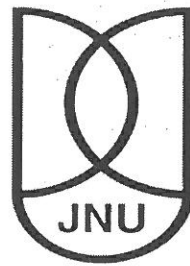


**CULTURE AS A FACTOR IN KOREA- VIETNAM RELATIONS**

*Dissertation submitted to the Jawaharlal Nehru University  
in partial fulfillment of the requirement  
for the award of the degree of*

**MASTER OF PHILOSOPHY**

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**DECLARATION**

I declare that the dissertation entitled "Culture as a Factor in Korea- Vietnam Relations" submitted by me in partial fulfillment of the requirements for the award of the degree of Master of the philosophy of Jawaharlal Nehru University is my own work. The dissertation has not been submitted for any other degree of this University or any other University.

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**CERTIFICATE**

We recommend that this thesis be placed before the examiners for evaluation.

Prof. Srikanth Kondapalli  
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### **List of Abbreviations**

AKFTA	ASEAN- Korea FTA
APEC	Asia- Pacific Economic Cooperation
ASEAN	The Association of Southeast Asian Nations
EDCF	Economic Development Cooperation Fund
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IMF	International Monetary Fund
KF	Korean Foundation
KOTRA	Korea Trade-Investment Promotion Agency
MCST	Ministry of Culture Sports and Tourism
ODA	Official Development Assistance
ROK	Republic of Korea
SOE	State-Owned Enterprise
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organization
USA	United States of America
VCCI	Vietnam Chamber of Commerce and Industry
VKFTA	Vietnam Korea FTA
WTO	World Trade Organization

## Chapter 1: Introduction

### 1. Background

The UNESCO Declaration on Cultural Diversity explains the concept of culture as “ a set of distinctive spiritual, material, academic and expressive features of society or a social group, and that it incorporates, in addition to art and literature, way of life, ways of living together, value systems, traditions, and beliefs”( UNESCO Declaration on CD 2001). This description uses the word “culture” in an expansive sense, including both “societal cultures” and artistic expressions.

The idea of Cultural diplomacy is recongnized a significant subject in the domain of international relations; it likewise strives to build relations between nation-states. This manifests how the relations between cultural diplomacy and foreign policy are interlinked. It is a soft power that the countries use against another in the world politics as Joseph Nys states: “power is one’s ability to affect the behavior of others to get what one wants” (Nye 2009:160). So this is based on common culture, history and identity which tries to maintain good relations or even improve the damaged relations as the Cold War period had shown different paradigm—which was totally based on military power. However, after the Cold War the scenerio changed and countries started to engage and work on non-traditional subjects—particularly the cultural aspect in the relations. At present, the nation-states have started through bilateral, multilateral and organized meeting the cultural elements in international relations. For leaders, it is being seen as an instrument for making good relations and achieving national interests. The culture of South Korea from the beginning “has made a massive inroad into East Asia and other Asian countries...through Korean Wave (Hallyu in Korean), especially television dramas, popular music, and movies” (Yang 2012: 104). It also has significant impact on Vietnamese society in Southeast Asia.

Culture has turned out to be an essential diplomatic tool by acting as a bridge by promoting common understanding among nations. This has effected on more and more governments giving priority to culture in foreign policy implementation and diplomatic relations. The goals and motivations stemming from the development of cultural diplomacy are first of all to create a "trust base" with other peoples, on which policymakers will then be able to achieve political, economic and military agreements. Within this emerging framework of trust, the ultimate goal is

also to create among the people's such relationships characterized by stability beyond the changes of political leadership. The role of cultural diplomacy includes forming an agenda that will support state cooperation irrespective of the political dissimilarities that may arise. Moreover, an additional objective focuses on the development of a neutral platform so that ordinary people can communicate with each other. Cultural diplomacy is recognized as a flexible and universally acknowledged means of approaching countries with which diplomatic relations are minimal or sometimes non-existent, thus further contributing to the promotion of the development of civil society.

Therefore, Soft power through cultural diplomacy is considered an important element in countries foreign policy. This has reinforced bilateral relations also between South Korea and Vietnam. It has now shaped the foreign relations between countries.

The discourse on Korea and Vietnam relations has always incorporated the 'cultural factor' in an extensive, if not inclusive, manner. Hallyu-The Korean wave began in Vietnam with the export of Korean TV dramas like "Jewel in the Palace" and "Winter Sonata". The Agreement on Cultural Cooperation reached in 1994, the MOU on cooperation in Culture, Arts, Sports, and Tourism reached in 2008 as well as other related framework documents have solid foundations for further cooperation between the two countries.

The Socialist Republic of Vietnam and the Republic of Korea officially established diplomatic relationship on 23<sup>rd</sup> March 1992. Within 25 years, the bilateral relationship between the two countries has been increasingly improving and deepened at all levels. Due to shared and common traditional ties as well as similarities in history and culture, reinforced by economic structures, mutual assistance and nurtured by friendship as well as shared efforts by both governments and people. Vietnam-Korea relations have attained significant achievements in a wide range of areas, contributing to development and cooperation in the region and in the world over the past 25 years. Vietnam and Korea are two Asian countries having many similar historical and cultural features. Their diplomat relationship was formally established in 1992, which paved the way for both sides to develop economic, educational and science-technical dimensions, leading to the upgrade to comprehensive partnership in 2001 and strategic partnership in 2009. It



was this deep ties between the two countries that the Korean Wave can come to Vietnam (since the late 1990s) and achieved continuous success in the order of dramas, movies as well as popular music, which provides a base for market expansion of Korean screen products, helping Korean celebrities earn many Vietnamese fans. This success is highly credited to the ease on foreign cultural products restrictions of Vietnamese government; the economic ties between two countries; as well as the policies of the Korean government to support Korean Wave in Vietnam

After the establishment of the diplomatic relations in 1992, the relationship between Korea and Vietnam has developed quickly. The association has been rapidly deepened in all fields such as political and economic, social and cultural, trade and investment, education and people-to-people exchanges. Vietnam and Korea endure great commonalities and similarities regarding geographical location, culture, historical background, customs, ways of living, ways of thinking, etc.

The background of Korea- Vietnam relationships can be traced back to the thirteenth century when Prince Ly Long Tuong, facing internal threats, built a ship, crossed the sea and arrived in Korea seeking asylum. Vietnam and Korea have long shared a historical and cultural background in Sino-centric Confucianism and have faced some cultural obstacles. Therefore, considering all these cultural similarities and shared historical background, the 'Korean wave' — or Hallyu — in Southeast Asia is said to have arrived first in Ho Chi Minh City, where the first Korean drama series 'Medical Brothers' was shown to the public viewers in 1998.

The people of Korea and Vietnam share the essential religions like Buddhism (which became state religion during the Shilla Dynasty in Korea and Ly and Tran Dynasties in Vietnam) and Confucianism (which was the official religion of Joseon Dynasty in Korea and Le Dynasty in Vietnam). Buddhism and Confucianism have put forth a significant influence on developing systems of education, arts, architecture, ceremony, social and family traditions and civil administration. This historical influence of various cultural manifestations is visible in contemporary times. The areas where this cultural mosaic is most apparent is religious tolerance which can be seen even nowadays in both countries. Vietnam and Korea have many religions, and both countries respect religious pluralism with the coexistence of Buddhism, Confucianism,

Taoism, Catholicism, Protestantism, and Islam, local faiths (Shamanism in Korea and Caodaism and Hoahaoism in Vietnam). There is no hatred among various denominations, and thus both countries have been prosperous in preserving national cultural identity over the centuries. This attitude of tolerance towards different beliefs is the most distinguished feature of the Vietnamese and Korean societies proving the invincible vitality despite the pressure and danger of assimilation brought by the foreign forces during their aggression and colonization.

As Korea and Vietnam are both closely located to a giant and powerful China, they were forced to adopt Chinese cultural practices but maintained their uniqueness in their ways. For example, both countries took Chinese characters directly from China and established their own distinctive cultural identities on the adopted Chinese characters. In order to contain the looming cultural assimilation and at the same time to adopt the positive factors of Chinese culture, Vietnam and Korea carried out the policy of de-Sinicization. In short, the historical background of Vietnamese culture and Korean culture can be summarized into two categories Sinicization and de-Sinicization.

In the pre-modern period, both countries suffered under foreign oppression. Korea was under Japanese colonial power; Vietnam was under French colonization. Therefore, Vietnamese and Korean people determined to fight for national liberalization. In the modern times, Korea and Vietnam are strong economic, political and strategic partners despite Vietnam being a communist nation. Vietnam is the only Communist country to ally with South Korea. South Korea is being regarded as a significant ally of Vietnam, and both countries are supposed to be among the most pro-US countries in Asia.

During the period 1954-1975, as a result of the bipolar world order and the consequence of world politics, Vietnam was divided into two North and South. The 1954-1975 period witnessed the Vietnam war which was one of the most tragic and devastating events in history. Korea joined into the US's call by sending troops to Vietnam under the then President Rhee Syngman regime. During the war, the total number of Korean soldiers involved in the Vietnam war amounted up to approximately 325,517. This period was the most tragic chapter in the history of relations between Korea and Vietnam. The war ended on April 1975, and the United States remained

hostile to Vietnam. The US employed siege policy and economic sanctions in retaliation to isolate Vietnam from the rest of the world, as well as to block other countries' relations with Vietnam which was recently unified. Korea, being a supporter of the United States and recipient of the United States development aid was in turn severely affected by the hatred of the US policies. Thus, during this period, Korea- Vietnam relations, suffered from a temporary interruption and was very minimal contacts were made between Korea and Vietnam. However, at the beginning of the 1980s of the 20th century, Korean traders carried out a trade with Vietnam in a quiet way, but no official contact was made until 1992.

In 1986, the government of Vietnam adopted the reform policy to transform itself into the market economy, with the foreign policy bearing the spirit that Vietnam wished to be friends with every country in the world. In this stage, Korea launched its Northern Policy to normalize diplomatic relations with socialist countries. Similarly, Korea's maturing democracy and rapid economic development have had a significant impact on its external links. The increasing level of relations between Korea and Vietnam can be attributed to Korea's foreign policy of Southward push which aims at developing a more significant relationship with Southeast and South Asian nations. In fact, Korea conducted this foreign policy with an aim to establish diplomatic ties with all non-antagonistic states although they might differ in political institutions and ideologies.

As a result of the happy crossing of these two diplomacy policies, the previous causes which earlier impeded Korea -Vietnam minimal relations existed no more. Several factors contributed to this achievement. For instance, Vietnam-China relations warmed up; the Vietnam-US relation gap has improved, and the suspicions of the ASEAN countries in Vietnam was also cooled down. In light of these favorable circumstances, the Socialist Republic of Vietnam and the Republic of Korea established the formal ties on 22<sup>nd</sup> December 1992. These significant historical events proved that Vietnam and Korea shared similar experiences in their relationships with China and the US. The post Cold War scenario has facilitated a condition for a rapprochement between the two nations, who were historically friendly and shared common cultural heritage of Confucianism, Buddhism, and Taoism. Undeniably, bordering China, but Vietnam and Korea maintained relatively peaceful relations with China in the long history of the Confucian tributary

system. With unyielding and indomitable spirit, Vietnamese and Korean endured and survived the many challenges from their invaders, succeeding in keeping their national identities.

‘An endless line of water that starts from a shallow stream, grows into a big river, and then flows into the ocean. That’s how Vietnam’s former deputy prime minister, Vu Khoan, in his works has emphasised on the conversion of hostility between South Korea and Vietnam into friendship after the two celebrated the 20<sup>th</sup> anniversary of their bilateral relations. He reiterated it as ‘the Pacific miracle’, all through the very means of soft power.

According to words of Vietnamese Prime Minister Phan Van Khai, "The Republic of Korea is a very important partner of Vietnam and a good model for Vietnam to expand cooperation and exchange experiences during its development process."

Before the financial crisis in 1997, Korea was already annually conducting \$1.3 billion of trade with Vietnam. Korea became Vietnam's third-largest trading partner just four years after the establishment of formal diplomatic ties. Korea also became the fourth-largest foreign investor after Taiwan, Japan, and Hong Kong, having approximately \$1.987 billion into Vietnam economy. The level of Korea’s investment roughly doubled over the next ten years; in the first five months of 2006, new South Korean investment in Vietnam totaled around \$400 million, and approximately over a thousand Korean companies had been operating in the country. Moreover, many Korean businessmen who entered the Vietnamese market for investments are primarily Korean having Vietnamese ancestry.

Culture plays a vital role in contributing greater economic bond between Korea and Vietnam. Hallyu - The Korean Wave began in Vietnam with the broadcasting of Korean TV dramas like “Jewel in the Palace” and “Winter Sonata.” The Agreement on Cultural Cooperation signed in 1994, and the MOU on Cooperation in Culture, Arts, Sports and Tourism signed in 2008 as well as other related framework documents have laid a solid foundation for further enhancing cooperation between the two countries.

In 2006, the Korean Cultural Centre was inaugurated in Ha Noi with the aim of promoting mutual understanding and raising public awareness about Korean culture to bring Vietnam closer

to Korea. Since then, cultural exchange programs between Vietnam and Korea has expanded such as cultural exhibitions, film festivals, artistic performances, etc. have regularly been held in both countries. About people exchange, from just a few dozen people, far above every nation has about 110,000 people living across. In each year, approximately half a million people visited each other. General Secretary Nong Duc Manh of Vietnamese Communist Party, during his official tour to Korea in November 2007, compared the relationships between the two states to those between “sadon”, a word implying “in-laws” in Korean, seemingly a reference to the increasing number of intermarriages between Koreans and Vietnamese. According to reports, more than 46,000 Vietnamese women have decided to marry Korean men, making Vietnam the number producer of foreign brides for Korean men. However, this union has certain drawbacks, with the increasing rate of multicultural families growing, some unfortunate unions have also been reported. These families have contributed to bridging the two cultures with kinship and also help the mostly homogeneous Korean society diversify culturally with a growing number of intermarriages with other countries and is essential to ASEAN-Korea’s cooperative achievements, contributing fully to Southeast Asia’s potentials. Bearing various fascinating similarities of Korean special features, Vietnam plays the crucial role in bridging Southeast Asia and Korea, turning ASEAN into a beckoning and burgeoning region abounding in natural and human resources, which will expand and thrive in myriad directions.

The bilateral trading pattern between Korea and Vietnam reflects the balancing nature of both countries’ natural advantages. Vietnam is a competitive, efficient, resource-rich country, while Korea is well-known for its ability in producing competitive high-tech goods and services. While Vietnam’s exports to Korea, on the other hand, are mainly concentrated in primary goods, Korea’s exports to Vietnam chiefly consists of transformed manufactures. Thus, it is essential to study and revise the trade flow between two countries comprehensively by reviewing trade relations and applying trade pattern indices such as Trade Intensity index, Trade Complementarity Index, Intra Industry Trade index and so on.

### **iii.2. Theoretical Framework**

International relations as a discipline at the onset have been dominating by mainstream theories—particularly realism—which is based on military force. It has neglected the cultural element in the relations among nation-states. So the following major IR theories here are discussed in which why culture for a long time was ignored.

### **i. Realism**

From the time of the Westphalian system of sovereign nation-states to the globalized world we live in today, the international order has undergone through multiple phases and changes. The difficulty of understanding the world's dynamics is illustrated by the diversity of international relations theories. The two opposing main arguments in international relations are realism and liberalism. Realists believe international relations are inherently conflictive and ultimately leading to war whereas liberals see international relations as cooperative.

The realist core assumption is that world politics consist of an “international anarchy of sovereign states.” Realists are of the view that in today's world the states desire domination over each other to avoid their own domination in the first place. According to Hans Morgenthau adds that political goal is always a goal for power no matter its other short term goals it's long term goal is always power. Realism offers that human beings are by nature egotistical and evil therefore the central theme of realist thinking remains national security and state survival. Realists are also not of the opinion that interantional relations would lead to any progress. A central obsession for realists such as Thucydides, Machiavelli, and Hobbes is that “power politics” dominate the international affairs. Moreover, realism theory does not acknowledge the role and importance of non-state actors in international affairs. However, this theory defended the importance of nonstate actors, especially transnational advocacy networks as having an instrumental role in the promotion of culture and the bridging connections between the players on the international affairs. Thomas Schelling, a strategic realist, hold that diplomacy and foreign policies are as “a rational-instrumental activity that can be deeply understood by the presentation of a form of logical analysis called game theory. According to Schelling, what matters in foreign policy is rather a national interestnot a moral or individual interest. The multilateral perspective on cultural diplomacy was put forward by UNESCO which will be analyzed in the second part of

this study which might invalidate Schelling's argument. UNESCO emphasizes its action on dialogue among civilizations, people and cultures and reveals the collaboration of states towards the aim of achieving a common goal. In the recent years, the implementation and attention given to musical diplomacy in U.S foreign policy reflect that the United States is not prioritizing national interests over the moral and individual interests. For example, the "smart" power politics agenda pursued by Hillary Clinton challenges Schelling's belief that states are essentially obsessed with the balance of power and military force. The theorist Kenneth Waltz took these arguments ahead and introduced the theory known as neorealism. For Kenneth Waltz, international relations are naturally anarchic and should be analyzed by the structure of the system, not on human nature or behavior. Thus, realism and neorealism theory of international studies revolves around the security of the state. It primarily aims at maximizing the power of the state as it views the international order as solely anarchic. Thus, for them, the national interest of the state matters over the individual or moral choice. However, this research challenges the argument of realism and neorealism theory by concentrating on how ideas and cultural proximity can bring nations together. Security and defense with the growth of global terrorism is no longer a mainly an issue of state security and defense – but it is now a problem shared by individual humans and the global community of humanity. The most avid critic of Schelling's strategic realism and security argument is Ken Booth who opines that the realist game of military and power politics has no relevance. Hence, it has led to the decline of the complexity of international affairs and administering significant elements that constitute the international order such as international law and the role of non-state actors in reducing the international relations to the power politics.

## **ii. Liberalism**

On the other hand, Liberals see the world through a qualitatively different eyepiece and grant actors more scope and reason to cooperate. Liberalism on the contrary to realism maintains that international relations are not necessarily conflictual but can be improved by international cooperation. Liberals focus their theory on the individual. They agree with realists in that individuals are self-interested and competitive but they also believe that individuals "share many

interests and thus can engage in collaborative and cooperative social action, domestically as well as internationally, which results in greater benefits for everybody at home and abroad. Liberalism theory defends the authority of human or individual reason over maximizing power and the lust for power. In opposition to the realism theory, liberalism theory does not view the international order as anarchic, and that conflict and war are avoidable circumstances. Joseph Nye developed liberalism further, accepting the old liberalist ideas of change and progress but renouncing idealism. Joseph Nye argues in his book that interdependence, democracy, and integration are changing the international order. Nye is well known for having coined the term “soft power” in regards to a country’s capacity to influence another through its culture, political ideas and policies. According to Joseph Nye, the capability to convince by using culture, values, and ideas as a tool is contradicting to hard power which conquers or coerces through military power. The liberal theory argues that relationships as a result of persuasion rather than forces or aggression should hold a central place in public diplomacy. Joseph Nye defines three dimensions of public diplomacy: daily communication explaining policy decisions, political campaigns built on a few strategic themes and long-term relationships with key individuals. Institutions promoting a country’s culture and the arts such as the British Council in the United Kingdom or the Alliance Française in France fall into the “political campaign” dimension. The dimension of public diplomacy is focusing on the “development of lasting relationships with key individuals over many years through scholarships, exchanges, training, seminars, conferences, and access to media channels” is the most significant in regards to this dissertation as it sets out the framework for intercultural communication. It is necessary and crucial to remember one of the main pillars of Nye’s “soft power” politics such as communication. According to the Liberalism theory, all the actors on the global stage play a role in the international affairs, governments as well as non-state actors in regards to their contribution to nurturing intercultural communication because according to them, different communication approaches can yield different soft power results. Therefore, the liberalism theory of international relations is not relevant in the context of this cultural diplomacy research as I am arguing that international relations should focus on norms, values, and ideas not solely on the behavior of states and nonstate actors. However, we should also realize the contribution done by non-state actors can bring to the promotion of cultural



diplomacy. However, the line separating international relations theories can be thin as sociological liberalism also highlights the importance of transnational non-governmental ties between societies such as communication between individuals and between groups. In game theory terms, they insist that the world is far from Pareto relations. The interstate relationships in Europe after World War II, and the interdependence of the U.S. and the West European states are examples they cite of peace through democracy, institutional mechanisms, and economic dependence. The liberals, however, fall short when it comes to explaining the likely outcome when democracies face autocratic states, or when vital interests clash. Nor can they deny the need for states to assert comparable capabilities under such circumstances.

However, my research topic can be linked with liberalism theory as there is an element of economic interdependence in Korea- Vietnam Relations. When President Park Cheung Hee took up new economic and opened the Korean market to the outside world in the late 1970's, trade and commercial relations between the ROK and Vietnam flourished. By now, Vietnam is one of the major trading partners of Korea. This economic interdependence is being best conceived with the neoliberal approach, thus, in an optimistic world in which international relations are subordinate to a network of interdependent relationships, in which norms as well as rules influence and, if needed, restrain the behaviour of states. The components inside neoliberalism accounting best for interdependence between states are neoliberal institutionalism and complex interdependence. Both sub-groups of neoliberalism emphasize the importance cooperation and trade relations have on the state's behaviour. Complex interdependence outlines the focus a state has on 'low politics', once interdependence is installed. It is linked with liberal institutionalism. This strand stresses that international organizations, such as the United Nations (UN) or the World Trade Organization (WTO), but also international rules and norms, encourage cooperation between states and by that foster greater interdependence.

The greatest contradiction in combining those two schools of thoughts is their particular regard on the impact of international organizations. Liberalists see non-state actors as majorly important when it comes to international relations, whereas realists at most acknowledge the existence of international institutions in the global world order.

However, in this thesis, I consider which international relations theory fits best in regards to cultural diplomacy. I will argue that constructivism is the most relevant of all international relations theories in this context. Let us now consider the constructivist approach in regards to the study of cultural diplomacy.

### **iii. Constructivism**

The argument that I put forth in this thesis is Constructivism theory of International Relations. Nicholas Greenwood Onuf was the first theorist to introduce and coin the term ‘constructivism’ in international relations theory in 1989. He opines that states are more or like similar to individuals. In his famous book ‘world of our making,’ he describes that entities such as social facts are made up by human action and interaction as a contrast to brute facts that are not dependent for their existence on human action but rather are the phenomenon of the human condition. The central arguments of the constructivists include concepts such as discourses, norms, identity and socialization that are repeatedly used in contemporary discussions of international issues including globalization, modernization, international human rights, security policy and so on. In brief, constructivism in international relations is the argument which claims that significant aspects of international relations are historically and socially constructed. They argue that international relations are not merely affected by power politics, but rather also by the ideas. Thus, according to the constructivist’s view the primary structures of international politics are social rather than strictly material. Alexander Wendt put forth two fundamental accepted tenets of constructivism: the structures of human association are determined primarily by shared ideas rather than strictly material forces, and that the identities and interests of purposive actors are constructed by these shared ideas rather than given by nature. The international order is not determined or dominated by power politics, national interest and military power which has been proved rightly by the existence of international organizations such as UNESCO. In opposition to realism that holds that international relations are state driven and anarchic, and that state’s security and material interests determine the international affairs, and to liberalism that concentrates on the interdependency of international actors, constructivism considers international politics as “a sphere of interaction through which states’ identities and practices are

created". International relations are complex and diverse and should not undermine human consciousness, beliefs, and values, knowledge. According to musicologist, John Blacking, "The chief function of music is to promote soundly organized humanity by enhancing human consciousness". musical diplomacy should be studied through the lenses of co The constructivists argues that international relations are dominated by norms and ideas, and the international structure enables actors to rethink their interests and identities in the stages of interaction As expressed by Reus-Smit in *The Moral Purpose of the State* if "constitutional structures define and shape the nature of international systems of rules then changes in the metavalues that comprise those structures must be a primary determinant of systems change." This research argues for the acknowledgment of the potential that values and ideas have in "harmonizing international relations." According to constructivists, the international system only exists as a common understanding among people. Therefore if ideas and values change, then the international system itself will change. Constructivism theory argues that "the study of international relations must include emphasis on the ideas and beliefs that update the actors on the international scene as well as the shared understandings amongst them.

The relevant theory of international relations in this context of cultural diplomacy as a means to create platforms for cross-cultural dialogue is therefore constructivism. Constructivism argues that political reality is not based on material forces but dependent on minds, values, and ideas. Social constructivism examines international relations focusing "on the ideas and beliefs which advise the actors on the international arena as well as the mutual consideration between the." According to constructivism, the political life of men should not be reduced to the consistent search for power and interests. Moreover, social constructivism has a dual nature as it is both social science theory as it acts as a bridge of relationship between structures and actors who comprise the international system and an international relations theory. The world according to constructivism theory is a world composed of thoughts, beliefs, ideas, languages, discourses, and understandings among human beings. Thus, when studying cultural diplomacy and the role of culture in strengthening Korea- Vietnam relations the theory of constructivist framework is the most appropriate.

Alexander Wendt, the leading advocate of constructivism advances that “the creation of symbols and meanings is part of man’s essence.” It is this characteristic which gives human beings the capability to change. According to Wendt in *Social Theory in International Politics*, the significance of, “Human consciousness, thought and ability in the influencing of what emerges in society and politics is so that it may not be treated as a mere physical object.” Following Alexander Wendt’s argument, “the structures of human association are determined primarily by shared ideas rather than material forces, and the identities and interests of purposive actors are constructed by these shared ideas rather than given by nature.” Wendt argues that social structures are defined, in part “by shared understanding, expectations or knowledge.” The constructivist theory is thus opposed to the realist argument that holds that international relations cannot progress. According to neo-realists, identities and interests are given whereas constructivists believed that it is through interactions that identities and ideas are created.

Within the framework of constructivism theory that concentration is on the power of norms and ideas in shaping the international system, also one must consider the importance of the role of non state actors . As discussed earlier, these non state actors has the power to influence norms, values, beliefs, knowledge, ideas etc.

As result, the study finds research gaps: The literature on the topic tends to focus more on the positive aspect of the role of culture while examining the relations between Korea and Vietnam. However, it tends to ignore a comprehensive study of the influence of increasing matrimonial alliances and people to people exchange on the relations of Korea and Vietnam. For instance, reports have been brought to knowledge that increasing matrimonial alliances between Korea and Vietnam has allegedly led to the violation of human rights norms against Vietnamese brides in Korea. Similarly, the effects of the widespread of the Korean wave which may lead the decline in the value of Vietnamese art and culture is not discussed in the literature on Korea- Vietnam relations. This issue is not yet discussed and addressed in the major literature and study pertaining to the relations between Korea and Vietnam. This issue constitutes an important factor in determining the future prospects of Korea-Vietnam relations.

### **iii.3. Definition, Rational and Scope of the Study**

The word culture is defined as a system of meanings learned from different beliefs, values, traditions, norms, symbols, etc. 'that are passed down from one generation to the next and are shared by varying degrees by interacting members of a community' (Ting-Toomey and Chung, 2012, p. 16). The term culture is very comprehensive in inter-state relations, which has been defined differently by different people. It is a non-traditional subject that includes history, habits, behaviour, language and folk tales. But, countries use it as a soft tool in governing relations with other sovereign countries. Given as a tool in foreign policy, countries like Korea-Vietnam have been engaging in these relations throughout the centuries. The culture was merely seen as an inconceivable 'wildcard,' having not much relevance to international relations. The nature of states was simply individual self-interest writ large. But how states define their interests, and whether 'rationality' is always the driver, is now being questioned.

Cultural values impact what people, and therefore states, want and think in world affairs, often subconsciously. It affects what tools of statecraft are used, what national image is sought and how concepts of peace, freedom, and development are valued.

Throughout history, cultural exchanges and cultural programs have asserted their fundamental part in the history of humanity in general, in the development of Korea – Vietnam in particular. The establishment of Korea – Vietnam relationships was a thick book of colorful historical pages painted with noteworthy events and amazing accomplishments since time immemorial, going on into the bright future with deeply-engraved cultural features of the two peoples. The most original characteristics of Vietnam-Korea relationship is evident in real-life achievements of 25 years of Vietnam-Korea official diplomatic relations. On the other hand, Korea has a booming and robust economy and has positioned itself as one of the four Asian Tigers in Asia. It is an excellent chance for Vietnam to supply the workforce for infrastructural development work and Vietnam provided a thriving market for Korea's booming consumer electronics and semiconductor goods. The recent change of the power in the Blue house in Korea will also open a new chapter in the bilateral trade and investment between Korea and Vietnam, thus, forging the two nations closer than ever. President Moon Jae-in's foreign policy of emerging with Korea's

South neighboring countries will also enhance the cooperation and cultural contacts between Korea and Vietnam.

Overall, knowing the success of Korean Wave as a tool of soft power due to the government supports, other countries can conclude their lesson to take advantage of cultural values to create a unique and attractive way to draw the attention of foreign people and improve relations with other countries. Besides the economic aspect, these governments should know how to finance and back up culture industry to rigour their opinions at the international level. Thus, this study can help the audiences understand the impacts of culture such as the popularity of the Korean wave in strengthening the relations between nations by creating grounds for more significant contacts. The findings can be used for each government to implement their foreign policy towards foreign countries and hence focus more attention on promoting cultural policies.

The fundamental purpose of this thesis paper is to investigate the current nature and magnitude of Korea- Vietnam relations by examining the role of ‘culture ’in further strengthening the ties between South Korea and Vietnam.

This research will adopt both historical and empirical analysis.

Thus the thesis paper aims to analyze and understand:

- Explain the impact of Korean Wave on Vietnamese society.
- Study the importance of Korean government in promoting the Korean Wave.
- To examine South Korea’s national interests in further cooperation with Vietnam.

To detect how the historical events such as the Vietnam War and Korean war and cultural proximity such as Confucianism and Buddhism provided grounds for the establishment of diplomatic ties between the two nations in 1992.

#### **iii.4. Gap in the Literature**

The literature on the topic tends to focus more on the positive aspect of the role of culture while examining the relations between Korea and Vietnam. However, it tends to ignore a comprehensive study of the influence of increasing matrimonial alliances and people to people exchange on the relations of Korea and Vietnam. For instance, reports have been brought to knowledge that increasing matrimonial alliances between Korea and Vietnam has led to the violation of human rights norms against Vietnamese brides in Korea. Similarly, the effects of the widespread of the Korean wave which may lead the decline in the value of Vietnamese art and culture is not discussed in the literature on Korea- Vietnam relations. Similarly, there has not been any study or proper addressal of the unrest face by the Vietnamese workers in the Korean on factories. This issue is not yet discussed and addressed in the major literature and study pertaining to the relations between Korea and Vietnam. This issue constitutes an important factor in determining the future prospects of Korea-Vietnam relations.

