korea relations. He asked if there was any chance of the two Korea being united and what the barriers of such unification were. In his response, Ambassador Yun-Young said that the right way to normalise between the Koreas is to talk rather than nuclear weapons. He mentioned about the effort by the international community in this regard and emphasised on economic development of North Korea.

Concluding Remarks

In his concluding remarks, Major General SM Shafiuddin Ahmed, ndu, psc, Director General, BISS, mentioned that South Korea is a trusted partner for four decades in manifold areas of diplomatic, economic, technical and cultural areas. He expressed his belief that from a similar socio-economic context prevailing in Bangladesh and South Korea back in 1960s, the country's emergence as Asian Miracle in a very short time span is a great lesson for developing countries like Bangladesh striving for economic advancement. He extended his gratitude and thanks to His Excellency Ambassador Lee Yun-Young and all distinguished participants for their unreserved support and cooperation in making the Country Lecture a success.