

REPORT – EIAS BRIEFING SEMINAR

EU-Korea Relations

30 June 2010, 14:30-17:00

EIAS, Brussels

On 30 June 2010, the European Institute for Asian Studies hosted a briefing seminar on the EU-Republic of Korea (ROK) relationship in terms of security and trade. The Republic of Korea has been an important player throughout its history, especially since the second World War. Contemporarily, it is gaining more attention as its relationship with North Korea is causing geopolitical and security tensions in the region, especially with the current possibility of a EU-ROK free trade agreement.

The seminar contained three presentations in which both security and trade issues were addressed. Concerning security, with the relative decline of international US influence, regional and inter-regional relations are becoming increasingly important. This should entice the EU to raise its influence in East Asia, particularly in China, Korea, Japan and Taiwan. However, the EU-ROK Free Trade Agreement (FTA) will help foster this new relationship. Moreover, a strong US-ROK-EU relationship will also lead to further pressure on North Korea to return to the six-party talks. Through this, lasting peace can be fostered to ensure security throughout East Asia.

The discussion then turned to focus on trade issues. It is known that on paper, a single world economy system is the most efficient, although in reality, it is more complicated than that. This is why there are many regional FTAs, as they are considered to be the next best thing. On the Asian continent, the East Asia trading block is said to be the most efficient one, followed by ASEAN+3. These efforts can be advanced by a ROK-Japan agreement that will entice China to participate.

In more contemporary matters, the EU-ROK FTA is likely to be ratified by the end of this year. However, there is some opposition to the EU-ROK FTA, led by the southern EU member states and other industry specific sectors, which have also expressed their opposition. Nevertheless, there are safeguards in place to counter unfair competition and the FTA will potentially have little effect in the EU. Yet, there are some other international implications as well. If an EU-ROK FTA were to pass, then it would place pressure on the United States to act towards the Korea-US FTA that has been stagnant, pending on Congressional approval. It will also put pressure on the EU-Japan Economic Integration. However, industries that will be affected by the EU-ROK FTA will most likely also be affected by an EU-Japan agreement, which should encounter opposition from those sectors at its turn.

During the discussion which followed, a wide range of topics was covered. It was said that the ROK stands to gain the most from agreements with the EU and the US, thus weakening its bargaining chip. It was also noted that without an EU-ROK agreement, the US is unlikely to move on the KORUS, due to its effect on the automotive industry. Concerning security, the EU should be involved in trying to form a peace treaty on the peninsula instead of waiting for the US to take action in this matter. During the original Korean War, efforts were undertaken by a UN coalition in which many Europeans died and therefore, the EU should take a more proactive role in ending the military stand-off.