### **1.5. Research questions**

The central research question aims to acknowledge to what extent does the cultural factor helps in strengthening or influencing the economic cooperation between Korea and Vietnam? The study seeks to answer the following principal items:

- What are the gains for South Korea in engaging with Vietnam?
- How has the conclusion on the Free Trade Agreement between South Korea – Vietnam strengthened or affected trade and investment between the two nations?
- Which IR theory fitted the best while studying the role of culture in shaping the relations between South Korean and Vietnam?
- What is the flow and pattern of Korea’s investment in Vietnam?
- What are the factors responsible for attracting Korea’s investment in Vietnam?

- How has the Korean wave or Hallyu act as stimuli in fostering economic cooperation?
- What are the cultural policies and programs of successive Korean government in promoting the Korean wave?
- What are the impact and influences of the widespread of Korean popular culture in Vietnamese youngsters?

### **1.6. Hypotheses**

- Cultural proximity such as Buddhism and Confucianism etc between Vietnam and Korea has worked as a catalyst in the establishment of diplomatic ties in 1992.
- Culture has become a diplomatic tool, a bridge needed to promote mutual understanding between nations.

### **1.7. Research Methodology of the Study**

The methodology of the research paper is analytical in nature. Both primary and secondary data have been used for this research paper. Relevant books, journals, newspapers, published articles, survey reports, working papers, and internet sources are used to make this research paper informative and descriptive. Secondary data was mostly collected through published sources such as official website of Korean Ministry of Culture, Sports, and Tourism 44 (2009-2013); Hallyu Future Strategy Study Forum (2012); Korea Foundation for International Culture Exchange (2012); Korean Broadcasting Institute (2002-2005); Korean Culture Center in Vietnam; Korea Foundation in Vietnam; King Sejong Institutes in Vietnam; Asia-Pacific Cooperative Center – FCU; Hanoi Foreign Trade University and Hanoi Banking Academy (2012-2016).

At the first stage of the study, I have collected relevant literature about Korea and Vietnam. Then I have computed and analyzed everything logically. I have followed the theoretical framework to describe the key points of the study.



## **1.8. Structure of the study**

This study is classified into five different chapters as given below.

**Chapter one:** It introduces a theoretical analysis of Korea-Vietnam relations and focused on the historical background such as the Korea's involvement in the Vietnam War which is crucial for understanding the evolving relations between the two nations. It also conceptualizes Korea-Vietnam relations on the basis of national interest and national security as well as looking at Korea's cultural engagement with Vietnam from the Constructivist theoretical perspective.

**Chapter two:** This focuses on the definition and position of 'culture' in the realm of international relations and the evolving debate on the role of cultural diplomacy in IR.

**Chapter three:** It examines the current nature and magnitude of Korea-Vietnam economic relationship vis-à-vis the cultural factor. It demonstrates how culture as a factor in deepening the economic relation between Korea and Vietnam. It analyzes in detail the trend and pattern of trade and the flow of Korea's FDI in Vietnam as well as the factors attracting FDI in Vietnam.

**Chapter four:** This investigates the heavy influences of the Korean wave or Hallyu in Southeast Asian nations and Vietnam in particular after the financial crisis in 1997. It explains in detail the Korean government initiatives and efforts to export its cultural wave through music and drama not only to Vietnam but also to the global level of bilateral relations.

**Chapter five:** It concludes the study by discussing how the Korean wave or popular culture is the primary and essential tool of the Korean soft power in forging greater ties with foreign nations. It also highlights the efforts and initiatives of the Korean government in exporting its popular by implementing cultural policies and funding programs thus bringing the two countries closer more than ever. This concluding chapter tests the thesis hypothesis and draw inferences.

## **Chapter 2: Culture as a Variable in International Relations**

### **2.1. Introduction**

In this research paper , culture is defined as, “a learned meaning system that consists of patterns of traditions, beliefs, values, norms, meanings, and symbols that are passed down from one generation to the next and are shared by varying degrees by interacting members of a community”. (Ting-Toomey and Chung, 2012, p. 16).

At the end of the cold war , humankind experiences two significant trends: multi-polarization of the world structure and globalization of the global economy. The huge flows of materials, information, capital, ideas, knowledge, and values are involved in these two trends. This is a strong shock to the old international order; consequently relations between the states and group of states are correspondingly adjusted. These changes in trends and public morals are influenced by various factors where culture becomes increasingly prominent.

## **2.2. Literature of Culture in International Relations**

Definition of the term culture is required in order to have the discussion of its position and role in International Relations. Oxford English Dictionary defines culture as a ‘refinement of mind, taste, and manners; artistic and intellectual development. Hence: the arts and other manifestations of human intellectual achievement regarded collectively’. or ‘the distinctive ideas, customs, social behavior, products, or way of life of a particular nation, society, people, or period. Hence: a society or group characterized by such customs, etc.

International Relations (IR) can be generally defined as relationships among nation states. The interdisciplinary field covers a remarkable area, both practical and theoretical, depending on one’s academic focus or practical experiences. IR covers not only national governments but also intergovernmental organizations (IGOs) and nongovernmental organizations (NGOs). The study of modern IR has a long history dating back to the 16th and 17th centuries (Jackson and Sørensen, 2013, p. 5). IR has three broad theories which attempt to understand and explain the behavior of other nation-states, organizations or groups of people within these large entities: realism, liberalism and constructivism. Realism is the classic area of analysis that focuses on the nation-state and balance of power. More recently liberalism and constructivism have emerged to explain and analyze events in international societies. The difference between the two is in the approach that, wherein constructivism lays stress on social structures out as well as inside that

affects state's behaviour altogether, liberal theorists make other assumptions about what drives a state's behavior that are more normative (or what should be) in approach" (Kaufman, 2013). Addressing the assumptions that drive or motivate behavior are strongly connected with the cultural group one belongs. This point is where the fields Intercultural Communication and Cross-Cultural Psychology overlap with diplomacy and can help make communication behavior clearer and more predictable. In the post-positivist school of thought in international relations, the focus is on expanding the epistemological and methodological perspectives of the field (Roach, Griffiths and O'Callaghan 2014, p. xii). That is, scholars are trying to understand "how we come to understand the world and the latter involves practice". Methodological approaches to understanding other cultures are practical in nature and attempt to understand and explain the shared norms and values between nation-states with the broad idea that this encourages interdependency which will foster economic benefits and security. However, problems arise when two nation-states have unique norms and values that neither side recognizes as a cultural constructs but rather as political ones. For example, the way some cultures regard democracy and capitalism is often different from the way it is understood in American culture (see section 5.2). This epistemological knowledge is difficult to bring to the surface so we tend to focus on interpreting the surface features of culture rather than considering deeper unconscious cultural values that explain why the world is perceived as it is or as a cultural mindset. The purpose here is not to choose between theoretical approaches but to recognize the diversity and subfields within IR and how parts of Intercultural Communication theory and cross-cultural psychology theory can be applied within the field of diplomacy. It seems clear that the liberalism's "what should be" approach is driven by hidden cultural values and operates on an unconscious level affecting decision making and behavior.

The study of culture as a factor in the discourse international affairs has always been a neglected topic. The relevance of culture as a factor in shaping the relations between nations cannot be dismissed which can be exemplified by the successful export of the United States of America soft power: Hollywood. Similarly, the member states of the European Union are united by proximity in culture as the member states shared cultural heritage. The success story of the economic cooperation of the ASEAN can also be credited to the similar cultural heritage shared

by the member nations enabling providing them advantages for smooth cooperation amongst them. The military might and economic powers were the primary subject of concern and discussion by the professionals and scholars alike. Similarly, International Relations (IR) theories have been predominantly focused on power and resources regarding who win the wars (realism theory), economy in international cooperation (liberalism theory) and class struggle (marxism theory). Thus, in order to have a broad discussion of the significance of cultural aspect, both the mainstream IR theory of realism and liberalism do not fit the research as they both focus on state and economy respectively. The constructivism theory on the other hand, describes IR with the support of ideas, norms, knowledge, values and culture enter the realm of IR in the late 1980s and was propagated by Alexander Wendt in 1999 in his well known book "Social Theory of International Politics". The constructivists view international relations as determined by norms, ideas, values, understanding and they are of the view international structure enables its actors including the state as well as non state actors to reconsider their identities in the process of coexistence. Culture was also usually associated with the arts – a subject of little importance to the great politics. However, when we look at the past, exchange of gifts by diplomats can be traced back to the antiquity. Cultural Diplomacy seems to have been forgotten for a long time. It has only been recently that it started to make its 'come back' to the international relations realm. Public Diplomacy in general is today a crucial ability, as means of communication has made the people and nations stronger, what revolutions in Libya and Egypt marks a significant example. In today's world of internet and social media a government needs to speak directly to foreign audiences in order to achieve its foreign policy goals. Thus, this is the reason as to why taking care of country's image and organizing cultural events for foreign audiences gained so much attention since the last decade.

Today's power shift, have far more complex implications than last century's. Samuel Huntington's highly publicized 'clash of civilizations' analysis draws our attention to an often-ignored aspect of international relations — culture. The emerging power of today's world has incorporated the entire civilizations, whereas many of them with thousands of years of cultural continuity. Japan, for example, starts the process of modernisation with the beginning of the Meiji restoration in 1868 which incorporates certain features of Western foreign policy

institutions, which is not the case for India and China. The relevance and significance of culture has been recognized and now is making a comeback as a factor in international relations and is inevitable in any discussion of bilateral relations. This realization of the relevance of culture is not merely through the apparent display of chauvinism in nationalist politics and not states claiming their culture is better than others but instead how states and non-states actors use common ideas and values for greater cooperation. The influence of culture in the future is expected to be more apparent and its significance in shaping the international affairs will increase. In short, as the Constructivist theorists would argue the impact of culture through common ideas and understanding will enhance in the future.

The simplest understanding of culture is the way of life of a specific group of people or the lifestyle of people, language, customs, traditions and the values attached to such customs. Different groups of people living in different region may have different cultures. A culture is passed on to the next generation by learning, practices, or by written documentation of a one's culture. Culture is reflected in the writings of one's ancestors, beliefs, music, poetry, way of clothing, eating style, customary practices. The concept of culture is a complex and incorporates a broad definition from eating style to one's customary law and practices, thus the concept encompasses wide definitions and meanings. In a broader sense, 'culture' incorporates all human activities which are not strictly the product of human genetics. The discipline which investigates and study culture is known as anthropology, though many other subjects such as sociology investigate and study culture.

The cultural factor in international relations theory is best understood in the framework of constructivism theory of international relations. Richard Ned Lebow in his published work titled 'Cultural Factors in International Relations' explains culture as "human goals and their variations across societies and epochs" and "the means by which people and their societies pursue these goals". Richard Ned Lebow presents his own constructivist theory of political order and international relations based on theories of motives and identity formation drawn from the ancient Greeks. His theory put an emphasis on the human need for self-esteem, and reflects how it influences political behavior at every level of social accumulation. Lebow advances ideal-type

world which is associated with four primary motives: appetite, spirit, reason and fear, and validates how each produces a different judgment regarding collaboration, conflict and risk-taking. Increasing and documenting the utility of Lebow's theory revolves in a chain where he extenuates a new perspective on the causes of war and the state's rise where he encompasses his study from the Greeks to the Iraq War. Thus, this can be regarded as a novel theory of politics by one of the world's leading scholars of international relations. Based on the constructivist approach, Lebow's work defies the anarchic aspect of the realist theories of international relations. Lebow's study begins with the idea that international politics is inspired by three drivers of human action recognized in ancient times by Thucydides, Aristotle and Plato.

Samuel P. Huntington, one of the greatest American political scientists published a sensational and well known essay in *Foreign Affairs Journal* called, "The Clash of Civilizations", this essay later advances the idea that the aftermath of the Cold War would engage in conflict between civilizations. Huntington wrote in the book that people or nations will be divided along cultural lines — Western, Islamic, Hindu and so on. He introduces the hypothesis that in the post cold war era the cultural and religious differences amongst nations or people will be the principal source of conflict. He opines the idea that conflict in the new era will not be a fight or conflict between nations but rather, the primary source of conflict will emerge from cultural differences. He goes on further in the book stating that the Islamic radicalism will be the biggest threat to the global peace and security in the post cold war era. Huntington argues that the presence of cultural blocks, where each block has its own distinct set of values and norms. The Islamic civilization, he argues, is the most troublesome and danger to the international peace. According to his view, culture in the Arab world do not share the general traditions of the Western world. Their primary attachment is to their belief, not the welfare of their nation-state. He goes on arguing that their culture is opposed or contradicting to certain liberal ideology, such as pluralism, individualism, and democracy. Huntington, on the other hand, rebuts the idea of a Western cultural hegemony and the notion of an recognized universal civilization. He conjectures that the West dominates global communication and therefore non-Western countries mostly complain about this making them hostile partners. The case of making a one-culture world order politically or otherwise does not fare well at all. Similarly, Huntington maintains that

as modernization rises cross-cultural communication, the likenesses among cultures increases as well. The main take-away from this is Huntington's willingness to dissuade Westernisation and make it completely separated from modernisation. He further argues that where the world is becoming more modern simultaneously it is becoming more non-Western. Huntington wrote – the Asia and China's adverse relationship with US is a greater sense of cultural affinity within them followed by economic progress. However, this heightened economic power up and military strength of China can eventually lead to a global conflict. Adding fire to fuel would be alignments between Islamic and Simic, towards the end, the chapter explains the complex relationships between countries following the Cold War.

Joseph Nye coined the term "Soft Power" in a 1990 book "Bound to Lead: The Changing Nature of American Power". Joseph Nye differentiates between two types of power. Hard power is 'the ability to get others to act in ways that are contrary to their initial preferences and strategies' (Nye, 2011). This is the ability to coerce, through threats and inducements ("sticks" and "carrots"). On the contrary, soft power is the ability to get 'others to want the outcomes that you want' (Nye, 2004), and more particularly 'the ability to achieve goals through attraction rather than coercion'. Finally, Nye introduces smart power as the 'balance of hard and soft power' (Nye, 2005). He argues that soft power is as important as hard power, and even more so in international politics. Indeed, soft power enables a change of behaviour in others, without competition or conflict, by using persuasion and attraction. Therefore, soft power terminology is closer to Liberals (Nye, 2011). The book identifies three kinds of soft power: Culture, Political Policies and Policies. Inbook titled "The Future of Power (2011)", Nye reiterates that soft power is a descriptive, rather than a normative, concept. Nye puts forward that for a state it is imperative to have both soft and hard power. As it will perform advantageous in dual terms i.e. – short term as well as long term. A burning example showcasing US and its dominant behaviour as well as its soft power ventures, where domination would not quite work. Here the US takes help of and gives help by providing university facilities, evangelical, profit-making and other such institutions.

U.S. culture, ideals, and values have been extraordinarily important in helping Washington attract partners and supporters. Nye acknowledges the limits of soft power: it tends to have diffuse effects on the outside world and is not easily wielded to achieve specific outcomes. Indeed, societies often embrace American values and culture but resist U.S. foreign policies.

RP An and in his book titled "Cultural factors in international relations (1996)," defines culture as the most relevant definition of culture would be 'a way of life' of people or groups of people. Culture reveals that the treaty-making states have, on the particular issues involved, both some areas of common interest, and some points of conflict. He discusses in the book , in a paper on "Socio-Cultural Impact of the ASEAN Cooperative Agreements," it was pointed out that the formation of ASEAN had delivered a feasible forum for discussions on a variety of issues to the member countries of ASEAN, which had, although, being geographically and culturally quite close, separated so far apart due to their colonial experience and history as to become strangers. Through its cooperative programmes in social, economic and political fields, the citizens of the ASEAN nations were becoming more conscious of the likeness of their cultures and community of interests and were evolving a feeling of regional solidarity and identity. In their own peculiar, informal "ASEAN way," which was slowly evolving, similarly, they were eager to solve solve numerous problems facing them in a "spirit of family discussions". Anand in his book argued that there might be an "ASEAN spirit" or "ASEAN way" of facing regional issues , but the member states were deeply influenced by the Western nations, Western culture, and Western technology. It was contended that, while science and technology as such were on the whole impartial, the way they were adopted influenced their culture.

On a book titled, "Cultural impact on International Relations (2000)," edited by Yu Xintian, defines culture as the total of the material and spiritual wealth produced by the historical activities of human society. The most insightful source of cultural force is found in the accumulation of the evolutionary process of social production. Xintian maintains that in economic conflicts triggered by the convergence of different cultures must be restricted and the development of common interests must encourage an all participation of different cultures.



The definition of culture is widely adopted from the sociological perspective of social science. Horton and Hunt define “Culture is everything which is socially shared and learned by the members of a society.” Tylor opines that, it is a mix of a whole including beliefs, art, religion, values, norms, ideas, law, taught, knowledge, custom and other capabilities acquired by a member of a society. According to most sociologists’ theorists, culture is a term with both a popular as well as a sociological meaning.

Alexander Wendt, a widely appreciated constructivist theorist authored a seminal book titled “Social Theory of International Politics” in 1990 where he develops a social theory of international system as a social construction in contrast with the realists’ construction of the international system as anarchic. Wendt introduces a cultural theory of international politics, which studies whether states view each other as enemies, rivals or friends as a fundamental determinant. Wendt categorises these roles as cultures of anarchy as described as Hobbesian, Lockean and Kantian respectively. These cultures are shared ideas which help the state in shaping the interests and capabilities and produce tendencies in the international system. This groundbreaking book mentions four factors which drive structural change from one culture to another such factors are interdependence, common fate, homogenization, and self-restraint. The book also studies the impact of capitalism and democracy in the development of a Kantian culture in the West. This publication of Wendt’s seminal book, Social Theory of International Politics, in 1990 – 20 years after Waltz’s masterpiece “Theory of International Politics,” has provided the first overall constructivist challenges of neo-realism which has been a long lasting IR theory. This publication also had an influence on the theorization of international relations. Due to Wendt’s significance in the field, it appears vital to engage with his constructivist theory as a possible preliminary point for establishing bridges between relational thinking and IR.

As a social theory, constructivism defies materialism by hypothesizing the structures of human association as “primarily cultural rather than material phenomena,” and rationalism by maintaining for their function as not only behavior-regulating but also identity- and interest-constructing, though “material forces,” it admits, “still matter,” and “people,” it recognizes, “are still intentional actors.

### **2.3. Defining Cultural Diplomacy and Globalization**

Cultural Diplomacy is a term introduced in 1954 by an art critic Aline B. Saarinen in 'The New York Times' magazine. It was initially used in political terms by Robert H. Thayer, who was a special assistant to the secretary of state in 1959. The term "Cultural diplomacy" was also propagated by Milton Cummings as "the exchange of ideas, information, values, systems, traditions, beliefs, and other aspects of culture, with the purpose of nurturing mutual understanding". Although there are multiple definitions of cultural diplomacy existing, for the purpose of this thesis, I will adopt Cummings' definition as it allows for a multilateral perception without having to focus on state interests. "Culture" as mentioned in the beginning has multiple definitions and encompasses many understanding, taken from the wide anthropological sense of how people interact, what they believe in and their way of living, to human expressions through music and art. In addition, Cummings' definition combines "cultural diplomacy" with the concept of cultural relations. He has defined cultural diplomacy in the broader sense of the term as occurrences of cross-cultural exchange and intercultural interaction. However, Cummings does not overlook the threat of cultural diplomacy in that it "can be more of a one-way street than a two-way exchange, as when one nation focuses its energies on encouraging the national language, explaining its policies and point of view, or "telling its story" to the rest of the world." Thus, one needs to learn how to "listen" to other people and cultures.

The founder of the eponymous exchange program, James William Fulbright, emphasizes the role of intercultural education in "the achievement of empathy – the capability to perceive the world as others would see it and also a sense of acceptance that others may see it in a better way. This thinking or view is the most pressing requisite in superpower relations. I will survey which international relations theory fits best concerning to cultural diplomacy. I have argued that constructivism is the most relevant and suitable of all international relations theories in this study.

To manage successfully international relations successfully, diplomats representing the national interests of their respective countries are assigned abroad to cultivate cross-cultural relationships, establish dialogue, inform others and influence decision-makers in both the host and mother countries. The overall purpose of diplomacy is to bring social, economic and security benefits to

both countries. Several socio-cultural constraints interfere with these noble goals. First, because diplomats must follow the lead of domestic policymakers at home who are often ignorant of cultural communication behavioral and decision-making tendencies, communication is often problematic and complex. For instance, like their political counterparts at home, diplomats are also expected to be self-serving by putting their own countries values and norms above those of the host country where they are expected to work. This behavior further boosts communication behavior and decision-making to be linked to the diplomat's native cultural norms and frequently at odds with those norms of the host country. What makes this situation even more complex is the obscure nature of diplomatic talk combined with the unrecognized and psychological nature of our hidden national cultural norms that affect communication. Finally, the short term nature of language and cultural training and assignment abroad (e.g. two years for US diplomats) makes it problematic to build trust with cultures that highly value long-term relationship building.

For the purpose of this thesis, I have adopted a broad definition by Stefan Czarnowski, a Polish culture historian, who describes culture as 'the shared heritage, the fruit of the creative and processed effort of countless generations. Diplomats are the promoter of spreading of one's culture also they delivered their own culture to foreign nations and brought back the foreign culture with them. This was frequently carried out with the help of a traditional exchange of gifts - a widely popular custom dating back to the ancient times, which was directed at forming mutual trust and understanding. For example, Western Christian missionaries traveling to China carried gifts of European decent, therefore, spreading the European culture to foreign people through the practice of exchanging gifts.

France is the home of modern day cultural diplomacy. The French has always been passionate with their heritage, especially French language. In 1635 Academy Francaise was formed by Cardinal Richelieu in order to look after the beloved tongue. It was a remarkable event in the institutionalization of cultural activities of the state. However, it was not until the XIX century that the nation state has been brought into consideration and further institutionalization of cultural societies followed. Alliance Fracaise was established in 1883 with the purpose of

teaching and promoting of the French language. Likewise, the United Kingdom formed the British Council in 1934 and similarly, Germany formed the Goethe Institute in 1951. These institutions have been productively promoting their cultures and languages abroad for more than a century. Cultural relations, as a term was put forward as well by the French when a first separate cultural office was launched in the Foreign Affairs Ministry in 1923. This establishment of cultural office was the start of connection between culture and politics, or culture in international relations, as the Americans had called it. Cultural Diplomacy, in the XX century has advanced rapidly mainly because of the World War II and Cold War alike.

The term International Cultural Relations describes all the relations between nations and its people regarding their cultural features as also to the cultural heritage and all activities related to culture. 'International Cultural Relations in the multilateral sense focus on organizations such as UNESCO, where diverse nations collaborate in order to accomplish shared understanding and endorse culture and national heritage of different regions.

The term diplomacy has a history as old as any political activity ever undertaken. Adam Watson defines diplomacy as the 'The dialogue between the states'. The word is derived from a Greek word which literally meaning 'double' or folded paper, which was used to define the letters of references used by the travelers in the ancient times. Hence, the Greeks were the first diplomats. A very simple, yet broad definition is offered by Nicholas Cull, who defines diplomacy 'as the mechanisms short of war deployed by an international actor to manage the international environment.

Soft Power as mentioned is a term created by the American scholar Joseph S. Nye in 1990 in his book "Bound to Lead: The Changing Nature of American Power." He developed this concept five years later in "Soft Power: The Means to Success in World Politics (2004)."

Nye (1990) defines Soft Power as something that would make one's wants possible without any force or economic endeavours. The principal three elements of a country's Soft Power are its culture, values and policies. Soft power may be defined as being opposed to Hard Power or coercion that focuses on the military threats or might and economic sanctions used in order to accomplish the desired outcome on the international arena. The term Soft Power was popularized

in the realm of politics and international relations, basically covering all the ideological and cultural possessions of the country which may be tempting to foreign audiences. The significant examples of Soft Power are Hollywood movies, Football, Korean Wave, Bollywood etc which are desired and accessible around the world. In the case of this thesis, the underlying soft power would be the Korean wave or Hallyu, such as the increasing influence of Korean pop culture and drama in South East Asia and also to Western nations to a large extent.

Joseph Nye explains that with Soft Power, 'the best propaganda is not propaganda [and] credibility is the scarcest resource'. Moreover, during the World War II and Cold War it was a well known tool. Propaganda is the culture being shaped for or used by the government. It is a term with negative implications, even if by definition it may seem close to public diplomacy. L. John Martin sees propaganda as 'a persuasive communicative act of a government directed at a foreign audience.' The adjective influential is of importance since it would be made possible tailor-made in to the demands of the particular country and aim at audience liabilities. An example of domestic propaganda are the films and posters created on US government's orders promoting support for the American involvement in the World War II or Vietnam War or bubble gum comics representing the 'horrible' communism. Moreover, international propaganda was broadly used in the Cold War period by both the Soviet Union and the United States of America, each alarming the opponent's political system: capitalism and communism. All the possible media were tied together in order to accomplish more effective results through film, radio, posters and comics as the most popular.

"The word 'globalization' is much abused and presents a problem for scholars across the social sciences who define it from the viewpoint of their own discipline. For an economist and business school professor such as myself, globalization can be defined as 'the activities of multinational enterprises engaging in foreign direct investment to create foreign subsidiaries which add value across national borders'". (John Tomlinson, 1999, p.1).

"The globalization of culture has a long history. The great world religions showed how ideas and beliefs can cross the continents and transform societies. No less important were the great pre-modern empires that, in the absence of direct military and political control, held their domains

together through a common culture of the ruling classes. For long periods of human history, there have been only these global cultures and a vast array of fragmented local cultures. Little stood between the court and the village until the invention of nation-states in the eighteenth century created a powerful new cultural identity that lay between these two extremes. This rise of nation-states and nationalist projects truncated the process of cultural globalization. Nation-states sought to control education, language, and systems of communication, like the post and the telephone. But as European empires became entrenched in the nineteenth century, new forms of cultural globalization emerged with innovations in transport and communications, notably regularized mechanical transport, and the telegraph. These technological advances helped the West to expand and enabled the new ideas that emerged especially science, liberalism, and socialism to travel and transform the ruling cultures of almost every society on the planet". (David Held, Anthony McGrew, 1999, p. 486).

"Globalization is understood as an outcome of the workings of modernity projects". (Giddens, 1991). "It is understood as the spread of the culture of modernity itself". (John Tomlinson, 1991).

"Globalization encourages local people to find the 'local' that they have forgotten in their drive towards Western- imposed modernization during the past decades". (Featherstone, 1993; Robertson; 1995).

#### **2.4. The Consequence and Impact of Culture in World Politics**

The cultural impact in the language of international affairs is obvious. For example, India has long acknowledged itself as following its ancient ideal of non-violence or stayagraha or its policy of non- aligned movement. Like how the then Indian Prime Minister Rajiv Gandhi called for a new 'non-violent world order. 'As many states talk peace, research shows India did so even when it meant giving up progress towards 'rational' strategic goals. Whereas in the Middle Eastern countries various militarily weak actors, in the name of honor, adopt the mantle of dominant invader by making attacks by adversaries seem more reasonable and destructive strategic interests.

As new powers emerge and employ greater strategic autonomy, we see culture as determine by the state behaviour as well. Rather than security requirements as most Western specialists would predict, India's nuclear weapons policy has been powered by the pursuit for international standing. This is reinforced by the value of hierarchy, as seen domestically in the caste system. When combined with the value of non-violence, nuclear weapons become symbolically important but militarily meaningless. India's controlled nuclear posture which enabled the US and others to treat New Delhi differential treatment in nuclear cooperation.

Chinese policy, on the other hand, is colored by an emphasis on social recognition channeling the concept of 'mianzi' or face. A country's place within the international hierarchy is essential. Despite the Chinese Communist Party's professed atheism, Buddhism promotes the acceptance of insubstantiality and this cultural background has significant impact on how China's foreign policy, including ideology and alliances, is being formed.

Similarly, tilltoday most non-Western nations have functioned to a substantial extent using European-sourced institutions like the European Union as a tool of statecraft, making their foreign policies at least somewhat foreseeable to Western policymakers. But, as the European half-millennium comes to an end, these states' institutions may or has evolved.

The impact of cultural values is reflected beyond states' conduct of their foreign policies. For instance, Non-European cultures may employcontradictory views on international organization to the current European-rooted conformation of nation-states. While Western culture views society as individuals relating to others through rules and contracts, Chinese scholars propose a more interconnected, holistic worldview. This may associateto a comparatively greater focus on the global social environment than on individual state actors. Eastern communalist values differswith Western individualism, having substantialconsequences for concepts such as human rights and human security. Hence, to make sure the peaceful rise of great new powers requires more in-depth and organized energy among Western governments to understand the dissimilar yet similar cultures of Asia and elsewhere. Foreign policy is again becoming a leader's game of big stakes. Western diplomatic services are starting to identify the need for more nation specialists and interaction with expert'sacademia. However, the mainstream news portals are

way too farther. As it did in the previous many decades the blocking off of US when it was emerging did not do any good to the League of Nations, similarly culture now is not only a matter of discussion. Culture is definitely here to stay and it will all depend on who uses it well.

Understandings of culture, identity, and other social features of political life have been now considered a look by the scholars of International relations. There is no denying that everyday norms and behaviours form an integral part as well as when integrated these social constructions in different ways into research programs. Sociologists working in organization theory have developed a particularly powerful set of arguments about the roles of norms and culture in international life that pose direct challenges to realist and liberal theories in political science. Their arguments address causal force in an expanding and deepening Western world culture that emphasizes Weberian rationality as the means to both justice, defined as equality, and progress, defined as wealth accumulation. These world cultural rules constitute actors-including states, organizations, and individuals-and define legitimate or desirable goals for them to pursue. World cultural norms also produce organizational and behavioral similarities across the globe that is not easily explained by traditional paradigms in political science. Because they call these cultural norms and rules "institutions," the approach has been named "institutionalist" by those working within it.

In order to understand and discuss the consequences and impact of culture in world politics, it is crucial to understand the concept of sociological institutionalism which challenges the dominant paradigms in political science. It also provides a system-level theoretic framework with which to analyze international politics and generates testable hypotheses about international behavior that might compete with those of realism and liberalism. These hypotheses predict similarities in behavior caused by common global culture, where realism or liberalism would expect differences in behavior by differently situated actors with different interests. The fact that institutionalists explore their hypotheses with data-intensive quantitative methods not usually associated with work on norms and culture in IR but much well-regarded by skeptics of cultural arguments intensifies the institutionalists' challenge. Explanatory claims made by realists and liberals must address institutionalist alternatives if they are to be influential.



## **2.5. Social Institutionalism and Culture**

The institutionalist arguments focus directly to a number of theoretical approaches being developed outside the confines of the neorealist-neoliberal debate that has dominated the U.S. IR scholarship. The institutional school of thought and the English school scholars have a common ground on the expansion of the Western world and its culture and its effect on the world. They also lay stress on the need to find out what powers individuals to such globalizing method and compares it with the work of scholars like James Rosenau, Zürn, Ernst Otto Czempiel, and Philip Cerny. Both the English school and globalization scholars may disagree with this treatment. However, the problem that is pointed out by the English school is the discomfort with the larger-than-life power that the others comprehend. Those interested in the process of globalization and individuation may be put off by the institutionalists' claim that this process occurs at the crossroads where an equally stronger state authority takes course. Both of which needs more research.

Taking both into consideration however, sociology along with institutionalism seems to have a higher ground on the Constructivist theory. Sociologists specify the substantive content of social structure. The difference here is that the social structure is brought into the forefront not as an end to itself but as a means to reach a collective culture if at all there is one in the first place.

Western and Weberian components has yielded hypotheses that can be tested empirically; indeed, they already have been tested in the large and growing institutionalist research programs. Thus, the institutionalists' specification of social structure is global and all-encompassing. It includes all aspects of political and social life in all states. Political science research on norms and culture has tended to be structured around specific issue-areas and therefore argues that particular norms matter in particular issue-areas. Constructivists have not yet initiated the whereabouts of the mechanism they have provided a fix for. This leaves a gaping divide for this line of work to

continue its way forward. There is a lack of an alternative to the systemic theories which the sociologists have clearly stated.

Most importantly, from the institutionalist viewpoint policy debates of the recent kind are all directly about global culture. Alternative to the conflict dimension in the future, institutionalists suggest a homogenous culture would be the order of the day in the near future. Scholars may disagree as to the two differing perspectives however, the institutionalists have a stronger argument base to the debate of the cultural factor in international relations. The clarity on the homogenous culture still remains vague overall. Prevailing theories about bureaucracies and organizations postulate that, indeed, culture had little impact on those entities. In fact, formal bureaucratic organizations comprised the antithesis of culture; they were technical, rational, and therefore culture-neutral. They transcended culture. The Stanford group challenged this view.

The world culture that institutionalists see expanding across and integrating the globe is a Western culture. Although institutionalist literature contains no single extended discussion of either the origins or the content of global culture, the following picture emerges from several sources often cited by institutionalist researchers. Its origins can be traced back to the era of western capitalism and evangelical stronghold, that had grappled the entire West marketed, and individuated the world in ways that are not expected or easily explained by other social science arguments. In fact, Meyer argues that the expansive nature of its ideologies and culture is itself a distinctive feature of Western culture with has its roots in the medieval Christendom. Theories or ideologies like those from the West that make claims about all people and all places have much more expansive potential than particularized and localized ideational frameworks like that of the Balinese theater-state documented by Clifford Geertz.

One of the central features of Western culture is the embodiment of rights, ranging from child's, women's human rights etc. in this context Meyer adds western cultural values engrains an individual with individual autonomous beings and livelihood. There is nothing inevitable or apparent about structuring societies around atomized individuals. Many other societies and cultures locate social value and moral responsibility in the family, the tribe, or some other social unit. However, the

Western individualism is distinctive, and its cultural logic leads to some distinctive behavior patterns. Substantively, it leads to the expansion of individual legal rights, noted earlier. Analytically, it leads Western social science to treat individuals as trouble-free, irreducible, autonomous actors who know what they want independent of social or cultural context and, indeed, who create the social context. The institutionalist claim is the opposite—that the individual as autonomous social actor is an outcome, rather than a producer, of society and culture.

## **2.6. Popular Culture and International Relations**

More than a decade ago it was necessary to argue that IR as a discipline ignored popular culture (Weldes 1999, p. 117). However, this is no longer the case. Some corners of what might be called ‘mainstream IR’ (but only quite narrowly construed and mostly North American) still implicitly or explicitly insist that popular culture is not worthy of scholarly IR attention, perhaps because it is seen as ‘low’ politics, domestic politics, or not political at all. However, scholars from assorted perspectives and disciplines are eagerly and productively investigating innumerable forms of popular culture in relation to every conceivable aspect of IR and world politics. One might even argue that there now exists a sub-(inter-)discipline of Popular Culture and World Politics (PCWP).

The states actively use popular culture in many ways and for multiple purposes. In both wartime and peacetime, popular culture plays a surprisingly large role in foreign (and domestic) policies. In times of war, states create, deploy, and exploit popular culture as for propaganda (Robb 2004, Aulich 2011). For instance, posters and other media forms were famously deployed to define nations and their enemies in WWI. For example, North Vietnamese posters similarly constituted the US enemy in the ‘American War’. <sup>1</sup> Films like *Casablanca* (1942), backed by the ‘War Films’ division of the US Department of War, sold US intervention in Europe to US publics, legitimating World War II and the attendant military expenditures and public sacrifices (Tunc , 2007). *The Green Berets* (1968), starring John Wayne, was so overtly a propaganda film that the US Department of Defense had the usual credit thanking it for its assistance removed, for fear

that it might undermine the film's propaganda value and draw unwanted attention to the department's involvement in Hollywood films (Robb 2004, pp. 277-284).

States also deploy popular culture in times of peace. To develop 'soft power', states engage in cultural diplomacy practices that actively deploy popular culture (UK House of Lords 2014, Rowley 2014). The British Council seeks to build trust by enhancing cultural relations through international collaborations in, among other areas, fashion, film, music, theatre and dance. Post-9/11 American cultural exchange programs also emphasize popular culture, notably sports and film, in trying to refurbish the US image in 'Muslim countries' (Mills 2014). Popular culture features centrally in the increasingly pervasive state practice of nation branding (Anholt 2014). 'Brand Turkey', for example, defines itself using the food ways metaphor of the 'coffeehouse' while also invoking shopping, the bazaar, cinema and folk dancing. Similarly, sports play a diverse and particularly important role in foreign policy and state action. What famously became known as 'ping pong diplomacy' (Devoss 2002) marked a breakthrough in Cold War US-China relations when, in April 1971, 'at the invitation of the Chinese government, a nine-person United States table tennis team ... visited China for a series of exhibition matches' (Campagna 2011). This visit ultimately led to Nixon's visit to China and the re-establishment of US-China diplomatic relations (Griffin 2014). More mundanely, hosting the Olympics has long been wanted by states to enhance their international status and showcase economic and cultural accomplishments (Schaffer and Smith 2000). A noteworthy example is the 1995 Rugby World Cup, held in South Africa, was a 'two-level' political 'game'. Internationally, it signaled South Africa's post-Apartheid reintegration into the international community; domestically, it attempted to create a 'Rainbow Nation' as a new multicultural national identity (Steenveld and Strelitz 1998).

In the field of global political economy, the most forms of popular culture are produced and consumed in industrial form, and these industries, their inputs (raw materials, labor, technology), practices (of production and consumption), and outputs (films, clothing, toys, etc.) transcend state boundaries. Whatever International Political Economy (IPE) scholars study – whether international trade, finance or intellectual property rights regimes (or the subversion of these, e.g.

counterfeit consumer goods); MNCs and global divisions of labor; the relations of states and markets; or international economic advance/North-South relations – popular culture is always already enmeshed in both the IPE disciplinary landscape and the fabric of international political economic practices. US-China trade relations, for example, have a massive popular cultural component. The five largest categories of goods exported by China to the US include furniture and bedding, toys and sports equipment, and footwear (US Executive Office of the President 2014), while top US exports to China include the raw materials (e.g. metals and plastics) to make these. In 2005, the US Department of State warned prospective business investors via the US Embassy in Beijing that, ‘on average, 20 percent of all consumer products in the Chinese market are counterfeit’. Among the items violating copyright and trademark regulations were ‘auto parts, watches, sporting goods, shampoo, footwear, designer apparel, medicine and medical devices, leather goods, toys’. On a more positive note, the State Department has correspondingly lauded the recent US-Chinese film industry collaboration, notably the creation of Oriental DreamWorks – a joint venture of DreamWorks, Shanghai Media Group and two additional Chinese firms – as signaling the potential for further joint economic development in industries like television, theme parks and merchandising, leading to increased economic growth (Rivkin, 2014).

## **CHAPTER 3**

### **Korea- Vietnam Economic Relations after 1992**

#### **3.1. Introduction**

Culture consists of the beliefs, behaviors, objects, and other characteristics common to the members of a particular group or society. Through culture, people and groups define themselves, conform to society's shared values, and contribute to society. Thus, culture includes many societal aspects: language, customs, values, norms, mores, rules, tools, technologies, products, organizations, and institutions. Sociologists define society as the people who interact in such a way as to share a common culture. The cultural bond may be ethnic or racial, based on gender, or due to shared beliefs, values, and activities. Culture and society are complexly related. A culture consists of the “objects” of a society, whereas a society consists of the people who share a common culture.

According to A. Klosowska culture means defined classes of objects, phenomena and processes or certain types of behavior. However in the philosophical sense culture is understood by everything which does not grow of itself from nature but comes about from the conscious effort of man, being the effect thought and human activity.<sup>2</sup> In continuing in this vein it is impossible not to mention the definition by R. Linton who in defining culture says that it constitutes a set of behaviors people have learned, elements of which are common for members of a certain society and communicated within it 4 . In linking these two concepts it can be said that culture is not only the behavior within a certain society but also the material achievements of members and results of joint undertakings.

EU High Representative and Vice-President Federica Mogherini said: "Culture has to be part and parcel of our foreign policy. Culture is a powerful tool to build bridges between people, notably the young, and reinforce mutual understanding. It can also be an engine for economic and social development. As we face common challenges, culture can help all of us, in Europe, Africa, Middle East, Asia, and stand together to fight radicalization and build an alliance of civilizations against those trying to divide us. This is why cultural diplomacy must be at the core of our relationship with today's world".

Culture is becoming more and more a course for economic growth, not only in its traditional forms, but particularly through cultural and creative industries, SMEs and tourism. This strengthens the opinion that collaborations with other fields are crucial and that public and private sector and civil society should be more and more involved. Taking the European Union as an example, culture plays an important role in the EU's foreign policy. Cultural cooperation counters stereotypes and prejudice by fostering dialogue, open-mindedness, dignity and mutual respect. Inter-cultural dialogue can help prevent conflicts and foster reconciliation within and between countries. Culture helps respond to global challenges such as the integration of refugees, countering violent radicalization and the protection of the world's cultural heritage. Culture can also be a tool to deliver important social and economic benefits both within and outside the EU.

Today's Communication offers a strategic framework for deeper and more effective international cultural relations as well as a new model for cooperation with Member States, national cultural institutes, private and public operators from the EU and its partner countries, increasing opportunities, creating cooperation and maximizing socio-economic benefits.

### **3.2. Culture as a Factor in Economic Relations**

The Republic of Korean – Vietnam relation has been rapidly deepened in all fields, especially trade and investment since the establishment of diplomatic ties in 1992. This chapter analyzes the patterns and trends in the trade relations between the two countries in the past twenty years. Various trade indices such as Trade intensity, Trade complementarities, Intra industry and Revealed comparative advantages were used to describe the structure and composition in the Korea-Vietnam bilateral trade. The study results show that trade pattern between Korea and Vietnam is principally inter-industry trade and complementary. The main conclusions also suggest that there is significant potential for further growth of trade between two countries. The bilateral trade turn-over has surpassed 10 billion US dollar since 2008, marking an increase of 20 fold in comparison to the value of just 500 million US dollar in 1992. Two countries also agreed to upgrade bilateral ties from comprehensive cooperation relationship to the strategic partnership. In the economic field, both countries agreed to increase the two-way trade value up to 20 billion by 2015. Korea has for many years been among the leading investors in Vietnam. So far, Korea has more than 2,300 investment projects with the total value of over 21 billion US dollar in Vietnam. The cultural and people-to-people exchanges between Vietnam and Korea have been continuously promoted. There are over 90,000 Vietnamese people working, studying and living in Korea and almost the same number of the Korean people in Vietnam. Sharing many resemblances in culture and history, the cordial bonds between the two countries and peoples are increasingly reinforced. In spite of the significant development of economic relation between the two countries, there have been few studies focusing on Korea-Vietnam economic relations in general, and trade relation in particularly, in the existing literature.

The bilateral trade relationship between Korea and Vietnam reveals the complementary of both countries' natural advantages. Vietnam is a competitive, efficient, resource rich country, while

Korea is well-known for its ability to produce competitive high-tech goods and services. While Vietnam's exports to Korea are concentrated in primary goods, Korea's exports to Vietnam are predominantly elaborately transformed manufactures. Thus, it is of interest to investigate trade between two countries comprehensively by reviewing trade relations and applying trade pattern indices such as Trade Intensity index, Trade Complementarity Index, Intra Industry Trade index and so on. This chapter outlines the major features of Korea-Vietnam trade relations, specifically, to determine whether the two countries trade is complementary or competitive, whether or not there have been changes in trade composition, and which products have dominated the trade and enjoys a comparative advantage, etc. Based on the discoveries, the paper suggests the directions for developing further bilateral trade relation between the two countries.

### **3.3. Korea-Vietnam Economic Relationship**

The Korean and Vietnamese economies are at contradictory levels of development, by which Korea is one of the most advanced countries in the world, while Vietnam has been a developing country for the last decades. Vietnam and Korea established official diplomatic relationship in 1992 and the two countries are now celebrating the 25th anniversary of the diplomatic ties. A bilateral free trade agreement which came into effect in late 2005 aims to boost bilateral free trade from USD 29 billion to USD 70 billion by 2020.

Over the period of two decades, there has been great progress in bilateral relations. Trade volumes, which totaled \$500 million in 1992, have increased 26-fold to \$13.7 billion in 2010 and \$18.5 billion in 2011. The average annual growth rate of Korea's imports from Vietnam was about 25 percent, whereas Korean exports to Vietnam increased by an average growth rate of nearly 18 percent per annum during the period from 1993-2011. Korean investment in Vietnam has also increased significantly. By 2011, Korea became the leading investor to Vietnam with foreign direct investment (FDI) amounts of registered capital of \$22.3 billion in 3,072 projects. Bilateral economic relations between Korea and Vietnam have reached rapid development not only because of their geographic proximity, cultural similarities and complementary economic structures but also to the active efforts of the Korean government to contribute to improving economic infrastructure and investment environment in Vietnam as well as to establish a



concrete foundation for mutually beneficial cooperation through the Official Development Assistance (ODA) to Vietnam. In specific, the support from the Economic Development Cooperation Fund (EDCF) through the Export-Import Bank of Korea (Korea Exim bank) has greatly contributed to the further enhancement of the bilateral relations. Until now, Korea is Vietnam's second-largest ODA donor country after Japan. Vietnam is one of the largest recipients of ODA in the world, receiving support from over 50 bilateral and multilateral donors. Vietnam has received ODA as grants, concessional loans and a mix of the two. From 1993 to 2014 the total ODA committed to Vietnam amounted to USD 89.5 billion of which USD 60 billion was disbursed during the evaluation period (2000-2014). On average USD 3.5 billion per year was committed to Vietnam. In fact, 20 percent, or 1.6 trillion won, out of the EDCF's total support amount of 8.1 trillion won was allocated to Vietnam, thus clearly demonstrating that Korea prioritizes Vietnam as a principle partner for economic cooperation.

Vietnam has many attractive factors to Korean investors. Vietnam is an emerging market mainly due to its political stability and economic fast development in comparison to other Asian nations experiencing economic instability and business overheating. Unlike other Asian countries, Vietnam and Korea shares a lot of similarities with Korea in history, culture, custom, and personality etc. Moreover, Vietnam has abundant natural resources such as coal and iron, and possesses inexpensive, diligent, excellent labor force. Finally, Vietnam has relatively large scale of domestic market with a population of over 92 million people where 50 percent of the population belongs to younger generation. It can also act as a bridge to huge South East Asian markets of 500 million consumers. The Vietnamese Government has established a clear and determined target that the whole economy and society to be modernized and industrialized by 2020. In the pursuit of this goal, it is the interest of Vietnam in welcoming and facilitating large scale of foreign investment on the basis of mutual interest of Vietnam and foreign investors. As Vietnam has greatly improved its investment environment, particularly the infrastructure and legal system, most of the foreign investment projects have been doing very well. Among the foreign investors, the Korean businessmen are the most successful. The September Summit of 2013 between Korea and Vietnam aim to speed up the free trade relations including the economic, diplomatic and political. The Framework Arrangement concerning Korea's 1.5 billion

USD ODA credit to Vietnam in the 2016-2020 period signed on 8<sup>th</sup> November 2017 will open up greater opportunities between the two countries. This Framework Agreement, which was approved after one year of negotiation, will create the legal framework for Korea to provide loans and for Vietnam to receive Korean ODA, as well as the foundation for both sides to choose and carry out projects using EDCF capital during 2016-2010. The Agreement contains new initiatives as compared to the previous arrangements and is expected to create more favorable conditions for the implementation of Korean ODA funded projects. Since 1993, 2.7 billion USD of Korean ODA was provided for Vietnam to carry out about 60 projects such as traffic and urban infrastructure, health water supply and drainage, which are significant for Vietnam's socio-economic development.

Korea has been one of Vietnam's top trading partners after 1992. In the year 2011, Korea's exports to Vietnam were \$US 13,465 million, an increase of almost 40 percent as compared to the year 2010. Vietnam is Korea's ninth largest export market, account for 2.43% of Korea's exports in 2011. Vietnam is also Korea's largest exports' market for industrial goods. The bilateral trade relations between Korea and Vietnam reached its deepest level and strengthen further after the Korea- ASEAN Free Trade Agreement came into effect in 2007.

### **3.4. Trend and Structure of the Trade Relations**

Korea's exports to and imports from Vietnam are reflective of normal trade patterns between a developed and developing nation. Nearly all Korean exports to Vietnam are manufactures goods, which accounts more than 80 per cent over the years. Over a period of timed structure, trade structure has shifted between primary and manufactured goods, that is, the share of primary goods declines, whereas the share of manufactured goods increases. In 2010, Korea's exports to Vietnam are mainly composed of manufactured goods, accounting for 88 percent of Korea's total exports to Vietnam. On the side of Korea, Vietnam is an important supplier of primary products to Korea, including agricultural commodities, minerals and energy resources. In year 2010, these

exports accounted for 45 percent of total Korea's imports from Vietnam. The Major exports from Korea to Vietnam include semiconductors, petroleum products, steel products and 36% of Korea's trade surplus came from Vietnam in 2012.

However, it has been demonstrated that while the total trade volume between the two increased significantly over the past decade, the commodities trade remained virtually unchanged. This shows that Korea's major export items to Vietnam continued to consist of capital goods and raw/subsidiary materials such as machinery, steel/metal products, and industrial textiles, whereas Vietnam has principally exported primary products--such as agricultural and fishery products and consumer textiles--over the past decade. This is a typical inter-industry trade pattern between a developed country and a developing country.

The inter-industry trade pattern between Korea and Vietnam is also clearly revealed by Korea-ASEAN (The Association of Southeast Asian Nations) bilateral trade. The trade share by category of commodity for Korea with Vietnam and ASEAN is shown in table 2. Since 1995, Korea has been trading more raw materials and energy products, and less both manufactures and non-manufactures with ASEAN than Vietnam. Meanwhile, Vietnam exports more non-manufactures products to Korea than other ASEAN countries. The Korea's manufacturing trade ratio (export/import) shows a big gap between Vietnam and ASEAN during the period of 1993-2011. This implies the dependence of Vietnam on Korea's manufactures exports is heavier than that of ASEAN countries.

For trade balance, Korea has maintained a trade surplus over Vietnam for the past 20 years. In 2011, Vietnam's total trade deficit was US\$10.16 billion of which that suffered from Korea amounted to nearly US\$8.5 billion, or 83.2% of the nation's total trade gap. The gap in trading with Korea clearly reveals the goods profile on both sides.

### **3.5. Pattern of Korea's Investment in Vietnam**

Republic of Korea and the Socialist Republic of Vietnam are members of the ASEAN – Korea FTA (AKFTA), which came into effect in 2007. Along with the AKFTA, both countries are parties to the Vietnam Korea FTA (VKFTA), which came into effect in 2015. VKFTA focuses on a higher level of commitment and liberalization than AKFTA. It removes an additional 506 tariff

lines for Vietnamese products and 265 tariff lines for South Korean products, in addition to the ASEAN-Korea FTA. South Korea will remove 95 percent of its tariff on Vietnamese imports, while Vietnam reduced 90 percent of tariffs on South Korean imports. Companies in both countries will benefit from the reduced tariffs. Vietnam will eliminate 90 percent of tariff lines on Korean imports within 15 years from the date of effect, while South Korea will remove 95 percent of tariff lines on Vietnam's imports. Within a year of implementation, the VKFTA led to an increase of 19 percent year-on-year bilateral trade in 2016 in comparison to 2015. This year, bilateral trade is witnessing a further increase in comparison to 2016. Imports from South Korea for the first seven months of 2017, has increased by almost 50 percent for the same period last year, while Vietnamese exports to South Korea for the first seven months in 2017 have increased by 30 percent. With the rapid growth in trade in the last two years, bilateral trade is expected to reach US\$ 70 billion by 2020.

South Korea reduced import duties on Vietnamese products such as shrimp, fish, crab, tropical fruits, garment and textiles, and wooden products. South Korean companies have been more aggressive in comparison to Vietnamese companies in taking advantage of the lower tariffs of the VKFTA, leading to a growing trade deficit.

Korean investment in Vietnam has been a success story. Korea remains by far the largest foreign investor in Vietnam. Data from Vietnam's Ministry of Planning and Investment ("MPI") suggests that cumulative Korean foreign direct investment ("FDI") in the period from 1988 to 2016 amounted to USD 50.7 billion, compared to USD 42.1 billion for Japan. The momentum continued throughout 2016, with new Korean investments totaling USD 5.5 billion, again dwarfing Japan's USD 868 million during the same period. The year 2017 marks 25 years of Vietnam and South Korea's diplomatic relations. During this period, the focus of trade and investments has shifted from labor intensive sectors such as garments and textiles, to capital intensive sectors such as electronic goods, and finally at present to consumer goods and services. Bilateral trade rose from US\$0.5 billion in 1992 to US\$45 billion in 2016, while in terms of investments, South Korea has developed as the largest foreign investor in Vietnam. Around 5,000 South Korean companies have invested in Vietnam in the last 25 years. According to the Vietnam

Chamber of Commerce and Industry, Korean-invested firms in Vietnam in 2016 contributed almost a third of Vietnam's exports and provided around 700,000 jobs domestically. In the year 2016, South Korean investments accounted for a third of the total FDI. The manufacturing sector accounted for 82.3 percent of the investment, led by large-scale investments from Samsung and LG Electronics. Electric and electronic manufacturing accounted for the largest portion of the manufacturing and processing sector at 65 percent, followed by textile and fabric manufacturing at 20 percent.

Manufacturing sector accounts for 70 percent of the cumulative South Korean investments since 1988, followed by real estate management and construction sector at 14.8 percent and 5.4 percent respectively. Apart from manufacturing sector, which accounted for 82.3 percent of investments in 2016, there has been a growing interest by South Korean companies in the services and distribution sectors such as, wholesale and retail, culture, and science and technology. In addition, 2017 has witnessed a considerable interest in the food and finance & banking sectors. Similarly, South Korean firms are looking to increase their investments in diverse sectors such as the agriculture, forestry, and fishery sectors, taking advantage of the preferential tariffs of VKFTA.

Samsung is the leading South Korean investors in Vietnam. It manufactures almost half of its smartphones and established two factories in Vietnam. Samsung is also setting up a third complex focusing on home appliances and displays with an investment of US\$2.5 billion. Some of the existing production lines in South Korea and Malaysia will also be shifted to Vietnam in the near future. LG, another electronic giant also has setup a production hub in Vietnam to manufacture smartphones and televisions. The company will be spending around US\$1.5 billion in the new hub by 2028. Seoul Semiconductor Co. recently won a license to build a new \$300 million semiconductor, while LED manufacturer Lumens will begin manufacturing operations later this year. Similarly, CJ Group, a South Korean conglomerate is taking the high road and in the midst of a large-scale expansion in Vietnam. Its business interest range from food processing, fertilizer and feed production, TV shopping, film production, and distribution. In 2016, it

invested US\$500 million into new projects and M&A. Another conglomerate, Lotte Group plans to expand its retail operations five-fold to 60 shopping malls in Vietnam by 2020.

Korean-invested firms appear to be export-oriented and thus contribute significantly to Vietnam's trade balance, in addition to being a major source of employment domestically. Data released by the Vietnam Chamber of Commerce and Industry ("VCCI") suggests that Korean-invested firms in Vietnam in 2016 contributed almost a third of the total value of Vietnam's exports and provided around 700,000 jobs domestically. Bilateral trade ties have likewise been growing continuously stronger from 2013 to 2016, with Korea remaining Vietnam's second-largest source of imports and fourth-largest export market. As of the end of 2017, about 5,500 South Korean firms were up and running in Vietnam while as of November 2016, a total of 5,656 foreign direct investments had been made by Korean firms. This makes South Korea the biggest foreign investor in Vietnam, with total direct investment reaching a record-high \$7.4 billion through the first 11 months of last year.

The major driving factor attracting Korean investors in Vietnam is highly credited to Vietnam political stability as well as Vietnam's rapidly growing economy which plays an important role in attracting foreign investment. Similarly, many argue Vietnam's abundant cheap labor force as the main reason behind Korean firms' location choice. However, this has not been always the case as Korean investments are concentrated in the most expensive regions in Vietnam such as Hanoi and Hoi Chi Minh City. According to the Asian Development Bank's latest outlook report, Vietnam is expected to see 7.1 percent and 6.8 percent economic growth in 2018 and 2019, respectively. Since the launch of the economic reform policy, Doi Moi, in 1986, Vietnam has made extensive efforts to transform its centrally planned economy into a market-oriented system, and the annual average real gross domestic product (GDP) growth rate was recorded as 6.5 percent during the period 1986-2013. The reform initiative took place among diverse sectors, involving investment, trade and state-owned enterprise (SOE) policies. Changes in international economic relations, such as joining the Association of South East Asian Nations (ASEAN), the Asia-Pacific Economic Cooperation (APEC) and the World Trade Organization (WTO) and signing other bilateral agreements, reflected the effort of the Vietnamese Government to promote

its Doi Moi initiative. Despite facing a crisis in 2013 and a limitations in its reform policies, Vietnam, which is considered 'Post China' still maintains its status as an attractive investment destination with its FDI stock exceeding USD 30 billion in 2013. Vietnam actively participated in the world economy and a huge amount of foreign direct investment (FDI) flowed into it. According to the United Nations Conference on Trade and Development (UNCTAD) statistics, Vietnam's stock of FDI grew from USD 1 billion in 1992 to USD 10 billion in 1997.

On the other hand, the amount of outward FDI (OFDI) from Korea has increased significantly. The motives driving Korean firms to invest abroad included efficiency-seeking, market searching due to the limited size of the domestic market, active support from the Government and institutional aid.<sup>3</sup> Starting from USD 2 billion in 1990, Korea's OFDI in stock values reached USD 219 billion in 2013. Such a performance of Korea in OFDI is remarkable when discussing Vietnam's FDI inflows, as Korea is currently the leading investor in Vietnam. Although China remains the leading recipient of Korea's OFDI in Asia, Vietnam is strengthening its position, as it ranked the fourth-largest destination for Korean FDI in the world as of 2014. The accumulated amount of Korea's OFDI towards Vietnam exceeded USD 10 billion in the same year. While China is gradually losing its competitive advantage in low labor costs, Vietnam deserves more attention as the alternate recipient of Korea's OFDI. Despite the importance and distinctiveness of Korea's OFDI in Vietnam, its pattern has rarely been analyzed rigorously.

In Korea, OFDI remained restrained until 1979. However, liberalization of OFDI was achieved in the 1980s with simplified procedures. As trade surpluses began to be recorded in 1986, the Korean Government started to promote it actively since then. In the recent years, Korean companies have chosen Vietnam as a strategic production base, their production facilities dispersed throughout ASEAN member states have now become concentrated into Vietnam which is rapidly increasing. This deepening of the bilateral economic relationship has become the basis of the Vietnam- Korea Free Trade Agreement (VKFTA) signed in 2015. This agreement stands as a cornerstone in the bilateral relation and is expected to bring larger benefits to both countries.

The Association of Southeast Asia Nations(ASEAN) has become a major destination for Korean Foreign Direct Investment (FDI).In 2016, this region alone attracted about one half of Korea's outward FDI (OFDI).ROK FDI in Vietnam has occurred in three waves. The positive position of Korean firms in Vietnam is a result of long-standing bilateral commercial relations. Korean FDI came to Vietnam in three waves. Following the normalization of diplomatic relations in 1992, Vietnam experienced a first wave of Korean investment that was primarily focused on labor-intensive manufacturing in the garment and textiles sector. The second wave, starting in the early 2000s, was characterized by the increased manufacture of electronic goods. Most recently, a third wave focused on consumer goods, including retail as well as services. Electronics and telecommunications have been the leading industry in attracting Korea's manufacturing FDI in Vietnam, accounting for 25.1 percent between 1992 and 2014. Particularly in 2013 and 2014, they attracted nearly 40 percent of Korea's investment in the manufacturing sector of Vietnam. The fact that the share of Korea's investment in Vietnam's textile and shoes industry has been similar to that in the electronics and telecommunications industry is unique and different from the pattern of Korea's FDI in the world, where investment in electronics and telecommunications far outweighed that in garments and shoes by more than 20 percent. This difference in the investment pattern reflects the comparative advantage of Vietnam's cheap and abundant labor, which is the biggest motivation for Korean firms to invest in the country.

### **3.6. The impact of Korea's FDI in Vietnamese economy**

The rising implication of Korea's FDI in Vietnam can be credited, among others, to the government policies of the two countries as well as the cheap and efficient labor in Vietnam. The reformative legislation of Vietnam to open its economy together with the policy of Korea allowing OFDI in the late 1980s has facilitated the flow of investment from Korea to Vietnam. In addition to the policy developments, the Vietnamese economy also provides a developed infrastructure in certain designated sectors. Further improvements in the Vietnamese economy, such as the accession to the ASEAN and WTO, have stimulated not only Korea's OFDI but also investments from many other countries, mostly in Asia. Accordingly, Korea's FDI in Vietnam has grown extensively over the years, influencing the Vietnamese economy through various channels, such as economic growth, employment generation and the transfer of technologies.



Among others, FDI inflows have contributed to Vietnam's economic growth measured by its GDP. Although the ratio of FDI inflows to GDP had been less than 1 percent in the late 1980s, it reached 5.2 percent in 2013. The contribution rate of the foreign-invested sector in the GDP actually grew from 6.3 percent in 1995 to 13.3 percent in 2000 and reached 19.5 percent in 2013, supporting the validity of this argument. The estimation results showed that FDI had a positive effect on labor productivity and economic growth in Vietnam. The data for Vietnam's provinces showed that FDI, together with domestic investment, human capital, labor force and international trade, had positive effects on economic growth.

The experience of Vietnam in attracting FDI proves notable implications not only for Vietnam, but also for other developing economies. By referring to Vietnam's economic reforms and FDI liberalization, other governments have endorsed and introduced policies that promote FDI inflows and advance the effect of FDI on their economies.

The case of Vietnam encourages the important role of economic liberalization policies consisting of integration into the world economy and FDI-friendly measures. For instance, Vietnam's efforts to conform to the global economic standards through its BTA to the US and accession to the WTO led to the swell in FDI inflows in the 2000s. This shows that the benefits of integrating into the global economy do not end merely with the preferential treatments provided by the individual agreements but instead extend further to enlarged interactions with other economies and heightened attractiveness of the economy concerned to foreign investors. Moreover, more direct contributions have come from the FDI promotion policies of the Vietnamese Government since the late 1980s, which have greatly advanced Vietnam's FDI inflows since the early 1990s. Hence, the policy reforms in the host country to create a better investment climate for foreigners are central in increasing FDI inflows to their economy. Furthermore, the importance of human resources is central in attracting FDI. The attractiveness of Vietnam's labor force came not only from its low wage level but also from its high quality, represented by Vietnam's education level. Such cost-efficiency of Vietnamese labor has also enabled Korean investors to invest in various economic activities including the electronics industry, which requires workers with relatively advanced techniques compared with the other industries in the manufacturing sector. Therefore, the governmental efforts of the host country to

improve its human resources through better education would be central in attracting and sustaining FDI inflows. Hence, Vietnam's rapid economic growth can partly be attributed to FDI inflows, of which Korean OFDI constitutes a large share. The contribution of Korean firms to Vietnam's employment generation has been particularly large in light of the pre-eminent share of SMEs in Korea's OFDI in Vietnam. Similarly, Vietnam received around 2.8 USD in ODA from Korea from 1992-2015 in some 60 projects. Korea is likely to provide 1.5 USD billion in official development assistance in the year 2016-2020, with large portion for infrastructure. The Korean Government is formulating a Country Partnership Strategy (CPS) for Vietnam in order to focus on the latter aim to achieve the objectives in transport, infrastructure, IT, and scientific and technological human resources contained in its socio- economic development strategy for the 2011-2020 period and socio-economic development plan for 2016-2020.

## **Chapter 4: Korean Wave in Vietnam**

### **4.1. Introduction**

Since the end of the 1990s, Southeast Asian has witnessed the enthronement of hallyu as a cultural phenomenon. Hallyu or the Korean wave has largely influenced youth culture in Vietnam in particular. It is a common sight to see many young Vietnamese enjoying 'kimbap' or watching Korean dramas, mimicking the habits and lifestyles of Korean stars.

This chapter discusses the elaborate role and influences of the 'Korean wave' also known as 'Hallyu' in bringing the two nations together. It also gives an extensive and detailed discussion on how the Korean popular culture has affected the Vietnamese consumer behavior which leads to the favoritism of Korean brands in Vietnam. It also demonstrates the role of Korean government in promoting this phenomenon worldwide. This chapter argues that Dramas and music seem to be the major factors that brought Korean Wave to young Vietnamese students. For more than fifteen years, the Korean film industry have been continuously strengthening its position in Vietnamese viewers' hearts with many unforgettable dramas such as Winter Sonata,

autumn in my Heart, Boys over Flower and so on. The shadow of Taiwanese or Hong Kong dramas is totally wiped out. Later, the music industry, or K-pop, quickly became well accepted and Korean idols gradually attracted Vietnamese fans. Korean dramas and music can expose more students to Korean Wave and influence them to purchase more Korean Wave related products, therefore, strengthening the economic relations more than ever.

The objective of this chapter is to highlight the upgraded role of cultural diplomacy such as the increasing influence of the Korean wave in East Asian and Vietnam in particular and how this has affected the relations between South Korea and Vietnam as well as the policy of each country participating in the modern international system. The contribution of culture in policy making strategies is particularly promoted by the development of cultural diplomacy, which plays an important role in current international relations. Cultural diplomacy is an instrument of crucial importance for the broadcast of culture and national values. The main role of cultural diplomacy is to promote the trans-national dialogue between different cultures and nations, particularly between the West and the Muslim world. The motivation for this study has been the fact that over the last decades several events (for instance, modern wars that have been influenced by ethnic, cultural and religious beliefs) highlighted the emergence of the critical role of culture in modern international politics. In this study, emphasis is placed on the goals and aspirations of developing cultural diplomacy. Cultural diplomacy can be conveniently used as a flexible and universally accepted means of approaching countries with which diplomatic relations are tense or, sometimes, even non-existent. After World War II, the structure of international relations experienced significant changes and a growing tendency towards cultural disagreements was observed. In this context, it seems that culture has evolved to a powerful factor in the field of international relations, a factor of continuously increasing influence and importance. Modern developments in the field of international relations show that the 21st century will be a golden age for the further development of cultural diplomacy. Regardless of the state implementing it, the three most fundamental objectives of cultural diplomacy are the protection of national identity, strengthening of the prestige of a country and the promotion of mutual understanding. The protection of national identity has to do with the right of cultural self-determination of

States, which is also the basis of the UNESCO Declaration on the Principles of International Cultural Cooperation (November 4, 1966). Strengthening of the prestige of a country has its foundation on the country's desire to strengthen its position and prestige in the world. It is generally accepted that a country can shape a good image abroad by spreading its culture, values and traditions. Thus, promoting mutual understanding between countries and individuals is based on the idea that ignorance and a lack of understanding lead to hostility among the peoples while fighting against them lead to world peace. Hence, this is the reason for promoting exchange programs and scholarships in the field of education, placing particular emphasis on language learning and spreading in order to promote understanding among the people between nations.

#### **4.2. Musical Diplomacy**

“Music can capture a wide range of feelings, go to the essence of things and speak to the soul. It has the power to bind us together and strengthen our sense of community through shared emotions.” These remarks were expressed on October 24, 2003 at the United Nations Headquarters by former Secretary-General Kofi Annan<sup>3</sup> on the occasion of the celebration of United Nations Day. The following year, Annan maintained analogous thoughts in an introductory speech for a lecture entitled “Why Music Matters”. Annan declared “in a world of diversity where often values clash, music leaps across language barriers and unites people of quite different cultural backgrounds. And so, through music, all peoples can come together to make the world a more harmonious place.” With these words, the Secretary-General highlighted music’s potential for building trust and understanding. According to him, music can transcend geographical, cultural, economic and political barriers.

This section argues for the promotion of musical diplomacy or Korean popular culture as a tool for “harmonizing international relations” or ‘promoting the bilateral relations’ between South Korea and Vietnam. As the international order has drastically changed from the bipolar Cold War structure to the multipolar world we live in today. The realist theory based on the argument that international relations are dominated by power and national state interests is not as relevant as it

was earlier. International cooperation has become an attainable ideal through increased interconnectedness, the development of cross cultural relations and the promotion of intercultural communication by opening up foreign language institutes. However, the improvement of communication has not reduced intolerance, mistrust and prejudices. The argument that I am defending in this interdisciplinary thesis is that cultural diplomacy can become a strategic tool to enhance intercultural dialogue, cooperation and mutual understanding thus act as a new stimulant in increasing bilateral ties between nations and has an important role in promoting economic cooperation among nations more than ever. The promotion of the arts in foreign polices coupled with the contribution of non-state actors and artists to the development of cultural relations and the free flow of ideas and values, can become a tool for creating “sustainable” relationships across cultures. This chapter seeks to answer the following problematic: Can music and art diplomacy improve international understanding? How can music and contribute to cross-border interaction and intercultural communication? In the framework of this questions, I will be looking at examples of musical and art through the spread of the Korean wave or ‘Hallyu’ and the influences it might incur on the cooperation between Korea and Vietnam. In the case of South Korea and Vietnam, many programs have been developed promoting cultural activities and cultural education as a means to improve cross-cultural relations through the reduction of prejudices and mistrust and to promote greater economic cooperation. Cultural diplomacy programs should promote “listening to others, recognizing the values of cultures, showing a desire to learn from them, and conducting programs as two-way street cultural relations through .the reduction of prejudices and mistrust. Cultural diplomacy programs should promote “listening to others, recognizing the values of cultures, showing a desire to learn from them, and conducting programs as a two-way street.”

Korean popular culture has made a massive breakthrough into East Asia in the late 1990s and subsequently other Asian countries. The mass media and concerned scholars have given the appellation of “Korean Wave” (Hallyu in Korean) to such Korean cultural products as television dramas, popular music, and movies becoming so popular in East as well as South East Asian countires. Since the mid-1990s, Korean popular culture has spread over the pan ethnic-Chinese

countries including China, Hong Kong, Taiwan, and Singapore at first, then over such Southeast Asian countries as Vietnam, Thailand, Malaysia, and Indonesia, followed by Mongolia, Japan, and even beyond East Asia. The Hallyu boom in Japan came first by a 2004 television drama, *Winter Sonata*, and has since drawn a great deal of scholarly attention, because Japan is the first modernized or Westernized country in Asia and Japanese popular culture has been dominant in many East Asian countries for several decades. Korea is not an exception; its popular culture has also been strongly influenced by Japanese pop culture. Now, at least some members of the Japanese population are fascinated with Korean popular culture. Thus, some scholars regard Hallyu as “a counter-case to media imperialism: a fissure in West-centered globalization” (Kim 2009, p. 731) or as a case proving that globalization is not a one-way traffic but a two-way flow (Cho-Han 2003, p. 40).

However, the surge of popularity of Korean popular culture in these countries has drawn “anti-Hallyu” sentiments and campaigns by a few local intellectuals, popular culture industries, and mass media (Chae et al. 2009), especially in China (Kang 2008; Yong-Chan Kim 2008; Leung 2008; Yun 2009), Taiwan (Lin 2006), and Japan (Hanaki et al. 2007), with China and Japan historically having had either superior power or colonial power over Korea. These anti Hallyu movements, combined with the fact that only a particular drama (for example, *Winter Sonata* in Japan) or a particular genre (e.g., trendy dramas with a love story) has been popular in these countries, have led some scholars to conclude that “Hallyu” is a short-term phenomenon that would last only a few years (Kyeong-mi Shin 2006; Yoon-Whan Shin 2006).

Despite the suspicion that the Korean Wave is only a temporal and isolated trend like a short-lived fashion, it has not only survived but expanded to more diverse and wider products and to countries beyond East Asia. A major Korean newspaper recently featured an article entitled “Evolving ‘Hallyu’ ... Japan Is Now Attracted by Korean Culture.” This article quotes a Japanese manager of an advertisement and events company saying, “The ‘Hallyu’ boom, which was initially limited to such TV dramas as *Winter Sonata* and its main actor Yong-joon Bae, has now

expanded to such areas as Korean language, food and culture, and has evolved from passive reception to active participation in everything Korean” (Chosun ilbo Oct. 4, 2010. p. A20).

A local Chinese newspaper coined the term Hallyu in 1997, since then media reports and scholarly research on the phenomenon have mounted. Topics and issues about Hallyu can be grouped into four broad areas. First, a majority of them attempt to explain the rise of Hallyu by asking questions like: What factors and backgrounds are responsible for this phenomenon? Why have Korean popular cultural products, and not others, become popular in those Asian countries? (Hanaki et al. 2007; Jeon 2006; Kim 2003; Kim 2007; Lee 2006; Leung 2008; Lin 2006; Shim 2008; Yoon-Whan Shin 2006). Second, in relation to above questions, some researchers concentrate on the issue of Hallyu’s reception. Why are Asian audiences fascinated with Korean popular culture? How do they interpret and evaluate imported Korean cultural contents? (Hong-xi Han 2005; Kim 2009; Sin 2005; Yun 2009). Third, there are also studies that try to assess the effects of Hallyu for both Korea and the receiving countries. Many of them are concerned with economic effects such as booming tourism, increasing sales of Hallyu-related products, and its marketing potential. Others focus on changing images of Korean people and culture in those countries where Hallyu has made a hit. A few studies report that Korean cultural products or cultural contents have become a part of everyday life and culture in these countries as a result of Hallyu (Chae 2006; Choe 2007; Eun-kyoung Han 2005; Hong, Gang, and Ohya2007; Hwang 2008; Iwabuchi 2008; Kim et al. 2007). Finally, Hallyu has prompted theoretical debates on the interpretation of globalization (Cho-Han 2003; Chua 2004; Iwabuchi 2008; Kim 2009; Kwon 2006; Shim 2006; Yang 2007). Some observers regard Hallyu simply as part of globalization propelled by the logic of capital (Cho-Han 2003). Others see it as a case to counter media imperialism (Kim 2009). Still others argue for regionalization as part of, or against, globalization occurring in Asia. This latter view considers Hallyu as a symptom of a new regional cultural formation (Chua and Iwabuchi 2008).

### **4.3. Globalization and Hallyu**

The process of globalization has grown ever since the end of cold war due to advances in transportation and communication technology. With this increase in global interactions comes the

growth of international trade, investment, flow of ideas and knowledge, culture. Cultural globalization refers to the spread of ideas, values, meanings, knowledge around the globe in such a way as to extend and intensify social relations. Cultural globalization involves the formation of shared norms and knowledge with which people associate their individual and collective cultural identities. Hence, it brings increasing interconnectedness among different populations and cultures. This cultural globalization too many scholars, is an attempt to possibly Americanize the world.

One of the prominent theories that reflect existing studies on Hallyu is the theory of globalization. It seems to be quite appropriate that Hallyu is approached from the perspective of globalization, because it encompasses cross border flow of cultural products and recent globalization process in East Asia has laid the base for it through liberalization of markets and deregulation of the culture industry sector. Indeed, Hallyu has triggered heated debates on the nature of globalization, especially in East Asia. Globalization, however, is a complex term involving many dimensions, including not only economic and political but also social and cultural ones. This thesis is specifically concerned with cultural globalization, the contemporary process of which has been driven by establishment of new global cultural infrastructure, the rise of Western popular culture ( for example: Hollywood) the dominance of multinational culture industries, and an increase in cultural exchange and interaction across national borders ( David Held et al. 1999, p. 341).

The existing literature on Hallyu based on the models of globalization may be grouped into the following three categories: the political-economic, the cultural, and the social. The first approach emphasizes political and economic backgrounds for the sudden boom of Korean popular culture in Asia. It takes neo-liberalism prevalent after the fall of the communist bloc in the late 1980s as a major contributor to the cultural flow from Korea to other East Asian countries. Many countries in Asia have opened up their markets, especially cultural markets, to foreign imports in the 1990s due to pressures from the super powers and international financial organizations such as the IMF and WTO. As a result, not only did cultural products begin to flow more freely among Asian countries, but increasing international competition has also led to heavier investments in the



culture industry and to more choices for cultural consumers in this region. In this view, Hallyu is simply the case of Korean culture industry taking advantage of this changing market situation (Shim 2006; Kim 2009).

On the other hand, some critics view Hallyu as a product of recent capitalist development. For example, according to Hyejung Cho-Han (2003), Korean cultural products are the Korean version of American commercial culture, and Hallyu is simply an extension of the Korean export industry that includes the culture industry. Major Hallyu products are cultural products of “turbo” capitalism that forsake tradition in a definite way (Cho-Han 2003, p. 35). In this sense, Korean popular cultural products are simply commodities like any other manufactured goods that are exported to other Asian countries. However, Cho-Han warns against viewing Hallyu as a case of cultural imperialism, e.g., the diffusion of superior culture to the inferior one. Rather, it should be regarded as part of the complex and dynamic process of cultural globalization which flows in both directions rather than in one direction.

#### **4.4. The Development of Korean wave in Vietnam**

Vietnam and Korea are two Asian countries having many similar historical and cultural features. Their diplomat relationship was officially established in 1992, which paved the way for both sides to develop economic, educational and science-technical dimensions, leading to the upgrade to comprehensive partnership in 2001 and strategic partnership in 2009. This deep ties is one of the reasons why the Korean Wave can come to Vietnam (since late 1990s) and achieved a continuous success in the order of dramas, movies and then popular music, which provide a base for market expansion of Korean screen products, helping Korean celebrities earn hundreds of Vietnamese fans. This success is attributed to the ease on foreign cultural products restrictions of Vietnamese government; the economic ties between two countries; as well as the policies of Korean government to support Korean Wave in Vietnam.

With the rise of Korean Wave in Vietnam, the market has witnessed growing demand for Korean products, making Vietnam rank fourth among countries which have fastest growth rate in consuming Korean products with the retail revenue reached USD 100 million in 2009-2014.3

According to Shin Myung-Jin, chairman of Korean Importers Association (KOIMA), Vietnam is the second largest trading partner of Korea among ASEAN countries, and one of the four largest strategic markets for export. Consequently, a number of new Korean fashion shops have appeared for the first time in Ho Chi Minh City in high-end malls like the Diamond Plaza, including Bana Bana, Kaco, Olivia Lauren, Zaksin, etc., all of which are considered luxury brands by consumers. Moreover, bilateral trade turnover between Korea and Vietnam has grown annually 23.4% on average in the last 10 years, making Korea rank in top three biggest partners of Vietnam (VCCI, 2016).

The entry of Korean dramas began in the mid-1990s with such dramas like “Dae Jang Geum” (Jewel in the Palace) and “Winter Sonata”, due to the enthusiastic efforts of Korean government policy as they realized that cultural products help spread culture transnationally and interact with host countries during consumption. In the beginning, Vietnamese broadcasters chose Korean shows because the productions were high-quality but cheap to purchase. Among Southeast Asia countries, Vietnam imported the highest number of Korean dramas, with average price per episode ranged from USD 540 in 2001 to USD 760 in 2004 depending on each economic capacity, competition and the difference in purchasing power. However, the more Vietnamese viewers are exposed to Korean dramas, the more they enjoy it. Because the shows had themes that Vietnamese audiences could relate to such as family struggles, love, romance. By 2000, the Korean Wave was in full swing in urban Vietnam, thus paving the way for Korean companies to utilize their brand marketing strategies and provide significant support to the broadcasting of Korean dramas. Similarly, Korean film producers has been trying to maximize the link between the TV viewers and the targeted consumers of their products, as well as hold events related to the programs for advertisements, which made crucial contributions to the expansion of the Korean Wave in Vietnam. Since then, the demand for Korean cultural products has increased significantly, which allow Korean broadcasting companies to export directly. Specifically, the Korea Trade-Investment Promotion Agency (KOTRA) invested in Vietnamese cinema market with two big cinema complex LOTTE and CGV, which accounted for 50%

market shares. With high quality facilities, these two groups of cinemas are often favoring of Korean movies with many promotion to attract more viewers.

In 2015, Vietnam and Korea started a collaboration to produce a TV series on the dreams and choices of young Vietnamese students in Korea. The drama entitled “Tuoi Thanh Xuan” (Forever Young), co-produced by the Vietnam Television (VTV) Film Center and CJ E&M Pictures from Korea.<sup>6</sup> The 36-episode series tells a story about the lives and dreams of young Vietnamese students who study in Seoul, struggling with conflicting emotions of friendship and love. The series also highlights the important role of one’s homeland, which should be the final destination people should come back to despite how successful they are. Both Vietnamese and Korean actors/actresses were auditioned to join this project. Due to the language barrier, they spoke in their mother tongue and the lines were dubbed. “Forever Young” was broadcasted in two countries, a number of Southeast Asian nations, and the U.S. via CJ’s M Channel.

#### **4.5. Influence Korean Language**

Vietnam and Korea have been close friends for more than 25 years and have developed economic partnership as well as exchanged many cultural and social values. The two countries are trying to find more common features in bilateral ties in order to improve the relation. Due to the spread of Korean Wave, more and more Vietnamese consider Korea as a destination of success, thus they attempt to study or work in Korea, or even move to Korea for living. Nowadays the demand on studying Korean language is increasing and we can see the support to promote this field from both governments. For instance, in 2013, the Korean Ministry of Culture, Sports and Tourism (MCST) announced a policy containing three projects intended to globalize the Korean language. Hence, they would build 60 more King Se-jong Institutes to improve accessibility for people overseas who are interested in learning the Korean language, as well as upgrade the professional expertise of teachers. Moreover, they would introduce a standardized, systematic educational curriculum for those institutes by providing all textbooks and study materials, along with building an online digital database, so that teachers overseas can access to multimedia educational materials.

One of the most important organizations serving as Korean language promotion in Vietnam is the Korea Foundation (KF), which is an independent body affiliated with the Korean Ministry of Foreign Affairs, established in 1991 by the KF Act (No.4414 / promulgated on December 14, 1991). In 2014, in order to lay the foundation for the networks of future friendly relations, the Korean Foundation for Korea-Vietnam Youth Exchange Program invites 40 students to Korea. Vietnamese delegations are provided opportunities to access and experience the Korean economic development experience as well as agricultural experience. The mission of this organization is to promote better understanding of Korea within the international community and to increase friendship and goodwill between Korea and the rest of the world through various exchange programs. (Article 1, KF Act). The KF set up its representative office in Vietnam in 1997, located in the Embassy of Korea, LOTTE Center Hanoi. They have been trying to maintain their development of Korean language education in Vietnam, which includes completing and diversifying teaching programs. In 2016, they established many projects to improve Korean Studies in Vietnam, such as exchanging human resource, learning, or culture. The KF set up its representative office in Vietnam in 1997, located in the Embassy of Korea, LOTTE Center Hanoi. They have been trying to maintain their development of Korean language education in Vietnam, which contains completing and diversifying teaching programs. In 2016, they established many projects to improve Korean Studies in Vietnam, such as exchanging human resource, learning, or culture. As a result, Hanoi National University and other seven universities have established departments that include Korean subjects, and these majors are strongly favored by local students (Jin, 2010). Currently, Vietnam has Korean Study major in 15 universities with over 2,800 students; Se-jong institutes which attract around 100,000 students. Vietnam ranks 2<sup>nd</sup> in top 5 countries that have the most Se-jong institutes in Asia.

In 2016, Vietnamese Ministry of Education signed an agreement with Korean Embassy in Vietnam on bringing trial program to teach Korean in secondary school as 2<sup>nd</sup> language. This program would be applied in two schools in Hanoi and two in HCMC until 2023 to see the effects after evaluation in each semester. The Ministry of Education wanted to create human resources to provide for Korean firms in Vietnam as well as send more students to Korea for

study. In 2010, there are 1,914 Vietnamese students studying in Korea and this number increased to about 5,000 in 2013.

The demand on Korean language is increasing because Vietnam is the second largest receiver nation of investments from Korean firms over the last three years (KOTRA, 2010), and there are around 350,000 people, or 3% of Vietnam's workforce are recruited by Korean companies (Jin, 2010). As the number one investor in Vietnam, there are 4,100 Korean firms looking forward to recruit Vietnamese labor for their business. In 2015, more than 13,000 Vietnamese workers applied for Korean proficiency exam, doubled from 2014 (Banking news). According to Korean Ministry of Justice, in 2016, Vietnam has 8,293 students studying in Korean, accounts for 7.8%, ranks 2<sup>nd</sup> after China. To sum up, both Vietnamese and Korean government are doing well to support the demand on studying Korean language of the young. The trend is expected to go up since more and more Vietnamese students are aspired to learn Korean language to find a high-paid job or to work in Korea.

In terms of Korean language studying demand, Vietnam ranks first among ASEAN countries, as in 2014 Korea. ASEAN Se-jong Hak-dang Forum which took place in Hanoi with the support of Korea Ministry of Culture, Sports & Tourism and Korea National Language Institute, according to the remarks of Mr. Park Nak-Jong, Director of Korean Cultural Center in Vietnam, "the popularity of Korean language and proportion of Vietnamese students studying this language in Vietnam is increasing" (Ha, 2015). He evaluated that Vietnam has the highest demand of studying Korean among ASEAN countries and hope for more facilities support from both governments. Moreover, the then Korean Ambassador in Vietnam Jeon Dae-joo also stated that Korean is one of the most common languages in Vietnam which is taking increasing interest from youngsters (Ha, 2015). There are 12 Se-jong language institutes in Vietnam which have attracted many students who are interested in Korean culture. These students are given certificate after graduation.

Due to the credibility of the Korean Wave, Vietnamese viewers are more willing to open their mind and accept new ideas. As Korean dramas and music have allowed Vietnamese consumers

to experience the whole new culture without travelling, including many interesting culture such as traditional meal with a lot of colorful side dishes, cherry blossom festival in Han River Park, or old villages which preserve Korean history, etc. While receiving and taking interest in Korean pop culture, the Vietnamese consumers are now considering foreign culture as an opportunity to learn about the outside world, instead of a threat which can affect their thought and fade out their identity. Due to this exposure, people can easily integrate into globalized era, which help Vietnam to perform better in the affairs. However, the increasing popularity of the Korean wave in Vietnam also has its downsides. For instance, many argue and believe the idea that the alarming widespread of K-pop is almost like a “culture invasion” as the domestic music industry nowadays is influenced too much by Korean music characteristics. Songwriters, musicians and singers are learning Korean styles, copying their ideas or even rhythm, to create a hybrid product with no uniqueness. Similarly, traditional arts are in danger due to the ignorance of young people. These days, despite the policy of Government and Ministry of Culture, Sport and Tourism of Vietnam to preserve cultural values of national heritages like cheo, tuong, hat xam, cai luong, etc., few of the young care and listen to these kind of music, since they prefer other more fashionable and lively types. In addition, studies have shown that the modern and active society as demonstrated in Korean dramas are making many Vietnamese dream of living in Korea. It urged them to study Korean language to seek for a high-paid job in Korea, thus they would try to go abroad and stay in their fantasy world. As a result, Vietnam is facing many serious problems since local labor forces are attempting to work outside the country. This has called for more initiatives from the policy makers to preserve talented manpower and attract returnees.

#### **4.6. Korean government policies relating to Korean pop cultural export**

The first President taking culture into account was Park Chung-hee (1961–1979), who proactively launched cultural policies by establishing laws, institutions, organizations and public funds related to this sector. In particular, in 1973, Park’s government published “The first five-year Master Plan for Cultural development”, which was implemented from 1974 as the first comprehensive long-term plan for culture. This plan’s major priority objective was to establish a new cultural identity by highlighting traditional culture (Ministry of Culture and Information

(MCI, 1973), thus 70% of the total public expenditure on the cultural sector was distributed into folk arts and traditional forms (MCI, 1979, 228). Secondly, the period of Chun Doo-Hwan's government (1980- 1988) was outshone by the increasing support for the arts from State. However, in contrast to previous administration, public subsidies not focus only on cultural heritage and traditional arts, but also extended to contemporary arts happening in people's daily lives. Chun's government published two comprehensive plans for cultural policy: "The new Plan for Cultural Development" (1981) and "The Cultural Plan in the sixth five-year Plan for Economic and Social Development" (1986). According to these plans, primary objective, which aimed at cultural identity, was upgraded to promoting the excellence of the arts to the region, improving cultural welfare, and strengthening cultural exchange with other countries (MCI, 1981; 1986). Thirdly, in 1990, the Roh Tae-Woo government (1988-1993) established a "ten-year Master Plan for Cultural Development" and initiated a new concept Culture for all the people. Basically the goals remained the same as previous administration, but Roh's government attempted to develop cultural media and achieve ethnic reunification (Ministry of Culture, 1990). Generally, these three governments tried to focus all resources on their army, thus they mobilized other social and cultural domains to achieve political and economic objectives. At that time the government controlled the cultural products and only allowed those having contents that support the economic development; therefore the creative freedom was strictly regulated, making the cultural industry 32 remained underdeveloped. For instance, they imposed many restriction on foreign cultural products, especially those from Japan or the West, to preserve the so-called national spirit (Yim, 2002). Last but not least, after 30 years doing similar cultural policy, there was refresh breeze when the government of Kim Young-Sam (1993-1998) advocated the new political campaign slogan called "Creation of the New Korea" in order to improve the Korean status in global society (Young, 1995; 1996; 1997). Compared to the former governments, cultural identity continued to be main point, however, some innovative objectives were the declaration of cultural democracy, the creativity of people, cultural industries and tourism, unification, and cultural globalization. Especially, Kim's government emphasized the economic role of culture and the arts, by issuing "the new five-year Plan for Promoting Cultural Development" (1993), "the Master Plan for Cultural welfare" (1996), and "the Cultural vision

2000” (1997) (Ministry of Culture and Sports, 1993; 1996; 1997). He also removed the stringent censorship faced by Korea’s film and music industries, as well as allowed foreign multinational corporations and local family-owned large conglomerates (chaebols) invest into the cultural industries. To sum up, even the objectives had changed many times, from traditional culture to more modern and popular forms, the main goal of these governments was to construct cultural identity. Policy makers have been trying to improve their policies in order to show the world best strength of Korean such as the spirit of self-help, self-dependence and self-reliance, cooperation and patriotism through their culture and the arts. They realized that these values would motivate economic development, because once the world got familiar with Korean culture and perceived them more positively, more governments would be willing to cooperate with and help Korea expand international relations. With wider vision, following administrations recognized the concept of culture in a much broader sense, including contemporary arts and popular culture, in which the creativity of the people among knowledge-based information society should be promoted. Nowadays, one of its biggest successes, the Korean Wave, is a popular and well-known phenomenon worldwide. This study discusses the steps taken up by the Korean government to promote Korean wave in an elaborate manner.

After the financial crisis in 1997, changes in the political, economic and social environment led to the shift in the government’s perception of cultural industries. After the crisis, the military government failed. Korea can no longer rely on its economic of scale and low-cost labor but consumers demanded more sophisticated and higher quality products, so that the government had to find a new way to increase national competitiveness. In particular, the 1994 blockbuster Hollywood movie, Jurassic Park, which helped sold out 1.5 million Korean Hyundai cars, gained the government interest in developing media production (Lim, 2015) and placing the cultural industries at the core of its development strategies. However, inspired by the profit from movie in the America and from musicals from England, it was not until the 1998 inauguration speech that President Kim Dae-Jung (1998-2003) decided to make his agenda focus on entertainment industry and stated that “My administration will make efforts to globalize our national culture, because the cultural industries will be the key strategic industry in the 21st century, and some



cultural industry sectors such as tourism, conventions, broadcasting, and national heritage products will enrich Korea”.

In this period, those primary objectives of cultural policy from previous administrations continued to be considered serious. In particular, with the purpose of promoting cultural industries and cultural exchange with North Korea, his government established four comprehensive plans including “the Plan for Cultural policy of the new government” (1998), “the five-year Plan for the Development of Cultural industries” (1999), “the Vision 21 for Cultural industries” (2000) and “the Vision 21 for Cultural industries in a digital society” (2001) (Ministry of Culture and Tourism (MCT), 1998; 1999; 2000; 2001). Behind the success of Korea’s own brand called Korean Wave lies the support of the government.

The shift in government policy towards promoting the cultural industries in the early 1990s was reflected in a funding increase. The average annual budget allocated to the cultural industries by the Ministry of Culture under the Kim Young-sam government increased to USD 18.4 million, which doubled the one provided by the Roh Tae-woo government (USD 9.3 million). The budget rose significantly more than 5.5 times under the Kim Dae-jung administration, which reached USD 102.1 million and exceeded 1% of the total government budget for the first time. The following regime of Roh Moo-hyun and Lee Myung-bak attempted to spend even more, USD 193.4 million and USD 321.9 million respectively. In addition, President Lee Myung-bak established the Global Contents Fund in 2011 to finance for a more “qualitative and quantitative growth of Korean cultural products in global markets” (KOCCA, 2012). Especially, since 2012, the Korean government has declared the “3.0 Hallyu Generation” and promoted “K-Culture” projects to expand Hallyu culture previously led by dramas and pop music. In 2013, the government budget related to Hallyu increased by 27.3%, equivalent to USD 68.7 million.<sup>4</sup> Moreover, Korean government established some agencies, for example, the Korean Creative Content Agency (KOCCA) and the Korean Film Council (KOFIC) to finance and promote all aspects of Korean Wave. The KOCCA is a government-funded organization which was formed in 2009 with the support of Korean EXIM Bank. This agency provides loans for small companies producing cultural products such as TV shows, films, games and animated series. In terms of

music, KOCCA began offering financial assistance to musicians for overseas festival appearances. Besides infrastructure, investing in media and ICT has been a strategic policy of Korean government to bring its culture outside the region and expose to the world. Thus the national marketing strategies were well enhanced.

To sum up, cultural policies has been focus of successive Korean governments, especially from Kim Dae-jung administration. Since his administration there were many factors threatened Korean tradition. In particular, almost 40 years of colonization tended to distort Korean culture by the assimilation policy of old Japanese domination (Lee, 1984, 361 - 372). They believed that this dark period prevented Korea from modernizing their culture based on traditional characteristics (Yam, 2002). Moreover, after the Korean War 1950, the country has been divided into two parts and there are growing differences and heterogeneity between South and North Korea in terms of language, ethnic or customs; Western culture came and took over the Korean society, which is considered to be too commercialistic, materialistic or violent, thus had bad effects on Korean people in globalization era. Those difficulties challenged cultural policy makers, and even objectives might change over time, but primary goal remained building its own national identity, thus government attempted to build and improve policies to bring Korean culture outside the world. Since then, governments have financed for cultural industries, developed marketing strategies as well as laws in order to save their artists' intellectual property.

## **Chapter 5: Conclusion**

The purpose of this thesis has been to explore the level of Korea- Vietnam relations after 1992 by examining historical trends in bilateral relations. However the thesis is limited to the study of economic and cultural ties leaving out the sensitive subject on political and strategic ties. The thesis aims to explore the relevant IR theory while studying the role of culture as a factor in bringing the two nations closer. Recognizing the inherent limitations of the mainstream IR theory of Realism and Liberalism, I centralized my thesis on the Constructivist theory as it is best fitted to study the position of culture in promoting the bilateral ties between countries. . Consequently,

I have focused particularly on the economic relations between Korea and Vietnam and give a detailed analysis on the pattern of trade and flow of Korea's FDI to Vietnam and the factors attracting such heavy flow of FDI. Subsequently, I focus my study on the influences of the widespread phenomenon; the Korean wave or hallyu in Southeast Asia and Vietnam in particular. This has promoted integration between the two countries and paved way for Korean companies to enter the Vietnamese market. The efforts and steps taken by the Korean government to promote the export of Korean wave or Hallyu is also extensively discussed. One possible conclusion is that the Korean wave or Hallyu popularity will ensure that Korea- Vietnam relations will remain cordial in nature by promoting people to people exchange programs and the growing desire for Vietnamese youths to learn Korean language and prefer Korean brands.

The major finding of the study is that the Korean government's policies to promote Korean Wave are national agenda with clear instruction and financial support as well as marketing strategies to expose its culture into the world. . Comprehensive plans and strong goals are expected to bring back effectiveness and it is proved with the global success of the Korean Wave. Thus, the Korean wave or Hallyu act as a tool of soft power for the Korean government to stabilize its national identity to the international arena.

President Moon Jae- in visited Hanoi on March 2018 and met with Vietnamese President Tran Di Quang where both nations agreed to upgrade their bilateral strategic cooperative partnership into a more comprehensive level. They addressed that the two nations are key partners of each other in trade, investment, diplomacy and human exchanges. Moon said in the visit that Vietnam is the center of his New Southern Policy, which aims to diversify Korea's economic partnerships beyond the United States and China by increasing trade with Southeast Asian nations. In terms of economic cooperation, Moon and Quang agreed to expand the annual volume of trade by 2020 from the current 63.9 USD. The two nations signed six memoranda of understanding (MOUs) on trade and economic cooperation.

After 36 years of Japanese invasion and Civil war that divided the country into north and south, Korea has recovered incredibly from one of the most backward nations due to the so-called “Han River Miracle”, and became the world’s 15th largest economy. Now Korea is the most wired nation with the fastest internet speed, advanced technologies and home of many famous corporate brands like Samsung, LG, Hyundai, etc. However, the fact that Korea has not been noticed very well worldwide concerned its policy makers. Many other countries, especially those from the West, are perceiving Korea as a country with negative images such as Korean War, or problematic North Korea. Thus, even Korea flourished in achieving high economic growth; it is still attempting to mark its national identity footprint outside the Korean peninsula. After the Korean popular culture became popular, Korean government has tried to subsidize the production of various Korean dramas, movies, and documentaries. Along with private sector (e.g. entertainment companies), the government has been extremely supportive by sending Korean celebrities to other parts of Asia to spread their work, or making it possible for popular Korean dramas to be aired in remote countries such as Paraguay, Iran, Peru, India etc. Many policymakers see the Korean Wave as highly effective in improving Korea’s image and soft power, and have been working to find ways to use Hallyu to both attract more tourists and boost national exports. Beyond entertainment, there are other aspects of Korean culture which have been an important key in broadening the international perception of Korea. One of that is the Korean language. MCST plans to establish an additional 500 King Se-Jong Institutes overseas by 2015 (Kim, 2009). The Korean government has also been working rigorously to increase Korea’s status in international community by cooperating more closely with multilateral organizations such as UNESCO. In fact, in September 2009, five of Korea’s traditional dances and rituals were added to UNESCO’s List of Intangible Cultural Heritage of Humanity (Kim, 2009). Moreover, Korea has been bidding relentlessly to host a number of international sports events, including the 2011 International Athletic Games, the 2014 Asian Games, the 2014 Winter Olympics, the 2018 Winter Olympics, and the 2022 FIFA World Cup. The government expect that successful proposals to host these events would greatly improve Korea’s national image and boost tourism and the economy

For the last 50 years, Korean governments have always put cultural policies their first priority with the goals of gaining international attention in order to mark their footprint in the region as well as in global arena. Even though, the objectives of administrations might varied over time and administration to decide which aspect of Korean cultures should be promoted, but the primary goal has been remained as creating Korea's own identity to be outstanding from the dominated influence of its two giant neighbors, Japan and China. Initially, it might not be intentionally planned to export culture, however governments realized the potential of using Korean pop culture as its soft power. Since then, the government has supported the cultural industries with investment in finance and man power, as well as deregulation for film industry, along with strengthening the intellectual property rights protection. Thus, we can see the government plays an important role in promoting the Korean Wave or Hallyu.

After the 1997 financial crisis, when Korean government decided to focus on cultural policies, instead of ordinary hard power, to spread its influence and improve national images, it faced another major problem, which is the two giant neighbors, Japan and China. Japan not only has been acknowledged worldwide because of its advanced innovation, but it also has had a long history of cultural promotion, meanwhile, China has the biggest population and market, which cannot be ignored easily by others. Hence, Korea has been struggling to capture some spotlight among these two spectacular rivals. However, despite these difficulties,

Korea does have two advantages: desire of self-improvement, and brand-building projects set as national policy, which was initiated by Lee Myung-bak administration since 2009 (Kim, 2011). Japan seems to lack a single, well-defined strategy with uncoordinated activities which are directed by individual ministries and organizations. In contrast, Korea's approach to nation branding has been much more top-down. It believed that Korea's centralized strategy has the potential to be much more effective than Japan's. On the other hand, China's nation branding plan is also much less clearly defined than Korea's, although one of its main image objectives appears to be that of a peaceful, rising superpower. China's tactic seems to focus more on traditional culture than commercial brands. However, in comparison to Korea, China's nation-branding efforts seem to have passed largely unnoticed by other countries. It was believed that

comprehensive and centralized strategies would help Korea be more effective than its neighbors in promoting cultures values as well as improve nation image (Dinnie, 2008).

On the other hand, Vietnam, as a country in the Asia – Pacific region which has always looked up to Korea because of the successful recovery, has found it easy to get to know their Eastern neighbor. Under similar Confucian influences, both countries have common traditions and customs. Also, both have experienced years of colonization, thus, Vietnamese society could easily accept the flow of culture from Korea. Due to the motivation of media exchange developed by the Innovation process of the Vietnamese government since the early 2000s, the Korean Wave has successfully accessed Vietnam through movies, dramas and music, making this country rank 4th among countries that favor Korean Wave the most in Asia. Earlier, due to the lack of ability to produce movie domestically, broadcast channels in Vietnam were dominated by Chinese style movies which originated from Taiwan or Hong Kong, with the contents about imperial periods, royal families, or mythological martial arts. Along with the economic development and increased income, Vietnamese customers have preferred enjoying more sophisticated and romantic kinds of movie that allow them to comfortably sit down with family or friends and relax after hard working hours. That how Korean dramas, mostly reflected social daily life, came in and satisfied local people. Through these media, Korean life style began to have an impact on the Vietnamese population, thus they try to do like Korean such as listening to Kpop songs, eating foods with Korean brands, and mimicking the fashion styles of their favorite Korean stars.

The hypothesis suggested that the main promoter of economic cooperation is the cultural proximity or common customs and traditions shared between the two nations such as Buddhism and Confucianism have contributed to greater economic cooperation, but this particular case has not always been the primary factor which drivesthe ties between Korea and Vietnam. The research has proved rightly that culture has become a diplomatic tool and acts as a bridge in promoting mutual understanding between Koreaaa and Vietnam. Hence, the widespread of the Korean wave in Vietnam and South Asia alike has impacted the lifestyles of the people and this has led to greater trade cooperation between Korea and Vietnam. The research methodology

utilized in this research is analytical in nature. Primary and secondary sources have been used for this study. Similarly, there has been an extensive usage of journals, published articles, survey reports, working papers, internet sources, news, newspaper, magazines, interviews, speech, government and non-government published report and data. This research topic significant as it may help the audiences who have the interests in the subject to understand the influences of culture like Hollywood, Bollywood, Korean Wave, Sports in shaping the relations between nations and promoting friendship among nations. The findings on this research can be used for various government and decision-makers to implement their foreign policy as well as an encouragement to focus more on cultural policy.

I based my hypotheses on the idea that the cultural similarities between Korea and Vietnam such as the influence of Confucianism and Buddhism in the people in the nations has contributed to greater economic cooperation. For example, both Korea and Vietnam shared common historical experience such as they were both the tributary state of the Chinese empire and has experienced colonial aggressor. Korea was under the Japanese colonial power for 36 years and was divided as a result of the Cold War politics into North and South. Similarly, Vietnam was divided into North and witnessed one of the world's devastating war; the Vietnam War. Moreover, Vietnam a country in the Asia-Pacific region has always admired the economic success of Korea and eager to befriend their East Asian neighboring nation. Due to Confucian influences, Korea and Vietnam have varying common traditions and customs. This resemblance in culture can be helpful in shaping the interests of the leaders and decision-makers to build common grounds for further cooperation. In brief, the hypothesis holds that integration between or among nations is done easier if there is shared cultural values and understanding. The research has proved rightly that culture has become a tool of soft power used by leaders and policy-makers to frame their foreign policy. The desire of a state's leaders is highly characterized by his/her culture, thus, affecting their foreign policy outlook. The Constructivist theory of International Relations has rightly maintains that the international affair is characterized by structure, and that this structure is shaped by ideas, values, knowledge etc. They argue that ideas flow from region to region and this has helped in bringing nations together where their differences are put aside. Actors in international relations, not only the state, but also the non-governmental actors have come

together on the foundation of common ideas, knowledge to maintain order in the global arena. The Constructivist theory refutes the idea of Realism theory which sees the international arena as a struggle for 'power' which is highly anarchic. They view international relations in terms of 'security' or 'power' in terms of military might, Constructivist, on the other hand, views that international order can be maintained by soft power; for example, advocates cultural and public diplomacy as a means for order in international relations.

The study discusses an important phenomenon of the Korean soft power; the Korean Wave or Hallyu. It explains the development of the Korean Wave or Hallyu in Southeast Asia and Vietnam in particular. The late 1990s witnessed the entry or otherwise widespread of the Korean Wave in Southeast Asian nations through the broadcasting of dramas like Winter Sonata, Jewel in the Palace etc. The Korean Wave or Hallyu has also reached the Western nations. This proposition can be justified with the success story of Korean boy band 'BTS' in winning the billboard award in 2018, the first to be awarded from Asia. The pride of the Koreans was boosted with Seoul Fifa World Cup in 2002 where it came 4<sup>th</sup>. The slogan 'Be the Red' was widespread not only in Korea but extended to other Asian nations. It gives the Korea a stature at the global level. "Korea has transformed itself from embattled cinematic backwater into the hottest film market in Asia". (Segers, 2000). The Korean song, film, dramas has a massive impact on the lifestyles of the younger generation in Southeast Asia. The younger generations are imitating their favorite Korean stars by changing their fashion style; adopt the Korean eating style and learning Korean language to an extent. Apart from the entertainment industry, Korea is also well known for its cosmetic surgery tourism. Tourists from across Asia from China to Thailand had gone to Korea for facial enhancement. This boom in cosmetic surgery tourism is known as the Korean Wave in cosmetic surgery. Thus, due to their obsession with the Korean culture, the international fans are eager or enrolled themselves in learning Korean language.

The Korean Wave or Hallyu acts as a tool of soft power in reforming the relationships between Korea and Vietnam. For example, during the Vietnamese War, the Koreans fought against their Liberation Army as an ally of the United States of America. Similarly, the Taiwan felt betrayed when Seoul severed its diplomatic ties with Taipei in order to reach new ties with Beijing in



1992. In spite of this, the Korean Wave or Hallyu has significantly contributed to improving Korea's foreign relations with its Asian counterparts. However, "the Korean Wave phenomenon has stimulated Korean scholars to re-examine the notion of the one-way flow of globalization". (Kim Sujeong 2009; Jeon and Yoon 2005).

The widespread of the Korean Wave has an impact on the consumer behavior of the Vietnamese society. The people in Vietnamese prefer to consume Korean brands such as Samsung, LG, Lotte etc. Thus, this has attracted more Korea's investment in Vietnam. Vietnam, for Korea, is also a market destination for its manufactured goods and Vietnam provides cheap labor to Korean factories. Vietnam, on the other hand exports raw materials to Korea.

The Korean Government put more emphasis on the cultural policies after the financial crisis in 1997, rather than concentrating on hard power, to spread its influence and national image at the global level. However, despite looming competitions from its economic giant neighbours, Japan and China, Korea has managed to maintain its national image at the global level through music, cinemas and football.

The rationale of this topic 'culture as a factor in Korea- Vietnam relations', is that this research has discusses the elaborate importance of culture as a soft power in strengthening greater cooperation among states. The research is analytical in nature. It mainly focuses on qualitative method for the discussion. However, recommendations for further study are that the study needs to be extended to wider cultural aspect like the eating traditions and similarity and differences in their customary practices. The existing literature on the topic is mainly concerned with the positive aspect of the Korean Wave in Southeast Asian nations and Vietnam. Literature pertaining to the negative influence of the Korean Wave is not discussed in most of the existing literature. For example, the Korean Wave in Vietnam might lead to the decrease in the value of their own art and culture. Moreover, the abuse of the migrant Vietnamese brides in Korea needs to be studied. The unrest of Vietnamese workers in Korean factories also need to be taken into consideration.

Thus, since the end of the cold war, the dynamics of international politics has changed. The international political scene is not dominated by bipolarity. The scene has altered into multi-

polarity where the inevitable form of power such as 'soft power' significance has increased. Culture has become a powerful and necessary card in the domain of international relations. In the past years, culture has less relevance and is mainly used for promoting political and economic goals. Gradually, the significance of culture is increasing and is now regarded as one of the three interdependent pillars of the foreign policy system along with politics, security, economy. Culture is the central point of diplomatic agenda of state and non- state actors. Rapid progress in the field of international relations shows that the 21<sup>st</sup> century is a golden age in terms of the relevance of cultural factors in relations among nations.

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(\* indicates a primary source)

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Dated 18<sup>th</sup> July 2018

**DECLARATION**

I declare that the dissertation entitled “**Culture as a Factor in Korea- Vietnam Relations**” submitted by me in partial fulfillment of the requirements for the award of the degree of **Master of the philosophy** of Jawaharlal Nehru University is my own work. The dissertation has not been submitted for any other degree of this University or any other University.

JONELLIE V.L.RINPUII

**CERTIFICATE**

We recommend that this dissertation be placed before the examiners for evaluation.

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### **List of Abbreviations**

AKFTA	ASEAN- Korea FTA
APEC	Asia- Pacific Economic Cooperation
ASEAN	The Association of Southeast Asian Nations
EDCF	Economic Development Cooperation Fund
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IMF	International Monetary Fund
KF	Korean Foundation
KOTRA	Korea Trade-Investment Promotion Agency
MCST	Ministry of Culture Sports and Tourism
ODA	Official Development Assistance
ROK	Republic of Korea
SOE	State-Owned Enterprise
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organization
USA	United States of America
VCCI	Vietnam Chamber of Commerce and Industry
VKFTA	Vietnam Korea FTA
WTO	World Trade Organization

## Chapter 1: Introduction

### 1. Background

The UNESCO Declaration on Cultural Diversity explains the concept of culture as “ a set of distinctive spiritual, material, academic and expressive features of society or a social group, and that it incorporates, in addition to art and literature, way of life, ways of living together, value systems, traditions, and beliefs”( UNESCO Declaration on CD 2001). This description uses the word “culture” in an expansive sense, including both “societal cultures” and artistic expressions.

The idea of Cultural diplomacy is recongnized a significant subject in the domain of international relations; it likewise strives to build relations between nation-states. This manifests how the relations between cultural diplomacy and foreign policy are interlinked. It is a soft power that the countries use against another in the world politics as Joseph Nys states: “power is one’s ability to affect the behavior of others to get what one wants” (Nye 2009:160). So this is based on common culture, history and identity which tries to maintain good relations or even improve the damaged relations as the Cold War period had shown different paradigm—which was totally based on military power. However, after the Cold War the scenerio changed and countries started to engage and work on non-traditional subjects—particularly the cultural aspect in the relations. At present, the nation-states have started through bilateral, multilateral and organized meeting the cultural elements in international relations. For leaders, it is being seen as an instrument for making good relations and achieving national interests. The culture of South Korea from the beginning “has made a massive inroad into East Asia and other Asian countries...through Korean Wave (Hallyu in Korean), especially television dramas, popular music, and movies” (Yang 2012: 104). It also has significant impact on Vietnamese society in Southeast Asia.

Culture has turned out to be an essential diplomatic tool by acting as a bridge by promoting common understanding among nations. This has effected on more and more governments giving priority to culture in foreign policy implementation and diplomatic relations. The goals and motivations stemming from the development of cultural diplomacy are first of all to create a "trust base" with other peoples, on which policymakers will then be able to achieve political, economic and military agreements. Within this emerging framework of trust, the ultimate goal is



also to create among the people's such relationships characterized by stability beyond the changes of political leadership. The role of cultural diplomacy includes forming an agenda that will support state cooperation irrespective of the political dissimilarities that may arise. Moreover, an additional objective focuses on the development of a neutral platform so that ordinary people can communicate with each other. Cultural diplomacy is recognized as a flexible and universally acknowledged means of approaching countries with which diplomatic relations are minimal or sometimes non-existent, thus further contributing to the promotion of the development of civil society.

Therefore, Soft power through cultural diplomacy is considered an important element in countries foreign policy. This has reinforced bilateral relations also between South Korea and Vietnam. It has now shaped the foreign relations between countries.

The discourse on Korea and Vietnam relations has always incorporated the 'cultural factor' in an extensive, if not inclusive, manner. Hallyu-The Korean wave began in Vietnam with the export of Korean TV dramas like "Jewel in the Palace" and "Winter Sonata". The Agreement on Cultural Cooperation reached in 1994, the MOU on cooperation in Culture, Arts, Sports, and Tourism reached in 2008 as well as other related framework documents have solid foundations for further cooperation between the two countries.

The Socialist Republic of Vietnam and the Republic of Korea officially established diplomatic relationship on 23<sup>rd</sup> March 1992. Within 25 years, the bilateral relationship between the two countries has been increasingly improving and deepened at all levels. Due to shared and common traditional ties as well as similarities in history and culture, reinforced by economic structures, mutual assistance and nurtured by friendship as well as shared efforts by both governments and people. Vietnam-Korea relations have attained significant achievements in a wide range of areas, contributing to development and cooperation in the region and in the world over the past 25 years. Vietnam and Korea are two Asian countries having many similar historical and cultural features. Their diplomat relationship was formally established in 1992, which paved the way for both sides to develop economic, educational and science-technical dimensions, leading to the upgrade to comprehensive partnership in 2001 and strategic partnership in 2009. It

was this deep ties between the two countries that the Korean Wave can come to Vietnam (since the late 1990s) and achieved continuous success in the order of dramas, movies as well as popular music, which provides a base for market expansion of Korean screen products, helping Korean celebrities earn many Vietnamese fans. This success is highly credited to the ease on foreign cultural products restrictions of Vietnamese government; the economic ties between two countries; as well as the policies of the Korean government to support Korean Wave in Vietnam

After the establishment of the diplomatic relations in 1992, the relationship between Korea and Vietnam has developed quickly. The association has been rapidly deepened in all fields such as political and economic, social and cultural, trade and investment, education and people-to-people exchanges. Vietnam and Korea endure great commonalities and similarities regarding geographical location, culture, historical background, customs, ways of living, ways of thinking, etc.

The background of Korea- Vietnam relationships can be traced back to the thirteenth century when Prince Ly Long Tuong, facing internal threats, built a ship, crossed the sea and arrived in Korea seeking asylum. Vietnam and Korea have long shared a historical and cultural background in Sino-centric Confucianism and have faced some cultural obstacles. Therefore, considering all these cultural similarities and shared historical background, the ‘Korean wave’ — or Hallyu — in Southeast Asia is said to have arrived first in Ho Chi Minh City, where the first Korean drama series ‘Medical Brothers’ was shown to the public viewers in 1998.

The people of Korea and Vietnam share the essential religions like Buddhism (which became state religion during the Shilla Dynasty in Korea and Ly and Tran Dynasties in Vietnam) and Confucianism (which was the official religion of Joseon Dynasty in Korea and Le Dynasty in Vietnam). Buddhism and Confucianism have put forth a significant influence on developing systems of education, arts, architecture, ceremony, social and family traditions and civil administration. This historical influence of various cultural manifestations is visible in contemporary times. The areas where this cultural mosaic is most apparent is religious tolerance which can be seen even nowadays in both countries. Vietnam and Korea have many religions, and both countries respect religious pluralism with the coexistence of Buddhism, Confucianism,

Taoism, Catholicism, Protestantism, and Islam, local faiths (Shamanism in Korea and Caodaism and Hoahaoism in Vietnam). There is no hatred among various denominations, and thus both countries have been prosperous in preserving national cultural identity over the centuries. This attitude of tolerance towards different beliefs is the most distinguished feature of the Vietnamese and Korean societies proving the invincible vitality despite the pressure and danger of assimilation brought by the foreign forces during their aggression and colonization.

As Korea and Vietnam are both closely located to a giant and powerful China, they were forced to adopt Chinese cultural practices but maintained their uniqueness in their ways. For example, both countries took Chinese characters directly from China and established their own distinctive cultural identities on the adopted Chinese characters. In order to contain the looming cultural assimilation and at the same time to adopt the positive factors of Chinese culture, Vietnam and Korea carried out the policy of de-Sinicization. In short, the historical background of Vietnamese culture and Korean culture can be summarized into two categories Sinicization and de-Sinicization.

In the pre-modern period, both countries suffered under foreign oppression. Korea was under Japanese colonial power; Vietnam was under French colonization. Therefore, Vietnamese and Korean people determined to fight for national liberalization. In the modern times, Korea and Vietnam are strong economic, political and strategic partners despite Vietnam being a communist nation. Vietnam is the only Communist country to ally with South Korea. South Korea is being regarded as a significant ally of Vietnam, and both countries are supposed to be among the most pro-US countries in Asia.

During the period 1954-1975, as a result of the bipolar world order and the consequence of world politics, Vietnam was divided into two North and South. The 1954-1975 period witnessed the Vietnam war which was one of the most tragic and devastating events in history. Korea joined into the US's call by sending troops to Vietnam under the then President Rhee Syngman regime. During the war, the total number of Korean soldiers involved in the Vietnam war amounted up to approximately 325,517. This period was the most tragic chapter in the history of relations between Korea and Vietnam. The war ended on April 1975, and the United States remained

hostile to Vietnam. The US employed siege policy and economic sanctions in retaliation to isolate Vietnam from the rest of the world, as well as to block other countries' relations with Vietnam which was recently unified. Korea, being a supporter of the United States and recipient of the United States development aid was in turn severely affected by the hatred of the US policies. Thus, during this period, Korea- Vietnam relations, suffered from a temporary interruption and was very minimal contacts were made between Korea and Vietnam. However, at the beginning of the 1980s of the 20th century, Korean traders carried out a trade with Vietnam in a quiet way, but no official contact was made until 1992.

In 1986, the government of Vietnam adopted the reform policy to transform itself into the market economy, with the foreign policy bearing the spirit that Vietnam wished to be friends with every country in the world. In this stage, Korea launched its Northern Policy to normalize diplomatic relations with socialist countries. Similarly, Korea's maturing democracy and rapid economic development have had a significant impact on its external links. The increasing level of relations between Korea and Vietnam can be attributed to Korea's foreign policy of Southward push which aims at developing a more significant relationship with Southeast and South Asian nations. In fact, Korea conducted this foreign policy with an aim to establish diplomatic ties with all non-antagonistic states although they might differ in political institutions and ideologies.

As a result of the happy crossing of these two diplomacy policies, the previous causes which earlier impeded Korea -Vietnam minimal relations existed no more. Several factors contributed to this achievement. For instance, Vietnam-China relations warmed up; the Vietnam-US relation gap has improved, and the suspicions of the ASEAN countries in Vietnam was also cooled down. In light of these favorable circumstances, the Socialist Republic of Vietnam and the Republic of Korea established the formal ties on 22<sup>nd</sup> December 1992. These significant historical events proved that Vietnam and Korea shared similar experiences in their relationships with China and the US. The post Cold War scenario has facilitated a condition for a rapprochement between the two nations, who were historically friendly and shared common cultural heritage of Confucianism, Buddhism, and Taoism. Undeniably, bordering China, but Vietnam and Korea maintained relatively peaceful relations with China in the long history of the Confucian tributary

system. With unyielding and indomitable spirit, Vietnamese and Korean endured and survived the many challenges from their invaders, succeeding in keeping their national identities.

‘An endless line of water that starts from a shallow stream, grows into a big river, and then flows into the ocean. That’s how Vietnam’s former deputy prime minister, Vu Khoan, in his works has emphasised on the conversion of hostility between South Korea and Vietnam into friendship after the two celebrated the 20<sup>th</sup> anniversary of their bilateral relations. He reiterated it as ‘the Pacific miracle’, all through the very means of soft power.

According to words of Vietnamese Prime Minister Phan Van Khai, "The Republic of Korea is a very important partner of Vietnam and a good model for Vietnam to expand cooperation and exchange experiences during its development process."

Before the financial crisis in 1997, Korea was already annually conducting \$1.3 billion of trade with Vietnam. Korea became Vietnam's third-largest trading partner just four years after the establishment of formal diplomatic ties. Korea also became the fourth-largest foreign investor after Taiwan, Japan, and Hong Kong, having approximately \$1.987 billion into Vietnam economy. The level of Korea’s investment roughly doubled over the next ten years; in the first five months of 2006, new South Korean investment in Vietnam totaled around \$400 million, and approximately over a thousand Korean companies had been operating in the country. Moreover, many Korean businessmen who entered the Vietnamese market for investments are primarily Korean having Vietnamese ancestry.

Culture plays a vital role in contributing greater economic bond between Korea and Vietnam. Hallyu - The Korean Wave began in Vietnam with the broadcasting of Korean TV dramas like “Jewel in the Palace” and “Winter Sonata.” The Agreement on Cultural Cooperation signed in 1994, and the MOU on Cooperation in Culture, Arts, Sports and Tourism signed in 2008 as well as other related framework documents have laid a solid foundation for further enhancing cooperation between the two countries.

In 2006, the Korean Cultural Centre was inaugurated in Ha Noi with the aim of promoting mutual understanding and raising public awareness about Korean culture to bring Vietnam closer

to Korea. Since then, cultural exchange programs between Vietnam and Korea has expanded such as cultural exhibitions, film festivals, artistic performances, etc. have regularly been held in both countries. About people exchange, from just a few dozen people, far above every nation has about 110,000 people living across. In each year, approximately half a million people visited each other. General Secretary Nong Duc Manh of Vietnamese Communist Party, during his official tour to Korea in November 2007, compared the relationships between the two states to those between “sadon”, a word implying “in-laws” in Korean, seemingly a reference to the increasing number of intermarriages between Koreans and Vietnamese. According to reports, more than 46,000 Vietnamese women have decided to marry Korean men, making Vietnam the number producer of foreign brides for Korean men. However, this union has certain drawbacks, with the increasing rate of multicultural families growing, some unfortunate unions have also been reported. These families have contributed to bridging the two cultures with kinship and also help the mostly homogeneous Korean society diversify culturally with a growing number of intermarriages with other countries and is essential to ASEAN-Korea’s cooperative achievements, contributing fully to Southeast Asia’s potentials. Bearing various fascinating similarities of Korean special features, Vietnam plays the crucial role in bridging Southeast Asia and Korea, turning ASEAN into a beckoning and burgeoning region abounding in natural and human resources, which will expand and thrive in myriad directions.

The bilateral trading pattern between Korea and Vietnam reflects the balancing nature of both countries’ natural advantages. Vietnam is a competitive, efficient, resource-rich country, while Korea is well-known for its ability in producing competitive high-tech goods and services. While Vietnam’s exports to Korea, on the other hand, are mainly concentrated in primary goods, Korea’s exports to Vietnam chiefly consists of transformed manufactures. Thus, it is essential to study and revise the trade flow between two countries comprehensively by reviewing trade relations and applying trade pattern indices such as Trade Intensity index, Trade Complementarity Index, Intra Industry Trade index and so on.

### **iii.2. Theoretical Framework**

International relations as a discipline at the onset have been dominating by mainstream theories—particularly realism—which is based on military force. It has neglected the cultural element in the relations among nation-states. So the following major IR theories here are discussed in which why culture for a long time was ignored.

### **i. Realism**

From the time of the Westphalian system of sovereign nation-states to the globalized world we live in today, the international order has undergone through multiple phases and changes. The difficulty of understanding the world's dynamics is illustrated by the diversity of international relations theories. The two opposing main arguments in international relations are realism and liberalism. Realists believe international relations are inherently conflictive and ultimately leading to war whereas liberals see international relations as cooperative.

The realist core assumption is that world politics consist of an “international anarchy of sovereign states.” Realists are of the view that in today's world the states desire domination over each other to avoid their own domination in the first place. According to Hans Morgenthau adds that political goal is always a goal for power no matter its other short term goals it's long term goal is always power. Realism offers that human beings are by nature egotistical and evil therefore the central theme of realist thinking remains national security and state survival. Realists are also not of the opinion that interantional relations would lead to any progress. A central obsession for realists such as Thucydides, Machiavelli, and Hobbes is that “power politics” dominate the international affairs. Moreover, realism theory does not acknowledge the role and importance of non-state actors in international affairs. However, this theory defended the importance of nonstate actors, especially transnational advocacy networks as having an instrumental role in the promotion of culture and the bridging connections between the players on the international affairs. Thomas Schelling, a strategic realist, hold that diplomacy and foreign policies are as “a rational-instrumental activity that can be deeply understood by the presentation of a form of logical analysis called game theory. According to Schelling, what matters in foreign policy is rather a national interestnot a moral or individual interest. The multilateral perspective on cultural diplomacy was put forward by UNESCO which will be analyzed in the second part of

this study which might invalidate Schelling's argument. UNESCO emphasizes its action on dialogue among civilizations, people and cultures and reveals the collaboration of states towards the aim of achieving a common goal. In the recent years, the implementation and attention given to musical diplomacy in U.S foreign policy reflect that the United States is not prioritizing national interests over the moral and individual interests. For example, the "smart" power politics agenda pursued by Hillary Clinton challenges Schelling's belief that states are essentially obsessed with the balance of power and military force. The theorist Kenneth Waltz took these arguments ahead and introduced the theory known as neorealism. For Kenneth Waltz, international relations are naturally anarchic and should be analyzed by the structure of the system, not on human nature or behavior. Thus, realism and neorealism theory of international studies revolves around the security of the state. It primarily aims at maximizing the power of the state as it views the international order as solely anarchic. Thus, for them, the national interest of the state matters over the individual or moral choice. However, this research challenges the argument of realism and neorealism theory by concentrating on how ideas and cultural proximity can bring nations together. Security and defense with the growth of global terrorism is no longer a mainly an issue of state security and defense – but it is now a problem shared by individual humans and the global community of humanity. The most avid critic of Schelling's strategic realism and security argument is Ken Booth who opines that the realist game of military and power politics has no relevance. Hence, it has led to the decline of the complexity of international affairs and administering significant elements that constitute the international order such as international law and the role of non-state actors in reducing the international relations to the power politics.

## **ii. Liberalism**

On the other hand, Liberals see the world through a qualitatively different eyepiece and grant actors more scope and reason to cooperate. Liberalism on the contrary to realism maintains that international relations are not necessarily conflictual but can be improved by international cooperation. Liberals focus their theory on the individual. They agree with realists in that individuals are self-interested and competitive but they also believe that individuals "share many



interests and thus can engage in collaborative and cooperative social action, domestically as well as internationally, which results in greater benefits for everybody at home and abroad. Liberalism theory defends the authority of human or individual reason over maximizing power and the lust for power. In opposition to the realism theory, liberalism theory does not view the international order as anarchic, and that conflict and war are avoidable circumstances. Joseph Nye developed liberalism further, accepting the old liberalist ideas of change and progress but renouncing idealism. Joseph Nye argues in his book that interdependence, democracy, and integration are changing the international order. Nye is well known for having coined the term “soft power” in regards to a country’s capacity to influence another through its culture, political ideas and policies. According to Joseph Nye, the capability to convince by using culture, values, and ideas as a tool is contradicting to hard power which conquers or coerces through military power. The liberal theory argues that relationships as a result of persuasion rather than forces or aggression should hold a central place in public diplomacy. Joseph Nye defines three dimensions of public diplomacy: daily communication explaining policy decisions, political campaigns built on a few strategic themes and long-term relationships with key individuals. Institutions promoting a country’s culture and the arts such as the British Council in the United Kingdom or the Alliance Française in France fall into the “political campaign” dimension. The dimension of public diplomacy is focusing on the “development of lasting relationships with key individuals over many years through scholarships, exchanges, training, seminars, conferences, and access to media channels” is the most significant in regards to this dissertation as it sets out the framework for intercultural communication. It is necessary and crucial to remember one of the main pillars of Nye’s “soft power” politics such as communication. According to the Liberalism theory, all the actors on the global stage play a role in the international affairs, governments as well as non-state actors in regards to their contribution to nurturing intercultural communication because according to them, different communication approaches can yield different soft power results. Therefore, the liberalism theory of international relations is not relevant in the context of this cultural diplomacy research as I am arguing that international relations should focus on norms, values, and ideas not solely on the behavior of states and nonstate actors. However, we should also realize the contribution done by non-state actors can bring to the promotion of cultural

diplomacy. However, the line separating international relations theories can be thin as sociological liberalism also highlights the importance of transnational non-governmental ties between societies such as communication between individuals and between groups. In game theory terms, they insist that the world is far from Pareto relations. The interstate relationships in Europe after World War II, and the interdependence of the U.S. and the West European states are examples they cite of peace through democracy, institutional mechanisms, and economic dependence. The liberals, however, fall short when it comes to explaining the likely outcome when democracies face autocratic states, or when vital interests clash. Nor can they deny the need for states to assert comparable capabilities under such circumstances.

However, my research topic can be linked with liberalism theory as there is an element of economic interdependence in Korea- Vietnam Relations. When President Park Cheung Hee took up new economic and opened the Korean market to the outside world in the late 1970's, trade and commercial relations between the ROK and Vietnam flourished. By now, Vietnam is one of the major trading partners of Korea. This economic interdependence is being best conceived with the neoliberal approach, thus, in an optimistic world in which international relations are subordinate to a network of interdependent relationships, in which norms as well as rules influence and, if needed, restrain the behaviour of states. The components inside neoliberalism accounting best for interdependence between states are neoliberal institutionalism and complex interdependence. Both sub-groups of neoliberalism emphasize the importance cooperation and trade relations have on the state's behaviour. Complex interdependence outlines the focus a state has on 'low politics', once interdependence is installed. It is linked with liberal institutionalism. This strand stresses that international organizations, such as the United Nations (UN) or the World Trade Organization (WTO), but also international rules and norms, encourage cooperation between states and by that foster greater interdependence.

The greatest contradiction in combining those two schools of thoughts is their particular regard on the impact of international organizations. Liberalists see non-state actors as majorly important when it comes to international relations, whereas realists at most acknowledge the existence of international institutions in the global world order.

However, in this thesis, I consider which international relations theory fits best in regards to cultural diplomacy. I will argue that constructivism is the most relevant of all international relations theories in this context. Let us now consider the constructivist approach in regards to the study of cultural diplomacy.

### **iii. Constructivism**

The argument that I put forth in this thesis is Constructivism theory of International Relations. Nicholas Greenwood Onuf was the first theorist to introduce and coin the term ‘constructivism’ in international relations theory in 1989. He opines that states are more or like similar to individuals. In his famous book ‘world of our making,’ he describes that entities such as social facts are made up by human action and interaction as a contrast to brute facts that are not dependent for their existence on human action but rather are the phenomenon of the human condition. The central arguments of the constructivists include concepts such as discourses, norms, identity and socialization that are repeatedly used in contemporary discussions of international issues including globalization, modernization, international human rights, security policy and so on. In brief, constructivism in international relations is the argument which claims that significant aspects of international relations are historically and socially constructed. They argue that international relations are not merely affected by power politics, but rather also by the ideas. Thus, according to the constructivist’s view the primary structures of international politics are social rather than strictly material. Alexander Wendt put forth two fundamental accepted tenets of constructivism: the structures of human association are determined primarily by shared ideas rather than strictly material forces, and that the identities and interests of purposive actors are constructed by these shared ideas rather than given by nature. The international order is not determined or dominated by power politics, national interest and military power which has been proved rightly by the existence of international organizations such as UNESCO. In opposition to realism that holds that international relations are state driven and anarchic, and that state’s security and material interests determine the international affairs, and to liberalism that concentrates on the interdependency of international actors, constructivism considers international politics as “a sphere of interaction through which states’ identities and practices are

created". International relations are complex and diverse and should not undermine human consciousness, beliefs, and values, knowledge. According to musicologist, John Blacking, "The chief function of music is to promote soundly organized humanity by enhancing human consciousness". musical diplomacy should be studied through the lenses of co The constructivists argues that international relations are dominated by norms and ideas, and the international structure enables actors to rethink their interests and identities in the stages of interaction As expressed by Reus-Smit in *The Moral Purpose of the State* if "constitutional structures define and shape the nature of international systems of rules then changes in the metavalues that comprise those structures must be a primary determinant of systems change." This research argues for the acknowledgment of the potential that values and ideas have in "harmonizing international relations." According to constructivists, the international system only exists as a common understanding among people. Therefore if ideas and values change, then the international system itself will change. Constructivism theory argues that "the study of international relations must include emphasis on the ideas and beliefs that update the actors on the international scene as well as the shared understandings amongst them.

The relevant theory of international relations in this context of cultural diplomacy as a means to create platforms for cross-cultural dialogue is therefore constructivism. Constructivism argues that political reality is not based on material forces but dependent on minds, values, and ideas. Social constructivism examines international relations focusing "on the ideas and beliefs which advise the actors on the international arena as well as the mutual consideration between the." According to constructivism, the political life of men should not be reduced to the consistent search for power and interests. Moreover, social constructivism has a dual nature as it is both social science theory as it acts as a bridge of relationship between structures and actors who comprise the international system and an international relations theory. The world according to constructivism theory is a world composed of thoughts, beliefs, ideas, languages, discourses, and understandings among human beings. Thus, when studying cultural diplomacy and the role of culture in strengthening Korea- Vietnam relations the theory of constructivist framework is the most appropriate.

Alexander Wendt, the leading advocate of constructivism advances that “the creation of symbols and meanings is part of man’s essence.” It is this characteristic which gives human beings the capability to change. According to Wendt in *Social Theory in International Politics*, the significance of, “Human consciousness, thought and ability in the influencing of what emerges in society and politics is so that it may not be treated as a mere physical object.” Following Alexander Wendt’s argument, “the structures of human association are determined primarily by shared ideas rather than material forces, and the identities and interests of purposive actors are constructed by these shared ideas rather than given by nature.” Wendt argues that social structures are defined, in part “by shared understanding, expectations or knowledge.” The constructivist theory is thus opposed to the realist argument that holds that international relations cannot progress. According to neo-realists, identities and interests are given whereas constructivists believed that it is through interactions that identities and ideas are created.

Within the framework of constructivism theory that concentration is on the power of norms and ideas in shaping the international system, also one must consider the importance of the role of non state actors . As discussed earlier, these non state actors has the power to influence norms, values, beliefs, knowledge, ideas etc.

As result, the study finds research gaps: The literature on the topic tends to focus more on the positive aspect of the role of culture while examining the relations between Korea and Vietnam. However, it tends to ignore a comprehensive study of the influence of increasing matrimonial alliances and people to people exchange on the relations of Korea and Vietnam. For instance, reports have been brought to knowledge that increasing matrimonial alliances between Korea and Vietnam has allegedly led to the violation of human rights norms against Vietnamese brides in Korea. Similarly, the effects of the widespread of the Korean wave which may lead the decline in the value of Vietnamese art and culture is not discussed in the literature on Korea- Vietnam relations. This issue is not yet discussed and addressed in the major literature and study pertaining to the relations between Korea and Vietnam. This issue constitutes an important factor in determining the future prospects of Korea-Vietnam relations.

### **iii.3. Definition, Rational and Scope of the Study**

The word culture is defined as a system of meanings learned from different beliefs, values, traditions, norms, symbols, etc. 'that are passed down from one generation to the next and are shared by varying degrees by interacting members of a community' (Ting-Toomey and Chung, 2012, p. 16). The term culture is very comprehensive in inter-state relations, which has been defined differently by different people. It is a non-traditional subject that includes history, habits, behaviour, language and folk tales. But, countries use it as a soft tool in governing relations with other sovereign countries. Given as a tool in foreign policy, countries like Korea-Vietnam have been engaging in these relations throughout the centuries. The culture was merely seen as an inconceivable 'wildcard,' having not much relevance to international relations. The nature of states was simply individual self-interest writ large. But how states define their interests, and whether 'rationality' is always the driver, is now being questioned.

Cultural values impact what people, and therefore states, want and think in world affairs, often subconsciously. It affects what tools of statecraft are used, what national image is sought and how concepts of peace, freedom, and development are valued.

Throughout history, cultural exchanges and cultural programs have asserted its fundamental part in the history of humanity in general, in the development of Korea – Vietnam in particular. The establishment of Korea – Vietnam relationships was a thick book of colorful historical pages painted with noteworthy events and amazing accomplishments since time immemorial, going on into the bright future with deeply-engraved cultural features of the two peoples. The most original characteristics of Vietnam-Korea relationship is evident in real-life achievements of 25 years of Vietnam-Korea official diplomatic relations. On the other hand, Korea has a booming and robust economy and has positioned itself as one of the four Asian Tigers in Asia. It is an excellent chance for Vietnam to supply the workforce for infrastructural development work and Vietnam provided a thriving market for Korea's booming consumer electronics and semiconductor goods. The recent change of the power in the Blue house in Korea will also open a new chapter in the bilateral trade and investment between Korea and Vietnam, thus, forging the two nations closer than ever. President Moon Jae-in's foreign policy of emerging with Korea's

South neighboring countries will also enhance the cooperation and cultural contacts between Korea and Vietnam.

Overall, knowing the success of Korean Wave as a tool of soft power due to the government supports, other countries can conclude their lesson to take advantage of cultural values to create a unique and attractive way to draw the attention of foreign people and improve relations with other countries. Besides the economic aspect, these governments should know how to finance and back up culture industry to rigour their opinions at the international level. Thus, this study can help the audiences understand the impacts of culture such as the popularity of the Korean wave in strengthening the relations between nations by creating grounds for more significant contacts. The findings can be used for each government to implement their foreign policy towards foreign countries and hence focus more attention on promoting cultural policies.

The fundamental purpose of this thesis paper is to investigate the current nature and magnitude of Korea- Vietnam relations by examining the role of ‘culture ’in further strengthening the ties between South Korea and Vietnam.

This research will adopt both historical and empirical analysis.

Thus the thesis paper aims to analyze and understand:

- Explain the impact of Korean Wave on Vietnamese society.
- Study the importance of Korean government in promoting the Korean Wave.
- To examine South Korea’s national interests in further cooperation with Vietnam.

To detect how the historical events such as the Vietnam War and Korean war and cultural proximity such as Confucianism and Buddhism provided grounds for the establishment of diplomatic ties between the two nations in 1992.

#### **iii.4. Gap in the Literature**

The literature on the topic tends to focus more on the positive aspect of the role of culture while examining the relations between Korea and Vietnam. However, it tends to ignore a comprehensive study of the influence of increasing matrimonial alliances and people to people exchange on the relations of Korea and Vietnam. For instance, reports have been brought to knowledge that increasing matrimonial alliances between Korea and Vietnam has led to the violation of human rights norms against Vietnamese brides in Korea. Similarly, the effects of the widespread of the Korean wave which may lead the decline in the value of Vietnamese art and culture is not discussed in the literature on Korea- Vietnam relations. Similarly, there has not been any study or proper addressal of the unrest face by the Vietnamese workers in the Korean on factories. This issue is not yet discussed and addressed in the major literature and study pertaining to the relations between Korea and Vietnam. This issue constitutes an important factor in determining the future prospects of Korea-Vietnam relations.

### **1.5. Research questions**

The central research question aims to acknowledge to what extent does the cultural factor helps in strengthening or influencing the economic cooperation between Korea and Vietnam? The study seeks to answer the following principal items:

- What are the gains for South Korea in engaging with Vietnam?
- How has the conclusion on the Free Trade Agreement between South Korea – Vietnam strengthened or affected trade and investment between the two nations?
- Which IR theory fitted the best while studying the role of culture in shaping the relations between South Korean and Vietnam?
- What is the flow and pattern of Korea’s investment in Vietnam?
- What are the factors responsible for attracting Korea’s investment in Vietnam?



- How has the Korean wave or Hallyu act as stimuli in fostering economic cooperation?
- What are the cultural policies and programs of successive Korean government in promoting the Korean wave?
- What are the impact and influences of the widespread of Korean popular culture in Vietnamese youngsters?

### **1.6. Hypotheses**

- Cultural proximity such as Buddhism and Confucianism etc between Vietnam and Korea has worked as a catalyst in the establishment of diplomatic ties in 1992.
- Culture has become a diplomatic tool, a bridge needed to promote mutual understanding between nations.

### **1.7. Research Methodology of the Study**

The methodology of the research paper is analytical in nature. Both primary and secondary data have been used for this research paper. Relevant books, journals, newspapers, published articles, survey reports, working papers, and internet sources are used to make this research paper informative and descriptive. Secondary data was mostly collected through published sources such as official website of Korean Ministry of Culture, Sports, and Tourism 44 (2009-2013); Hallyu Future Strategy Study Forum (2012); Korea Foundation for International Culture Exchange (2012); Korean Broadcasting Institute (2002-2005); Korean Culture Center in Vietnam; Korea Foundation in Vietnam; King Sejong Institutes in Vietnam; Asia-Pacific Cooperative Center – FCU; Hanoi Foreign Trade University and Hanoi Banking Academy (2012-2016).

At the first stage of the study, I have collected relevant literature about Korea and Vietnam. Then I have computed and analyzed everything logically. I have followed the theoretical framework to describe the key points of the study.

## **1.8. Structure of the study**

This study is classified into five different chapters as given below.

**Chapter one:** It introduces a theoretical analysis of Korea-Vietnam relations and focused on the historical background such as the Korea's involvement in the Vietnam War which is crucial for understanding the evolving relations between the two nations. It also conceptualizes Korea-Vietnam relations on the basis of national interest and national security as well as looking at Korea's cultural engagement with Vietnam from the Constructivist theoretical perspective.

**Chapter two:** This focuses on the definition and position of 'culture' in the realm of international relations and the evolving debate on the role of cultural diplomacy in IR.

**Chapter three:** It examines the current nature and magnitude of Korea-Vietnam economic relationship vis-à-vis the cultural factor. It demonstrates how culture as a factor in deepening the economic relation between Korea and Vietnam. It analyzes in detail the trend and pattern of trade and the flow of Korea's FDI in Vietnam as well as the factors attracting FDI in Vietnam.

**Chapter four:** This investigates the heavy influences of the Korean wave or Hallyu in Southeast Asian nations and Vietnam in particular after the financial crisis in 1997. It explains in detail the Korean government initiatives and efforts to export its cultural wave through music and drama not only to Vietnam but also to the global level of bilateral relations.

**Chapter five:** It concludes the study by discussing how the Korean wave or popular culture is the primary and essential tool of the Korean soft power in forging greater ties with foreign nations. It also highlights the efforts and initiatives of the Korean government in exporting its popular by implementing cultural policies and funding programs thus bringing the two countries closer more than ever. This concluding chapter tests the thesis hypothesis and draw inferences.

## **Chapter 2: Culture as a Variable in International Relations**

### **2.1. Introduction**

In this research paper , culture is defined as, “a learned meaning system that consists of patterns of traditions, beliefs, values, norms, meanings, and symbols that are passed down from one generation to the next and are shared by varying degrees by interacting members of a community”. (Ting-Toomey and Chung, 2012, p. 16).

At the end of the cold war , humankind experiences two significant trends: multi-polarization of the world structure and globalization of the global economy. The huge flows of materials, information, capital, ideas, knowledge, and values are involved in these two trends. This is a strong shock to the old international order; consequently relations between the states and group of states are correspondingly adjusted. These changes in trends and public morals are influenced by various factors where culture becomes increasingly prominent.

## **2.2. Literature of Culture in International Relations**

Definition of the term culture is required in order to have the discussion of its position and role in International Relations. Oxford English Dictionary defines culture as a ‘refinement of mind, taste, and manners; artistic and intellectual development. Hence: the arts and other manifestations of human intellectual achievement regarded collectively’. or ‘the distinctive ideas, customs, social behavior, products, or way of life of a particular nation, society, people, or period. Hence: a society or group characterized by such customs, etc.

International Relations (IR) can be generally defined as relationships among nation states. The interdisciplinary field covers a remarkable area, both practical and theoretical, depending on one’s academic focus or practical experiences. IR covers not only national governments but also intergovernmental organizations (IGOs) and nongovernmental organizations (NGOs). The study of modern IR has a long history dating back to the 16th and 17th centuries (Jackson and Sørensen, 2013, p. 5). IR has three broad theories which attempt to understand and explain the behavior of other nation-states, organizations or groups of people within these large entities: realism, liberalism and constructivism. Realism is the classic area of analysis that focuses on the nation-state and balance of power. More recently liberalism and constructivism have emerged to explain and analyze events in international societies. The difference between the two is in the approach that, wherein constructivism lays stress on social structures out as well as inside that

affects state's behaviour altogether, liberal theorists make other assumptions about what drives a state's behavior that are more normative (or what should be) in approach" (Kaufman, 2013). Addressing the assumptions that drive or motivate behavior are strongly connected with the cultural group one belongs. This point is where the fields Intercultural Communication and Cross-Cultural Psychology overlap with diplomacy and can help make communication behavior clearer and more predictable. In the post-positivist school of thought in international relations, the focus is on expanding the epistemological and methodological perspectives of the field (Roach, Griffiths and O'Callaghan 2014, p. xii). That is, scholars are trying to understand "how we come to understand the world and the latter involves practice". Methodological approaches to understanding other cultures are practical in nature and attempt to understand and explain the shared norms and values between nation-states with the broad idea that this encourages interdependency which will foster economic benefits and security. However, problems arise when two nation-states have unique norms and values that neither side recognizes as a cultural constructs but rather as political ones. For example, the way some cultures regard democracy and capitalism is often different from the way it is understood in American culture (see section 5.2). This epistemological knowledge is difficult to bring to the surface so we tend to focus on interpreting the surface features of culture rather than considering deeper unconscious cultural values that explain why the world is perceived as it is or as a cultural mindset. The purpose here is not to choose between theoretical approaches but to recognize the diversity and subfields within IR and how parts of Intercultural Communication theory and cross-cultural psychology theory can be applied within the field of diplomacy. It seems clear that the liberalism's "what should be" approach is driven by hidden cultural values and operates on an unconscious level affecting decision making and behavior.

The study of culture as a factor in the discourse international affairs has always been a neglected topic. The relevance of culture as a factor in shaping the relations between nations cannot be dismissed which can be exemplified by the successful export of the United States of America soft power: Hollywood. Similarly, the member states of the European Union are united by proximity in culture as the member states shared cultural heritage. The success story of the economic cooperation of the ASEAN can also be credited to the similar cultural heritage shared

by the member nations enabling providing them advantages for smooth cooperation amongst them. The military might and economic powers were the primary subject of concern and discussion by the professionals and scholars alike. Similarly, International Relations (IR) theories have been predominantly focused on power and resources regarding who win the wars (realism theory), economy in international cooperation (liberalism theory) and class struggle (marxism theory). Thus, in order to have a broad discussion of the significance of cultural aspect, both the mainstream IR theory of realism and liberalism do not fit the research as they both focus on state and economy respectively. The constructivism theory on the other hand, describes IR with the support of ideas, norms, knowledge, values and culture enter the realm of IR in the late 1980s and was propagated by Alexander Wendt in 1999 in his well known book "Social Theory of International Politics". The constructivists view international relations as determined by norms, ideas, values, understanding and they are of the view international structure enables its actors including the state as well as non state actors to reconsider their identities in the process of coexistence. Culture was also usually associated with the arts – a subject of little importance to the great politics. However, when we look at the past, exchange of gifts by diplomats can be traced back to the antiquity. Cultural Diplomacy seems to have been forgotten for a long time. It has only been recently that it started to make its 'come back' to the international relations realm. Public Diplomacy in general is today a crucial ability, as means of communication has made the people and nations stronger, what revolutions in Libya and Egypt marks a significant example. In today's world of internet and social media a government needs to speak directly to foreign audiences in order to achieve its foreign policy goals. Thus, this is the reason as to why taking care of country's image and organizing cultural events for foreign audiences gained so much attention since the last decade.

Today's power shift, have far more complex implications than last century's. Samuel Huntington's highly publicized 'clash of civilizations' analysis draws our attention to an often-ignored aspect of international relations — culture. The emerging power of today's world has incorporated the entire civilizations, whereas many of them with thousands of years of cultural continuity. Japan, for example, starts the process of modernisation with the beginning of the Meiji restoration in 1868 which incorporates certain features of Western foreign policy

institutions, which is not the case for India and China. The relevance and significance of culture has been recognized and now is making a comeback as a factor in international relations and is inevitable in any discussion of bilateral relations. This realization of the relevance of culture is not merely through the apparent display of chauvinism in nationalist politics and not states claiming their culture is better than others but instead how states and non-states actors use common ideas and values for greater cooperation. The influence of culture in the future is expected to be more apparent and its significance in shaping the international affairs will increase. In short, as the Constructivist theorists would argue the impact of culture through common ideas and understanding will enhance in the future.

The simplest understanding of culture is the way of life of a specific group of people or the lifestyle of people, language, customs, traditions and the values attached to such customs. Different groups of people living in different region may have different cultures. A culture is passed on to the next generation by learning, practices, or by written documentation of a one's culture. Culture is reflected in the writings of one's ancestors, beliefs, music, poetry, way of clothing, eating style, customary practices. The concept of culture is a complex and incorporates a broad definition from eating style to one's customary law and practices, thus the concept encompasses wide definitions and meanings. In a broader sense, 'culture' incorporates all human activities which are not strictly the product of human genetics. The discipline which investigates and study culture is known as anthropology, though many other subjects such as sociology investigate and study culture.

The cultural factor in international relations theory is best understood in the framework of constructivism theory of international relations. Richard Ned Lebow in his published work titled 'Cultural Factors in International Relations' explains culture as "human goals and their variations across societies and epochs" and "the means by which people and their societies pursue these goals". Richard Ned Lebow presents his own constructivist theory of political order and international relations based on theories of motives and identity formation drawn from the ancient Greeks. His theory put an emphasis on the human need for self-esteem, and reflects how it influences political behavior at every level of social accumulation. Lebow advances ideal-type

world which is associated with four primary motives: appetite, spirit, reason and fear, and validates how each produces a different judgment regarding collaboration, conflict and risk-taking. Increasing and documenting the utility of Lebow's theory revolves in a hain where he extenuates a new perspective on the causes of war and the state's rise where he encompasses his study from the Greeks to the Iraq War. Thus, this can be regarded as a novel theory of politics by one of the world's leading scholars of international relations. Based on the constructivist approach, Lebow's work defies the anarchic aspect of the realist theories of international relations. Leblow's study begins with the idea that international politics is inspired by three drivers of human action recognized in ancient times by Thucydides, Aristotle and Plato.

Samuel P. Huntington, one of the greatest American political scientists published a sensational and well known essay in *Foreign Affairs Journal* called, "The Clash of Civilizations", this essay later advances the idea that the aftermath of the Cold War would engage in conflict between civilizations. Huntington wrote in the book that people or nations will be divided along cultural lines — Western, Islamic, Hindu and so on. He introduces the hypothesis that in the post cold war era the cultural and religious differences amongst nations or people withh be the principal source of conflict. He opines the idea that conflict in the new era will not be a fight or conlict between nations but rather, the primary source of conflict will emerge from cultural differences. He goes on further in the book stating that the Islamic radicalism will be the biggest threat to the global peace and security in the post cold war era. Huntington argues that the presence of cultural blocks, where each blocks have its own distinct set of values and norms. The Islamic civilization, he argues, is the most troublesome and danger to the international peace. According to his view, culture in the Arab world do not share the general traditions of the Western world. Their primary attachment is to their belief, not the welfare of their nation-state. He goes on arguing that their culture is opposed or contradicting to certain liberal ideology, such as pluralism, individualism, and democracy. Huntington, on the other hand, rebuts the idea of a Western cultural hegemony and the notion of an recognized universal civilization. He conjectures that the West dominates global communication and therefore non-Western countries mostly complain about this making them hostile partners. The case of making a one-culture world order politically or otherwise does not fare well at all. Similarly, Huntington maintains that

as modernization rises cross-cultural communication, the likenesses among cultures increases as well. The main take-away from this is Huntington's willingness to dissuade Westernisation and make it completely separated from modernisation. He further argues that where the world is becoming more modern simultaneously it is becoming more non-Western. Huntington wrote – the Asia and China's adverse relationship with US is a greater sense of cultural affinity within them followed by economic progress. However, this heightened economic power up and military strength of China can eventually lead to a global conflict. Adding fire to fuel would be alignments between Islamic and Simic, towards the end, the chapter explains the complex relationships between countries following the Cold War.

Joseph Nye coined the term "Soft Power" in a 1990 book "Bound to Lead: The Changing Nature of American Power". Joseph Nye differentiates between two types of power. Hard power is 'the ability to get others to act in ways that are contrary to their initial preferences and strategies' (Nye, 2011). This is the ability to coerce, through threats and inducements ("sticks" and "carrots"). On the contrary, soft power is the ability to get 'others to want the outcomes that you want' (Nye, 2004), and more particularly 'the ability to achieve goals through attraction rather than coercion'. Finally, Nye introduces smart power as the 'balance of hard and soft power' (Nye, 2005). He argues that soft power is as important as hard power, and even more so in international politics. Indeed, soft power enables a change of behaviour in others, without competition or conflict, by using persuasion and attraction. Therefore, soft power terminology is closer to Liberals (Nye, 2011). The book identifies three kinds of soft power: Culture, Political Policies and Policies. Inbook titled "The Future of Power (2011)", Nye reiterates that soft power is a descriptive, rather than a normative, concept. Nye puts forward that for a state it is imperative to have both soft and hard power. As it will perform advantageous in dual terms i.e. – short term as well as long term. A burning example showcasing US and its dominant behaviour as well as its soft power ventures, where domination would not quite work. Here the US takes help of and gives help by providing university facilities, evangelical, profit-making and other such institutions.



U.S. culture, ideals, and values have been extraordinarily important in helping Washington attract partners and supporters. Nye acknowledges the limits of soft power: it tends to have diffuse effects on the outside world and is not easily wielded to achieve specific outcomes. Indeed, societies often embrace American values and culture but resist U.S. foreign policies.

RP An and in his book titled "Cultural factors in international relations (1996)," defines culture as the most relevant definition of culture would be 'a way of life' of people or groups of people. Culture reveals that the treaty-making states have, on the particular issues involved, both some areas of common interest, and some points of conflict. He discusses in the book, in a paper on "Socio-Cultural Impact of the ASEAN Cooperative Agreements," it was pointed out that the formation of ASEAN had delivered a feasible forum for discussions on a variety of issues to the member countries of ASEAN, which had, although, being geographically and culturally quite close, separated so far apart due to their colonial experience and history as to become strangers. Through its cooperative programmes in social, economic and political fields, the citizens of the ASEAN nations were becoming more conscious of the likeness of their cultures and community of interests and were evolving a feeling of regional solidarity and identity. In their own peculiar, informal "ASEAN way," which was slowly evolving, similarly, they were eager to solve numerous problems facing them in a "spirit of family discussions". Anand in his book argued that there might be an "ASEAN spirit" or "ASEAN way" of facing regional issues, but the member states were deeply influenced by the Western nations, Western culture, and Western technology. It was contended that, while science and technology as such were on the whole impartial, the way they were adopted influenced their culture.

On a book titled, "Cultural impact on International Relations (2000)," edited by Yu Xintian, defines culture as the total of the material and spiritual wealth produced by the historical activities of human society. The most insightful source of cultural force is found in the accumulation of the evolutionary process of social production. Xintian maintains that in economic conflicts triggered by the convergence of different cultures must be restricted and the development of common interests must encourage an all participation of different cultures.

The definition of culture is widely adopted from the sociological perspective of social science. Horton and Hunt define “Culture is everything which is socially shared and learned by the members of a society.” Tylor opines that, it is a mix of a whole including beliefs, art, religion, values, norms, ideas, law, taught, knowledge, custom and other capabilities acquired a man as a member of a society. According to most sociologists’ theorist , culture is a term with both a popular as well as a sociological meaning.

Alexander Wendt, a widely appreciated constructivist theorist authored a seminal book titled “Social Theory of International Politics” in 1990 where he develops a social theory of international system as a social construction in contrast with the realists’ construction of the international system as anarchic. Wendt introduces a cultural theory of international politics, which study whether states view each other as enemies, rivals or friends as a fundamental determinant. Wendt categorises these roles as cultures of anarchy as described as Hobbesian, Lockean and Kantian respectively. These cultures are shared ideas which help the state in shaping the interests and capabilities and produce tendencies in the international system. This groundbreaking book mentions four factors which drive structural change from one culture to another such factors are interdependence, common fate, homogenization, and self-restraint . The book also studies the impact of capitalism and democracy in the development of a Kantian culture in the West. This publication of Wendt’s seminal book, Social Theory of International Politics, in 1990 – 20 years after Waltz’s masterpiece “Theory of International Politics,” has provided the first overall constructivist challenges of neo-realism which has been a long lasting IR theory. This publication also had an influence on the theorization of international relations. Due to Wendt’s significant in the field, it appears vital to engage with his constructivist theory as a possible preliminary point for establishing bridges between relational thinking and IR.

As a social theory, constructivism defies materialism by hypothesizing the structures of human association as “primarily cultural rather than material phenomena,” and rationalism by maintaining for their function as not only behavior-regulating but also identity- and interest-constructing, though “material forces,” it admits, “still matter,” and “people,” it recognizes, “are still intentional actors.

### **2.3. Defining Cultural Diplomacy and Globalization**

Cultural Diplomacy is a term introduced in 1954 by an art critic Aline B. Saarinen in 'The New York Times' magazine. It was initially used in political terms by Robert H. Thayer, who was a special assistant to the secretary of state in 1959. The term "Cultural diplomacy" was also propagated by Milton Cummings as "the exchange of ideas, information, values, systems, traditions, beliefs, and other aspects of culture, with the purpose of nurturing mutual understanding". Although there are multiple definitions of cultural diplomacy existing, for the purpose of this thesis, I will adopt Cummings' definition as it allows for a multilateral perception without having to focus on state interests. "Culture" as mentioned in the beginning has multiple definitions and encompasses many understanding, taken from the wide anthropological sense of how people interact, what they believe in and their way of living, to human expressions through music and art. In addition, Cummings' definition combines "cultural diplomacy" with the concept of cultural relations. He has defined cultural diplomacy in the broader sense of the term as occurrences of cross-cultural exchange and intercultural interaction. However, Cummings does not overlook the threat of cultural diplomacy in that it "can be more of a one-way street than a two-way exchange, as when one nation focuses its energies on encouraging the national language, explaining its policies and point of view, or "telling its story" to the rest of the world." Thus, one needs to learn how to "listen" to other people and cultures.

The founder of the eponymous exchange program, James William Fulbright, emphasizes the role of intercultural education in "the achievement of empathy – the capability to perceive the world as others would see it and also a sense of acceptance that others may see it in a better way. This thinking or view is the most pressing requisite in superpower relations. I will survey which international relations theory fits best concerning to cultural diplomacy. I have argued that constructivism is the most relevant and suitable of all international relations theories in this study.

To manage successfully international relations successfully, diplomats representing the national interests of their respective countries are assigned abroad to cultivate cross-cultural relationships, establish dialogue, inform others and influence decision-makers in both the host and mother countries. The overall purpose of diplomacy is to bring social, economic and security benefits to

both countries. Several socio-cultural constraints interfere with these noble goals. First, because diplomats must follow the lead of domestic policymakers at home who are often ignorant of cultural communication behavioral and decision-making tendencies, communication is often problematic and complex. For instance, like their political counterparts at home, diplomats are also expected to be self-serving by putting their own countries values and norms above those of the host country where they are expected to work. This behavior further boosts communication behavior and decision-making to be linked to the diplomat's native cultural norms and frequently at odds with those norms of the host country. What makes this situation even more complex is the obscure nature of diplomatic talk combined with the unrecognized and psychological nature of our hidden national cultural norms that affect communication. Finally, the short term nature of language and cultural training and assignment abroad (e.g. two years for US diplomats) makes it problematic to build trust with cultures that highly value long-term relationship building.

For the purpose of this thesis, I have adopted a broad definition by Stefan Czarnowski, a Polish culture historian, who describes culture as 'the shared heritage, the fruit of the creative and processed effort of countless generations. Diplomats are the promoter of spreading of one's culture also they delivered their own culture to foreign nations and brought back the foreign culture with them. This was frequently carried out with the help of a traditional exchange of gifts - a widely popular custom dating back to the ancient times, which was directed at forming mutual trust and understanding. For example, Western Christian missionaries traveling to China carried gifts of European decent, therefore, spreading the European culture to foreign people through the practice of exchanging gifts.

France is the home of modern day cultural diplomacy. The French has always been passionate with their heritage, especially French language. In 1635 Academy Francaise was formed by Cardinal Richelieu in order to look after the beloved tongue. It was a remarkable event in the institutionalization of cultural activities of the state. However, it was not until the XIX century that the nation state has been brought into consideration and further institutionalization of cultural societies followed. Alliance Fracaise was established in 1883 with the purpose of

teaching and promoting of the French language. Likewise, the United Kingdom formed the British Council in 1934 and similarly, Germany formed the Goethe Institute in 1951. These institutions have been productively promoting their cultures and languages abroad for more than a century. Cultural relations, as a term was put forward as well by the French when a first separate cultural office was launched in the Foreign Affairs Ministry in 1923. This establishment of cultural office was the start of connection between culture and politics, or culture in international relations, as the Americans had called it. Cultural Diplomacy, in the XX century has advanced rapidly mainly because of the World War II and Cold War alike.

The term International Cultural Relations describes all the relations between nations and its people regarding their cultural features as also to the cultural heritage and all activities related to culture. 'International Cultural Relations in the multilateral sense focus on organizations such as UNESCO, where diversenationscollaborate in order to accomplishshared understanding and endorse culture and national heritage of different regions.

The term diplomacy has a history as old as any political activity ever undertaken. Adam Watson defines diplomacy as the 'The dialogue between the states'. The word is derived from a Greek word which literally meaning 'double' or folded paper, which was used to define the letters of references used by the travelers in the ancient times. Hence, the Greeks were the first diplomats. A very simple, yet broad definition is offered by Nicholas Cull, who defines diplomacy 'as the mechanisms short of war deployed by an international actor to manage the international environment.

Soft Power as mentioned is a term created by the American scholar Joseph S. Nye in 1990 in his book "Bound to Lead: The Changing Nature of American Power." He developed this concept five years later in "Soft Power: The Means to Success in World Politics (2004)."

Nye (1990) defines Soft Power as something that would make one's wants possible without any force or economic endeavours. The principal three elements of a country's Soft Power are its culture, values and policies. Soft power may be defined as being opposed to Hard Power or coercion that focuses on the military threats or might and economic sanctions used in order to accomplish the desired outcome on the internationalarena. The term Soft Power was popularized

in the realm of politics and international relations, basically covering all the ideological and cultural possessions of the country which may be tempting to foreign audiences. The significant examples of Soft Power are Hollywood movies, Football, Korean Wave, Bollywood etc which are desired and accessible around the world. In the case of this thesis, the underlying soft power would be the Korean wave or Hallyu, such as the increasing influence of Korean pop culture and drama in South East Asia and also to Western nations to a large extent.

Joseph Nye explains that with Soft Power, 'the best propaganda is not propaganda [and] credibility is the scarcest resource'. Moreover, during the World War II and Cold War it was a well known tool. Propaganda is the culture being shaped for or used by the government. It is a term with negative implications, even if by definition it may seem close to public diplomacy. L. John Martin sees propaganda as 'a persuasive communicative act of a government directed at a foreign audience.' The adjective influential is of importance since it would be made possible tailor-made in to the demands of the particular country and aim at audience liabilities. An example of domestic propaganda are the films and posters created on US government's orders promoting support for the American involvement in the World War II or Vietnam War or bubble gum comics representing the 'horrible' communism. Moreover, international propaganda was broadly used in the Cold War period by both the Soviet Union and the United States of America, each alarming the opponent's political system: capitalism and communism. All the possible media were tied together in order to accomplish more effective results through film, radio, posters and comics as the most popular.

"The word 'globalization' is much abused and presents a problem for scholars across the social sciences who define it from the viewpoint of their own discipline. For an economist and business school professor such as myself, globalization can be defined as 'the activities of multinational enterprises engaging in foreign direct investment to create foreign subsidiaries which add value across national borders'". (John Tomlinson, 1999, p.1).

"The globalization of culture has a long history. The great world religions showed how ideas and beliefs can cross the continents and transform societies. No less important were the great pre-modern empires that, in the absence of direct military and political control, held their domains

together through a common culture of the ruling classes. For long periods of human history, there have been only these global cultures and a vast array of fragmented local cultures. Little stood between the court and the village until the invention of nation-states in the eighteenth century created a powerful new cultural identity that lay between these two extremes. This rise of nation-states and nationalist projects truncated the process of cultural globalization. Nation-states sought to control education, language, and systems of communication, like the post and the telephone. But as European empires became entrenched in the nineteenth century, new forms of cultural globalization emerged with innovations in transport and communications, notably regularized mechanical transport, and the telegraph. These technological advances helped the West to expand and enabled the new ideas that emerged especially science, liberalism, and socialism to travel and transform the ruling cultures of almost every society on the planet". (David Held, Anthony McGrew, 1999, p. 486).

"Globalization is understood as an outcome of the workings of modernity projects". (Giddens, 1991). "It is understood as the spread of the culture of modernity itself". (John Tomlinson, 1991).

"Globalization encourages local people to find the 'local' that they have forgotten in their drive towards Western- imposed modernization during the past decades". (Featherstone, 1993; Robertson; 1995).

#### **2.4. The Consequence and Impact of Culture in World Politics**

The cultural impact in the language of international affairs is obvious. For example, India has long acknowledged itself as following its ancient ideal of non-violence or stayagraha or its policy of non- aligned movement. Like how the then Indian Prime Minister Rajiv Gandhi called for a new 'non-violent world order. 'As many states talk peace, research shows India did so even when it meant giving up progress towards 'rational' strategic goals. Whereas in the Middle Eastern countries various militarily weak actors, in the name of honor, adopt the mantle of dominant invader by making attacks by adversaries seem more reasonable and destructive strategic interests.

As new powers emerge and employ greater strategic autonomy, we see culture as determined by the state behaviour as well. Rather than security requirements as most Western specialists would predict, India's nuclear weapons policy has been powered by the pursuit for international standing. This is reinforced by the value of hierarchy, as seen domestically in the caste system. When combined with the value of non-violence, nuclear weapons become symbolically important but militarily meaningless. India's controlled nuclear posture which enabled the US and others to treat New Delhi differential treatment in nuclear cooperation.

Chinese policy, on the other hand, is colored by an emphasis on social recognition channeling the concept of 'mianzi' or face. A country's place within the international hierarchy is essential. Despite the Chinese Communist Party's professed atheism, Buddhism promotes the acceptance of insubstantiality and this cultural background has significant impact on how China's foreign policy, including ideology and alliances, is being formed.

Similarly, till today most non-Western nations have functioned to a substantial extent using European-sourced institutions like the European Union as a tool of statecraft, making their foreign policies at least somewhat foreseeable to Western policymakers. But, as the European half-millennium comes to an end, these states' institutions may or has evolved.

The impact of cultural values is reflected beyond states' conduct of their foreign policies. For instance, Non-European cultures may employ contradictory views on international organization to the current European-rooted conformation of nation-states. While Western culture views society as individuals relating to others through rules and contracts, Chinese scholars propose a more interconnected, holistic worldview. This may associate to a comparatively greater focus on the global social environment than on individual state actors. Eastern communalist values differs with Western individualism, having substantial consequences for concepts such as human rights and human security. Hence, to make sure the peaceful rise of great new powers requires more in-depth and organized energy among Western governments to understand the dissimilar yet similar cultures of Asia and elsewhere. Foreign policy is again becoming a leader's game of big stakes. Western diplomatic services are starting to identify the need for more nation specialists and interaction with expert's academia. However, the mainstream news portals are



way too farther. As it did in the previous many decades the blocking off of US when it was emerging did not do any good to the League of Nations, similarly culture now is not only a matter of discussion. Culture is definitely here to stay and it will all depend on who uses it well.

Understandings of culture, identity, and other social features of political life have been now considered a look by the scholars of International relations. There is no denying that everyday norms and behaviours form an integral part as well as when integrated these social constructions in different ways into research programs. Sociologists working in organization theory have developed a particularly powerful set of arguments about the roles of norms and culture in international life that pose direct challenges to realist and liberal theories in political science. Their arguments address causal force in an expanding and deepening Western world culture that emphasizes Weberian rationality as the means to both justice, defined as equality, and progress, defined as wealth accumulation. These world cultural rules constitute actors-including states, organizations, and individuals-and define legitimate or desirable goals for them to pursue. World cultural norms also produce organizational and behavioral similarities across the globe that is not easily explained by traditional paradigms in political science. Because they call these cultural norms and rules "institutions," the approach has been named "institutionalist" by those working within it.

In order to understand and discuss the consequences and impact of culture in world politics, it is crucial to understand the concept of sociological institutionalism which challenges the dominant paradigms in political science. It also provides a system-level theoretic framework with which to analyze international politics and generates testable hypotheses about international behavior that might compete with those of realism and liberalism. These hypotheses predict similarities in behavior caused by common global culture, where realism or liberalism would expect differences in behavior by differently situated actors with different interests. The fact that institutionalists explore their hypotheses with data-intensive quantitative methods not usually associated with work on norms and culture in IR but much well-regarded by skeptics of cultural arguments intensifies the institutionalists' challenge. Explanatory claims made by realists and liberals must address institutionalist alternatives if they are to be influential.

## **2.5. Social Institutionalism and Culture**

The institutionalist arguments focus directly to a number of theoretical approaches being developed outside the confines of the neorealist-neoliberal debate that has dominated the U.S. IR scholarship. The institutional school of thought and the English school scholars have a common ground on the expansion of the Western world and its culture and its effect on the world. They also lay stress on the need to find out what powers individuals to such globalizing method and compares it with the work of scholars like James Rosenau, Zürn, Ernst Otto Czempiel, and Philip Cerny. Both the English school and globalization scholars may disagree with this treatment. However, the problem that is pointed out by the English school is the discomfort with the larger-than-life power that the others comprehend. Those interested in the process of globalization and individuation may be put off by the institutionalists' claim that this process occurs at the crossroads where an equally stronger state authority takes course. Both of which needs more research.

Taking both into consideration however, sociology along with institutionalism seems to have a higher ground on the Constructivist theory. Sociologists specify the substantive content of social structure. The difference here is that the social structure is brought into the forefront not as an end to itself but as a means to reach a collective culture if at all there is one in the first place.

Western and Weberian components has yielded hypotheses that can be tested empirically; indeed, they already have been tested in the large and growing institutionalist research programs. Thus, the institutionalists' specification of social structure is global and all-encompassing. It includes all aspects of political and social life in all states. Political science research on norms and culture has tended to be structured around specific issue-areas and therefore argues that particular norms matter in particular issue-areas. Constructivists have not yet initiated the whereabouts of the mechanism they have provided a fix for. This leaves a gaping divide for this line of work to

continue its way forward. There is a lack of an alternative to the systemic theories which the sociologists have clearly stated.

Most importantly, from the institutionalist viewpoint policy debates of the recent kind are all directly about global culture. Alternative to the conflict dimension in the future, institutionalists suggest a homogenous culture would be the order of the day in the near future. Scholars may disagree as to the two differing perspectives however, the institutionalists have a stronger argument base to the debate of the cultural factor in international relations. The clarity on the homogenous culture still remains vague overall. Prevailing theories about bureaucracies and organizations postulate that, indeed, culture had little impact on those entities. In fact, formal bureaucratic organizations comprised the antithesis of culture; they were technical, rational, and therefore culture-neutral. They transcended culture. The Stanford group challenged this view.

The world culture that institutionalists see expanding across and integrating the globe is a Western culture. Although institutionalist literature contains no single extended discussion of either the origins or the content of global culture, the following picture emerges from several sources often cited by institutionalist researchers. Its origins can be traced back to the era of western capitalism and evangelical stronghold, that had grappled the entire West marketed, and individuated the world in ways that are not expected or easily explained by other social science arguments. In fact, Meyer argues that the expansive nature of its ideologies and culture is itself a distinctive feature of Western culture with has its roots in the medieval Christendom. Theories or ideologies like those from the West that make claims about all people and all places have much more expansive potential than particularized and localized ideational frameworks like that of the Balinese theater-state documented by Clifford Geertz.

One of the central features of Western culture is the embodiment of rights, ranging from child's, women's human rights etc. in this context Meyer adds western cultural values engrains an individual with individual autonomous beings and livelihood. There is nothing inevitable or apparent about structuring societies around atomized individuals. Many other societies and cultures locate social value and moral responsibility in the family, the tribe, or some other social unit. However, the

Western individualism is distinctive, and its cultural logic leads to some distinctive behavior patterns. Substantively, it leads to the expansion of individual legal rights, noted earlier. Analytically, it leads Western social science to treat individuals as trouble-free, irreducible, autonomous actors who know what they want independent of social or cultural context and, indeed, who create the social context. The institutionalist claim is the opposite—that the individual as autonomous social actor is an outcome, rather than a producer, of society and culture.

## **2.6. Popular Culture and International Relations**

More than a decade ago it was necessary to argue that IR as a discipline ignored popular culture (Weldes 1999, p. 117). However, this is no longer the case. Some corners of what might be called ‘mainstream IR’ (but only quite narrowly construed and mostly North American) still implicitly or explicitly insist that popular culture is not worthy of scholarly IR attention, perhaps because it is seen as ‘low’ politics, domestic politics, or not political at all. However, scholars from assorted perspectives and disciplines are eagerly and productively investigating innumerable forms of popular culture in relation to every conceivable aspect of IR and world politics. One might even argue that there now exists a sub-(inter-)discipline of Popular Culture and World Politics (PCWP).

The states actively use popular culture in many ways and for multiple purposes. In both wartime and peacetime, popular culture plays a surprisingly large role in foreign (and domestic) policies. In times of war, states create, deploy, and exploit popular culture as for propaganda (Robb 2004, Aulich 2011). For instance, posters and other media forms were famously deployed to define nations and their enemies in WWI. For example, North Vietnamese posters similarly constituted the US enemy in the ‘American War’. <sup>1</sup> Films like *Casablanca* (1942), backed by the ‘War Films’ division of the US Department of War, sold US intervention in Europe to US publics, legitimating World War II and the attendant military expenditures and public sacrifices (Tunc , 2007). *The Green Berets* (1968), starring John Wayne, was so overtly a propaganda film that the US Department of Defense had the usual credit thanking it for its assistance removed, for fear

that it might undermine the film's propaganda value and draw unwanted attention to the department's involvement in Hollywood films (Robb 2004, pp. 277-284).

States also deploy popular culture in times of peace. To develop 'soft power', states engage in cultural diplomacy practices that actively deploy popular culture (UK House of Lords 2014, Rowley 2014). The British Council seeks to build trust by enhancing cultural relations through international collaborations in, among other areas, fashion, film, music, theatre and dance. Post-9/11 American cultural exchange programs also emphasize popular culture, notably sports and film, in trying to refurbish the US image in 'Muslim countries' (Mills 2014). Popular culture features centrally in the increasingly pervasive state practice of nation branding (Anholt 2014). 'Brand Turkey', for example, defines itself using the food ways metaphor of the 'coffeehouse' while also invoking shopping, the bazaar, cinema and folk dancing. Similarly, sports play a diverse and particularly important role in foreign policy and state action. What famously became known as 'ping pong diplomacy' (Devoss 2002) marked a breakthrough in Cold War US-China relations when, in April 1971, 'at the invitation of the Chinese government, a nine-person United States table tennis team ... visited China for a series of exhibition matches' (Campagna 2011). This visit ultimately led to Nixon's visit to China and the re-establishment of US-China diplomatic relations (Griffin 2014). More mundanely, hosting the Olympics has long been wanted by states to enhance their international status and showcase economic and cultural accomplishments (Schaffer and Smith 2000). A noteworthy example is the 1995 Rugby World Cup, held in South Africa, was a 'two-level' political 'game'. Internationally, it signaled South Africa's post-Apartheid reintegration into the international community; domestically, it attempted to create a 'Rainbow Nation' as a new multicultural national identity (Steenveld and Strelitz 1998).

In the field of global political economy, the most forms of popular culture are produced and consumed in industrial form, and these industries, their inputs (raw materials, labor, technology), practices (of production and consumption), and outputs (films, clothing, toys, etc.) transcend state boundaries. Whatever International Political Economy (IPE) scholars study – whether international trade, finance or intellectual property rights regimes (or the subversion of these, e.g.

counterfeit consumer goods); MNCs and global divisions of labor; the relations of states and markets; or international economic advance/North-South relations – popular culture is always already enmeshed in both the IPE disciplinary landscape and the fabric of international political economic practices. US-China trade relations, for example, have a massive popular cultural component. The five largest categories of goods exported by China to the US include furniture and bedding, toys and sports equipment, and footwear (US Executive Office of the President 2014), while top US exports to China include the raw materials (e.g. metals and plastics) to make these. In 2005, the US Department of State warned prospective business investors via the US Embassy in Beijing that, ‘on average, 20 percent of all consumer products in the Chinese market are counterfeit’. Among the items violating copyright and trademark regulations were ‘auto parts, watches, sporting goods, shampoo, footwear, designer apparel, medicine and medical devices, leather goods, toys’. On a more positive note, the State Department has correspondingly lauded the recent US-Chinese film industry collaboration, notably the creation of Oriental DreamWorks – a joint venture of DreamWorks, Shanghai Media Group and two additional Chinese firms – as signaling the potential for further joint economic development in industries like television, theme parks and merchandising, leading to increased economic growth (Rivkin, 2014).

## **CHAPTER 3**

### **Korea- Vietnam Economic Relations after 1992**

#### **3.1. Introduction**

Culture consists of the beliefs, behaviors, objects, and other characteristics common to the members of a particular group or society. Through culture, people and groups define themselves, conform to society's shared values, and contribute to society. Thus, culture includes many societal aspects: language, customs, values, norms, mores, rules, tools, technologies, products, organizations, and institutions. Sociologists define society as the people who interact in such a way as to share a common culture. The cultural bond may be ethnic or racial, based on gender, or due to shared beliefs, values, and activities. Culture and society are complexly related. A culture consists of the “objects” of a society, whereas a society consists of the people who share a common culture.

According to A. Klosowska culture means defined classes of objects, phenomena and processes or certain types of behavior. However in the philosophical sense culture is understood by everything which does not grow of itself from nature but comes about from the conscious effort of man, being the effect thought and human activity.<sup>2</sup> In continuing in this vein it is impossible not to mention the definition by R. Linton who in defining culture says that it constitutes a set of behaviors people have learned, elements of which are common for members of a certain society and communicated within it 4 . In linking these two concepts it can be said that culture is not only the behavior within a certain society but also the material achievements of members and results of joint undertakings.

EU High Representative and Vice-President Federica Mogherini said: "Culture has to be part and parcel of our foreign policy. Culture is a powerful tool to build bridges between people, notably the young, and reinforce mutual understanding. It can also be an engine for economic and social development. As we face common challenges, culture can help all of us, in Europe, Africa, Middle East, Asia, and stand together to fight radicalization and build an alliance of civilizations against those trying to divide us. This is why cultural diplomacy must be at the core of our relationship with today's world".

Culture is becoming more and more a course for economic growth, not only in its traditional forms, but particularly through cultural and creative industries, SMEs and tourism. This strengthens the opinion that collaborations with other fields are crucial and that public and private sector and civil society should be more and more involved. Taking the European Union as an example, culture plays an important role in the EU's foreign policy. Cultural cooperation counters stereotypes and prejudice by fostering dialogue, open-mindedness, dignity and mutual respect. Inter-cultural dialogue can help prevent conflicts and foster reconciliation within and between countries. Culture helps respond to global challenges such as the integration of refugees, countering violent radicalization and the protection of the world's cultural heritage. Culture can also be a tool to deliver important social and economic benefits both within and outside the EU.

Today's Communication offers a strategic framework for deeper and more effective international cultural relations as well as a new model for cooperation with Member States, national cultural institutes, private and public operators from the EU and its partner countries, increasing opportunities, creating cooperation and maximizing socio-economic benefits.

### **3.2. Culture as a Factor in Economic Relations**

The Republic of Korean – Vietnam relation has been rapidly deepened in all fields, especially trade and investment since the establishment of diplomatic ties in 1992. This chapter analyzes the patterns and trends in the trade relations between the two countries in the past twenty years. Various trade indices such as Trade intensity, Trade complementarities, Intra industry and Revealed comparative advantages were used to describe the structure and composition in the Korea-Vietnam bilateral trade. The study results show that trade pattern between Korea and Vietnam is principally inter-industry trade and complementary. The main conclusions also suggest that there is significant potential for further growth of trade between two countries. The bilateral trade turn-over has surpassed 10 billion US dollar since 2008, marking an increase of 20 fold in comparison to the value of just 500 million US dollar in 1992. Two countries also agreed to upgrade bilateral ties from comprehensive cooperation relationship to the strategic partnership. In the economic field, both countries agreed to increase the two-way trade value up to 20 billion by 2015. Korea has for many years been among the leading investors in Vietnam. So far, Korea has more than 2,300 investment projects with the total value of over 21 billion US dollar in Vietnam. The cultural and people-to-people exchanges between Vietnam and Korea have been continuously promoted. There are over 90,000 Vietnamese people working, studying and living in Korea and almost the same number of the Korean people in Vietnam. Sharing many resemblances in culture and history, the cordial bonds between the two countries and peoples are increasingly reinforced. In spite of the significant development of economic relation between the two countries, there have been few studies focusing on Korea-Vietnam economic relations in general, and trade relation in particularly, in the existing literature.

The bilateral trade relationship between Korea and Vietnam reveals the complementary of both countries' natural advantages. Vietnam is a competitive, efficient, resource rich country, while



Korea is well-known for its ability to produce competitive high-tech goods and services. While Vietnam's exports to Korea are concentrated in primary goods, Korea's exports to Vietnam are predominantly elaborately transformed manufactures. Thus, it is of interest to investigate trade between two countries comprehensively by reviewing trade relations and applying trade pattern indices such as Trade Intensity index, Trade Complementarity Index, Intra Industry Trade index and so on. This chapter outlines the major features of Korea-Vietnam trade relations, specifically, to determine whether the two countries trade is complementary or competitive, whether or not there have been changes in trade composition, and which products have dominated the trade and enjoys a comparative advantage, etc. Based on the discoveries, the paper suggests the directions for developing further bilateral trade relation between the two countries.

### **3.3. Korea-Vietnam Economic Relationship**

The Korean and Vietnamese economies are at contradictory levels of development, by which Korea is one of the most advanced countries in the world, while Vietnam has been a developing country for the last decades. Vietnam and Korea established official diplomatic relationship in 1992 and the two countries are now celebrating the 25th anniversary of the diplomatic ties. A bilateral free trade agreement which came into effect in late 2005 aims to boost bilateral free trade from USD 29 billion to USD 70 billion by 2020.

Over the period of two decades, there has been great progress in bilateral relations. Trade volumes, which totaled \$500 million in 1992, have increased 26-fold to \$13.7 billion in 2010 and \$18.5 billion in 2011. The average annual growth rate of Korea's imports from Vietnam was about 25 percent, whereas Korean exports to Vietnam increased by an average growth rate of nearly 18 percent per annum during the period from 1993-2011. Korean investment in Vietnam has also increased significantly. By 2011, Korea became the leading investor to Vietnam with foreign direct investment (FDI) amounts of registered capital of \$22.3 billion in 3,072 projects. Bilateral economic relations between Korea and Vietnam have reached rapid development not only because of their geographic proximity, cultural similarities and complementary economic structures but also to the active efforts of the Korean government to contribute to improving economic infrastructure and investment environment in Vietnam as well as to establish a

concrete foundation for mutually beneficial cooperation through the Official Development Assistance (ODA) to Vietnam. In specific, the support from the Economic Development Cooperation Fund (EDCF) through the Export-Import Bank of Korea (Korea Exim bank) has greatly contributed to the further enhancement of the bilateral relations. Until now, Korea is Vietnam's second-largest ODA donor country after Japan. Vietnam is one of the largest recipients of ODA in the world, receiving support from over 50 bilateral and multilateral donors. Vietnam has received ODA as grants, concessional loans and a mix of the two. From 1993 to 2014 the total ODA committed to Vietnam amounted to USD 89.5 billion of which USD 60 billion was disbursed during the evaluation period (2000-2014). On average USD 3.5 billion per year was committed to Vietnam. In fact, 20 percent, or 1.6 trillion won, out of the EDCF's total support amount of 8.1 trillion won was allocated to Vietnam, thus clearly demonstrating that Korea prioritizes Vietnam as a principle partner for economic cooperation.

Vietnam has many attractive factors to Korean investors. Vietnam is an emerging market mainly due to its political stability and economic fast development in comparison to other Asian nations experiencing economic instability and business overheating. Unlike other Asian countries, Vietnam and Korea shares a lot of similarities with Korea in history, culture, custom, and personality etc. Moreover, Vietnam has abundant natural resources such as coal and iron, and possesses inexpensive, diligent, excellent labor force. Finally, Vietnam has relatively large scale of domestic market with a population of over 92 million people where 50 percent of the population belongs to younger generation. It can also act as a bridge to huge South East Asian markets of 500 million consumers. The Vietnamese Government has established a clear and determined target that the whole economy and society to be modernized and industrialized by 2020. In the pursuit of this goal, it is the interest of Vietnam in welcoming and facilitating large scale of foreign investment on the basis of mutual interest of Vietnam and foreign investors. As Vietnam has greatly improved its investment environment, particularly the infrastructure and legal system, most of the foreign investment projects have been doing very well. Among the foreign investors, the Korean businessmen are the most successful. The September Summit of 2013 between Korea and Vietnam aim to speed up the free trade relations including the economic, diplomatic and political. The Framework Arrangement concerning Korea's 1.5 billion

USD ODA credit to Vietnam in the 2016-2020 period signed on 8<sup>th</sup> November 2017 will open up greater opportunities between the two countries. This Framework Agreement, which was approved after one year of negotiation, will create the legal framework for Korea to provide loans and for Vietnam to receive Korean ODA, as well as the foundation for both sides to choose and carry out projects using EDCF capital during 2016-2010. The Agreement contains new initiatives as compared to the previous arrangements and is expected to create more favorable conditions for the implementation of Korean ODA funded projects. Since 1993, 2.7 billion USD of Korean ODA was provided for Vietnam to carry out about 60 projects such as traffic and urban infrastructure, health water supply and drainage, which are significant for Vietnam's socio-economic development.

Korea has been one of Vietnam's top trading partners after 1992. In the year 2011, Korea's exports to Vietnam were \$US 13,465 million, an increase of almost 40 percent as compared to the year 2010. Vietnam is Korea's ninth largest export market, account for 2.43% of Korea's exports in 2011. Vietnam is also Korea's largest exports' market for industrial goods. The bilateral trade relations between Korea and Vietnam reached its deepest level and strengthen further after the Korea- ASEAN Free Trade Agreement came into effect in 2007.

### **3.4. Trend and Structure of the Trade Relations**

Korea's exports to and imports from Vietnam are reflective of normal trade patterns between a developed and developing nation. Nearly all Korean exports to Vietnam are manufactures goods, which accounts more than 80 per cent over the years. Over a period of timed structure, trade structure has shifted between primary and manufactured goods, that is, the share of primary goods declines, whereas the share of manufactured goods increases. In 2010, Korea's exports to Vietnam are mainly composed of manufactured goods, accounting for 88 percent of Korea's total exports to Vietnam. On the side of Korea, Vietnam is an important supplier of primary products to Korea, including agricultural commodities, minerals and energy resources. In year 2010, these

exports accounted for 45 percent of total Korea's imports from Vietnam. The Major exports from Korea to Vietnam include semiconductors, petroleum products, steel products and 36% of Korea's trade surplus came from Vietnam in 2012.

However, it has been demonstrated that while the total trade volume between the two increased significantly over the past decade, the commodities trade remained virtually unchanged. This shows that Korea's major export items to Vietnam continued to consist of capital goods and raw/subsidiary materials such as machinery, steel/metal products, and industrial textiles, whereas Vietnam has principally exported primary products--such as agricultural and fishery products and consumer textiles--over the past decade. This is a typical inter-industry trade pattern between a developed country and a developing country.

The inter-industry trade pattern between Korea and Vietnam is also clearly revealed by Korea-ASEAN (The Association of Southeast Asian Nations) bilateral trade. The trade share by category of commodity for Korea with Vietnam and ASEAN is shown in table 2. Since 1995, Korea has been trading more raw materials and energy products, and less both manufactures and non-manufactures with ASEAN than Vietnam. Meanwhile, Vietnam exports more non-manufactures products to Korea than other ASEAN countries. The Korea's manufacturing trade ratio (export/import) shows a big gap between Vietnam and ASEAN during the period of 1993-2011. This implies the dependence of Vietnam on Korea's manufactures exports is heavier than that of ASEAN countries.

For trade balance, Korea has maintained a trade surplus over Vietnam for the past 20 years. In 2011, Vietnam's total trade deficit was US\$10.16 billion of which that suffered from Korea amounted to nearly US\$8.5 billion, or 83.2% of the nation's total trade gap. The gap in trading with Korea clearly reveals the goods profile on both sides.

### **3.5. Pattern of Korea's Investment in Vietnam**

Republic of Korea and the Socialist Republic of Vietnam are members of the ASEAN – Korea FTA (AKFTA), which came into effect in 2007. Along with the AKFTA, both countries are parties to the Vietnam Korea FTA (VKFTA), which came into effect in 2015. VKFTA focuses on a higher level of commitment and liberalization than AKFTA. It removes an additional 506 tariff

lines for Vietnamese products and 265 tariff lines for South Korean products, in addition to the ASEAN-Korea FTA. South Korea will remove 95 percent of its tariff on Vietnamese imports, while Vietnam reduced 90 percent of tariffs on South Korean imports. Companies in both countries will benefit from the reduced tariffs. Vietnam will eliminate 90 percent of tariff lines on Korean imports within 15 years from the date of effect, while South Korea will remove 95 percent of tariff lines on Vietnam's imports. Within a year of implementation, the VKFTA led to an increase of 19 percent year-on-year bilateral trade in 2016 in comparison to 2015. This year, bilateral trade is witnessing a further increase in comparison to 2016. Imports from South Korea for the first seven months of 2017, has increased by almost 50 percent for the same period last year, while Vietnamese exports to South Korea for the first seven months in 2017 have increased by 30 percent. With the rapid growth in trade in the last two years, bilateral trade is expected to reach US\$ 70 billion by 2020.

South Korea reduced import duties on Vietnamese products such as shrimp, fish, crab, tropical fruits, garment and textiles, and wooden products. South Korean companies have been more aggressive in comparison to Vietnamese companies in taking advantage of the lower tariffs of the VKFTA, leading to a growing trade deficit.

Korean investment in Vietnam has been a success story. Korea remains by far the largest foreign investor in Vietnam. Data from Vietnam's Ministry of Planning and Investment ("MPI") suggests that cumulative Korean foreign direct investment ("FDI") in the period from 1988 to 2016 amounted to USD 50.7 billion, compared to USD 42.1 billion for Japan. The momentum continued throughout 2016, with new Korean investments totaling USD 5.5 billion, again dwarfing Japan's USD 868 million during the same period. The year 2017 marks 25 years of Vietnam and South Korea's diplomatic relations. During this period, the focus of trade and investments has shifted from labor intensive sectors such as garments and textiles, to capital intensive sectors such as electronic goods, and finally at present to consumer goods and services. Bilateral trade rose from US\$0.5 billion in 1992 to US\$45 billion in 2016, while in terms of investments, South Korea has developed as the largest foreign investor in Vietnam. Around 5,000 South Korean companies have invested in Vietnam in the last 25 years. According to the Vietnam

Chamber of Commerce and Industry, Korean-invested firms in Vietnam in 2016 contributed almost a third of Vietnam's exports and provided around 700,000 jobs domestically. In the year 2016, South Korean investments accounted for a third of the total FDI. The manufacturing sector accounted for 82.3 percent of the investment, led by large-scale investments from Samsung and LG Electronics. Electric and electronic manufacturing accounted for the largest portion of the manufacturing and processing sector at 65 percent, followed by textile and fabric manufacturing at 20 percent.

Manufacturing sector accounts for 70 percent of the cumulative South Korean investments since 1988, followed by real estate management and construction sector at 14.8 percent and 5.4 percent respectively. Apart from manufacturing sector, which accounted for 82.3 percent of investments in 2016, there has been a growing interest by South Korean companies in the services and distribution sectors such as, wholesale and retail, culture, and science and technology. In addition, 2017 has witnessed a considerable interest in the food and finance & banking sectors. Similarly, South Korean firms are looking to increase their investments in diverse sectors such as the agriculture, forestry, and fishery sectors, taking advantage of the preferential tariffs of VKFTA.

Samsung is the leading South Korean investors in Vietnam. It manufactures almost half of its smartphones and established two factories in Vietnam. Samsung is also setting up a third complex focusing on home appliances and displays with an investment of US\$2.5 billion. Some of the existing production lines in South Korea and Malaysia will also be shifted to Vietnam in the near future. LG, another electronic giant also has setup a production hub in Vietnam to manufacture smartphones and televisions. The company will be spending around US\$1.5 billion in the new hub by 2028. Seoul Semiconductor Co. recently won a license to build a new \$300 million semiconductor, while LED manufacturer Lumens will begin manufacturing operations later this year. Similarly, CJ Group, a South Korean conglomerate is taking the high road and in the midst of a large-scale expansion in Vietnam. Its business interest range from food processing, fertilizer and feed production, TV shopping, film production, and distribution. In 2016, it

invested US\$500 million into new projects and M&A. Another conglomerate, Lotte Group plans to expand its retail operations five-fold to 60 shopping malls in Vietnam by 2020.

Korean-invested firms appear to be export-oriented and thus contribute significantly to Vietnam's trade balance, in addition to being a major source of employment domestically. Data released by the Vietnam Chamber of Commerce and Industry ("VCCI") suggests that Korean-invested firms in Vietnam in 2016 contributed almost a third of the total value of Vietnam's exports and provided around 700,000 jobs domestically. Bilateral trade ties have likewise been growing continuously stronger from 2013 to 2016, with Korea remaining Vietnam's second-largest source of imports and fourth-largest export market. As of the end of 2017, about 5,500 South Korean firms were up and running in Vietnam while as of November 2016, a total of 5,656 foreign direct investments had been made by Korean firms. This makes South Korea the biggest foreign investor in Vietnam, with total direct investment reaching a record-high \$7.4 billion through the first 11 months of last year.

The major driving factor attracting Korean investors in Vietnam is highly credited to Vietnam political stability as well as Vietnam's rapidly growing economy which plays an important role in attracting foreign investment. Similarly, many argue Vietnam's abundant cheap labor force as the main reason behind Korean firms' location choice. However, this has not been always the case as Korean investments are concentrated in the most expensive regions in Vietnam such as Hanoi and Hoi Chi Minh City. According to the Asian Development Bank's latest outlook report, Vietnam is expected to see 7.1 percent and 6.8 percent economic growth in 2018 and 2019, respectively. Since the launch of the economic reform policy, Doi Moi, in 1986, Vietnam has made extensive efforts to transform its centrally planned economy into a market-oriented system, and the annual average real gross domestic product (GDP) growth rate was recorded as 6.5 percent during the period 1986-2013. The reform initiative took place among diverse sectors, involving investment, trade and state-owned enterprise (SOE) policies. Changes in international economic relations, such as joining the Association of South East Asian Nations (ASEAN), the Asia-Pacific Economic Cooperation (APEC) and the World Trade Organization (WTO) and signing other bilateral agreements, reflected the effort of the Vietnamese Government to promote

its Doi Moi initiative. Despite facing a crisis in 2013 and a limitations in its reform policies, Vietnam, which is considered 'Post China' still maintains its status as an attractive investment destination with its FDI stock exceeding USD 30 billion in 2013. Vietnam actively participated in the world economy and a huge amount of foreign direct investment (FDI) flowed into it. According to the United Nations Conference on Trade and Development (UNCTAD) statistics, Vietnam's stock of FDI grew from USD 1 billion in 1992 to USD 10 billion in 1997.

On the other hand, the amount of outward FDI (OFDI) from Korea has increased significantly. The motives driving Korean firms to invest abroad included efficiency-seeking, market searching due to the limited size of the domestic market, active support from the Government and institutional aid.<sup>3</sup> Starting from USD 2 billion in 1990, Korea's OFDI in stock values reached USD 219 billion in 2013. Such a performance of Korea in OFDI is remarkable when discussing Vietnam's FDI inflows, as Korea is currently the leading investor in Vietnam. Although China remains the leading recipient of Korea's OFDI in Asia, Vietnam is strengthening its position, as it ranked the fourth-largest destination for Korean FDI in the world as of 2014. The accumulated amount of Korea's OFDI towards Vietnam exceeded USD 10 billion in the same year. While China is gradually losing its competitive advantage in low labor costs, Vietnam deserves more attention as the alternate recipient of Korea's OFDI. Despite the importance and distinctiveness of Korea's OFDI in Vietnam, its pattern has rarely been analyzed rigorously.

In Korea, OFDI remained restrained until 1979. However, liberalization of OFDI was achieved in the 1980s with simplified procedures. As trade surpluses began to be recorded in 1986, the Korean Government started to promote it actively since then. In the recent years, Korean companies have chosen Vietnam as a strategic production base, their production facilities dispersed throughout ASEAN member states have now become concentrated into Vietnam which is rapidly increasing. This deepening of the bilateral economic relationship has become the basis of the Vietnam- Korea Free Trade Agreement (VKFTA) signed in 2015. This agreement stands as a cornerstone in the bilateral relation and is expected to bring larger benefits to both countries.



The Association of Southeast Asia Nations(ASEAN) has become a major destination for Korean Foreign Direct Investment (FDI).In 2016, this region alone attracted about one half of Korea's outward FDI (OFDI).ROK FDI in Vietnam has occurred in three waves. The positive position of Korean firms in Vietnam is a result of long-standing bilateral commercial relations. Korean FDI came to Vietnam in three waves. Following the normalization of diplomatic relations in 1992, Vietnam experienced a first wave of Korean investment that was primarily focused on labor-intensive manufacturing in the garment and textiles sector. The second wave, starting in the early 2000s, was characterized by the increased manufacture of electronic goods. Most recently, a third wave focused on consumer goods, including retail as well as services. Electronics and telecommunications have been the leading industry in attracting Korea's manufacturing FDI in Vietnam, accounting for 25.1 percent between 1992 and 2014. Particularly in 2013 and 2014, they attracted nearly 40 percent of Korea's investment in the manufacturing sector of Vietnam. The fact that the share of Korea's investment in Vietnam's textile and shoes industry has been similar to that in the electronics and telecommunications industry is unique and different from the pattern of Korea's FDI in the world, where investment in electronics and telecommunications far outweighed that in garments and shoes by more than 20 percent. This difference in the investment pattern reflects the comparative advantage of Vietnam's cheap and abundant labor, which is the biggest motivation for Korean firms to invest in the country.

### **3.6. The impact of Korea's FDI in Vietnamese economy**

The rising implication of Korea's FDI in Vietnam can be credited, among others, to the government policies of the two countries as well as the cheap and efficient labor in Vietnam. The reformative legislation of Vietnam to open its economy together with the policy of Korea allowing OFDI in the late 1980s has facilitated the flow of investment from Korea to Vietnam. In addition to the policy developments, the Vietnamese economy also provides a developed infrastructure in certain designated sectors. Further improvements in the Vietnamese economy, such as the accession to the ASEAN and WTO, have stimulated not only Korea's OFDI but also investments from many other countries, mostly in Asia. Accordingly, Korea's FDI in Vietnam has grown extensively over the years, influencing the Vietnamese economy through various channels, such as economic growth, employment generation and the transfer of technologies.

Among others, FDI inflows have contributed to Vietnam's economic growth measured by its GDP. Although the ratio of FDI inflows to GDP had been less than 1 percent in the late 1980s, it reached 5.2 percent in 2013. The contribution rate of the foreign-invested sector in the GDP actually grew from 6.3 percent in 1995 to 13.3 percent in 2000 and reached 19.5 percent in 2013, supporting the validity of this argument. The estimation results showed that FDI had a positive effect on labor productivity and economic growth in Vietnam. The data for Vietnam's provinces showed that FDI, together with domestic investment, human capital, labor force and international trade, had positive effects on economic growth.

The experience of Vietnam in attracting FDI proves notable implications not only for Vietnam, but also for other developing economies. By referring to Vietnam's economic reforms and FDI liberalization, other governments have endorsed and introduced policies that promote FDI inflows and advance the effect of FDI on their economies.

The case of Vietnam encourages the important role of economic liberalization policies consisting of integration into the world economy and FDI-friendly measures. For instance, Vietnam's efforts to conform to the global economic standards through its BTA to the US and accession to the WTO led to the swell in FDI inflows in the 2000s. This shows that the benefits of integrating into the global economy do not end merely with the preferential treatments provided by the individual agreements but instead extend further to enlarged interactions with other economies and heightened attractiveness of the economy concerned to foreign investors. Moreover, more direct contributions have come from the FDI promotion policies of the Vietnamese Government since the late 1980s, which have greatly advanced Vietnam's FDI inflows since the early 1990s. Hence, the policy reforms in the host country to create a better investment climate for foreigners are central in increasing FDI inflows to their economy. Furthermore, the importance of human resources is central in attracting FDI. The attractiveness of Vietnam's labor force came not only from its low wage level but also from its high quality, represented by Vietnam's education level. Such cost-efficiency of Vietnamese labor has also enabled Korean investors to invest in various economic activities including the electronics industry, which requires workers with relatively advanced techniques compared with the other industries in the manufacturing sector. Therefore, the governmental efforts of the host country to

improve its human resources through better education would be central in attracting and sustaining FDI inflows. Hence, Vietnam's rapid economic growth can partly be attributed to FDI inflows, of which Korean OFDI constitutes a large share. The contribution of Korean firms to Vietnam's employment generation has been particularly large in light of the pre-eminent share of SMEs in Korea's OFDI in Vietnam. Similarly, Vietnam received around 2.8 USD in ODA from Korea from 1992-2015 in some 60 projects. Korea is likely to provide 1.5 USD billion in official development assistance in the year 2016-2020, with large portion for infrastructure. The Korean Government is formulating a Country Partnership Strategy (CPS) for Vietnam in order to focus on the latter aim to achieve the objectives in transport, infrastructure, IT, and scientific and technological human resources contained in its socio- economic development strategy for the 2011-2020 period and socio-economic development plan for 2016-2020.

## **Chapter 4: Korean Wave in Vietnam**

### **4.1. Introduction**

Since the end of the 1990s, Southeast Asian has witnessed the enthronement of hallyu as a cultural phenomenon. Hallyu or the Korean wave has largely influenced youth culture in Vietnam in particular. It is a common sight to see many young Vietnamese enjoying 'kimbap' or watching Korean dramas, mimicking the habits and lifestyles of Korean stars.

This chapter discusses the elaborate role and influences of the 'Korean wave' also known as 'Hallyu' in bringing the two nations together. It also gives an extensive and detailed discussion on how the Korean popular culture has affected the Vietnamese consumer behavior which leads to the favoritism of Korean brands in Vietnam. It also demonstrates the role of Korean government in promoting this phenomenon worldwide. This chapter argues that Dramas and music seem to be the major factors that brought Korean Wave to young Vietnamese students. For more than fifteen years, the Korean film industry have been continuously strengthening its position in Vietnamese viewers' hearts with many unforgettable dramas such as Winter Sonata,

autumn in my Heart, Boys over Flower and so on. The shadow of Taiwanese or Hong Kong dramas is totally wiped out. Later, the music industry, or K-pop, quickly became well accepted and Korean idols gradually attracted Vietnamese fans. Korean dramas and music can expose more students to Korean Wave and influence them to purchase more Korean Wave related products, therefore, strengthening the economic relations more than ever.

The objective of this chapter is to highlight the upgraded role of cultural diplomacy such as the increasing influence of the Korean wave in East Asian and Vietnam in particular and how this has affected the relations between South Korea and Vietnam as well as the policy of each country participating in the modern international system. The contribution of culture in policy making strategies is particularly promoted by the development of cultural diplomacy, which plays an important role in current international relations. Cultural diplomacy is an instrument of crucial importance for the broadcast of culture and national values. The main role of cultural diplomacy is to promote the trans-national dialogue between different cultures and nations, particularly between the West and the Muslim world. The motivation for this study has been the fact that over the last decades several events (for instance, modern wars that have been influenced by ethnic, cultural and religious beliefs) highlighted the emergence of the critical role of culture in modern international politics. In this study, emphasis is placed on the goals and aspirations of developing cultural diplomacy. Cultural diplomacy can be conveniently used as a flexible and universally accepted means of approaching countries with which diplomatic relations are tense or, sometimes, even non-existent. After World War II, the structure of international relations experienced significant changes and a growing tendency towards cultural disagreements was observed. In this context, it seems that culture has evolved to a powerful factor in the field of international relations, a factor of continuously increasing influence and importance. Modern developments in the field of international relations show that the 21st century will be a golden age for the further development of cultural diplomacy. Regardless of the state implementing it, the three most fundamental objectives of cultural diplomacy are the protection of national identity, strengthening of the prestige of a country and the promotion of mutual understanding. The protection of national identity has to do with the right of cultural self-determination of

States, which is also the basis of the UNESCO Declaration on the Principles of International Cultural Cooperation (November 4, 1966). Strengthening of the prestige of a country has its foundation on the country's desire to strengthen its position and prestige in the world. It is generally accepted that a country can shape a good image abroad by spreading its culture, values and traditions. Thus, promoting mutual understanding between countries and individuals is based on the idea that ignorance and a lack of understanding lead to hostility among the peoples while fighting against them lead to world peace. Hence, this is the reason for promoting exchange programs and scholarships in the field of education, placing particular emphasis on language learning and spreading in order to promote understanding among the people between nations.

#### **4.2. Musical Diplomacy**

“Music can capture a wide range of feelings, go to the essence of things and speak to the soul. It has the power to bind us together and strengthen our sense of community through shared emotions.” These remarks were expressed on October 24, 2003 at the United Nations Headquarters by former Secretary-General Kofi Annan<sup>3</sup> on the occasion of the celebration of United Nations Day. The following year, Annan maintained analogous thoughts in an introductory speech for a lecture entitled “Why Music Matters”. Annan declared “in a world of diversity where often values clash, music leaps across language barriers and unites people of quite different cultural backgrounds. And so, through music, all peoples can come together to make the world a more harmonious place.” With these words, the Secretary-General highlighted music’s potential for building trust and understanding. According to him, music can transcend geographical, cultural, economic and political barriers.

This section argues for the promotion of musical diplomacy or Korean popular culture as a tool for “harmonizing international relations” or ‘promoting the bilateral relations’ between South Korea and Vietnam. As the international order has drastically changed from the bipolar Cold War structure to the multipolar world we live in today. The realist theory based on the argument that international relations are dominated by power and national state interests is not as relevant as it

was earlier. International cooperation has become an attainable ideal through increased interconnectedness, the development of cross cultural relations and the promotion of intercultural communication by opening up foreign language institutes. However, the improvement of communication has not reduced intolerance, mistrust and prejudices. The argument that I am defending in this interdisciplinary thesis is that cultural diplomacy can become a strategic tool to enhance intercultural dialogue, cooperation and mutual understanding thus act as a new stimulant in increasing bilateral ties between nations and has an important role in promoting economic cooperation among nations more than ever. The promotion of the arts in foreign polices coupled with the contribution of non-state actors and artists to the development of cultural relations and the free flow of ideas and values, can become a tool for creating “sustainable” relationships across cultures. This chapter seeks to answer the following problematic: Can music and art diplomacy improve international understanding? How can music and contribute to cross-border interaction and intercultural communication? In the framework of this questions, I will be looking at examples of musical and art through the spread of the Korean wave or ‘Hallyu’ and the influences it might incur on the cooperation between Korea and Vietnam. In the case of South Korea and Vietnam, many programs have been developed promoting cultural activities and cultural education as a means to improve cross-cultural relations through the reduction of prejudices and mistrust and to promote greater economic cooperation. Cultural diplomacy programs should promote “listening to others, recognizing the values of cultures, showing a desire to learn from them, and conducting programs as two-way street cultural relations through .the reduction of prejudices and mistrust. Cultural diplomacy programs should promote “listening to others, recognizing the values of cultures, showing a desire to learn from them, and conducting programs as a two-way street.”

Korean popular culture has made a massive breakthrough into East Asia in the late 1990s and subsequently other Asian countries. The mass media and concerned scholars have given the appellation of “Korean Wave” (Hallyu in Korean) to such Korean cultural products as television dramas, popular music, and movies becoming so popular in East as well as South East Asian countires. Since the mid-1990s, Korean popular culture has spread over the pan ethnic-Chinese

countries including China, Hong Kong, Taiwan, and Singapore at first, then over such Southeast Asian countries as Vietnam, Thailand, Malaysia, and Indonesia, followed by Mongolia, Japan, and even beyond East Asia. The Hallyu boom in Japan came first by a 2004 television drama, *Winter Sonata*, and has since drawn a great deal of scholarly attention, because Japan is the first modernized or Westernized country in Asia and Japanese popular culture has been dominant in many East Asian countries for several decades. Korea is not an exception; its popular culture has also been strongly influenced by Japanese pop culture. Now, at least some members of the Japanese population are fascinated with Korean popular culture. Thus, some scholars regard Hallyu as “a counter-case to media imperialism: a fissure in West-centered globalization” (Kim 2009, p. 731) or as a case proving that globalization is not a one-way traffic but a two-way flow (Cho-Han 2003, p. 40).

However, the surge of popularity of Korean popular culture in these countries has drawn “anti-Hallyu” sentiments and campaigns by a few local intellectuals, popular culture industries, and mass media (Chae et al. 2009), especially in China (Kang 2008; Yong-Chan Kim 2008; Leung 2008; Yun 2009), Taiwan (Lin 2006), and Japan (Hanaki et al. 2007), with China and Japan historically having had either superior power or colonial power over Korea. These anti Hallyu movements, combined with the fact that only a particular drama (for example, *Winter Sonata* in Japan) or a particular genre (e.g., trendy dramas with a love story) has been popular in these countries, have led some scholars to conclude that “Hallyu” is a short-term phenomenon that would last only a few years (Kyeong-mi Shin 2006; Yoon-Whan Shin 2006).

Despite the suspicion that the Korean Wave is only a temporal and isolated trend like a short-lived fashion, it has not only survived but expanded to more diverse and wider products and to countries beyond East Asia. A major Korean newspaper recently featured an article entitled “Evolving ‘Hallyu’ ... Japan Is Now Attracted by Korean Culture.” This article quotes a Japanese manager of an advertisement and events company saying, “The ‘Hallyu’ boom, which was initially limited to such TV dramas as *Winter Sonata* and its main actor Yong-joon Bae, has now

expanded to such areas as Korean language, food and culture, and has evolved from passive reception to active participation in everything Korean” (Chosun ilbo Oct. 4, 2010. p. A20).

A local Chinese newspaper coined the term Hallyu in 1997, since then media reports and scholarly research on the phenomenon have mounted. Topics and issues about Hallyu can be grouped into four broad areas. First, a majority of them attempt to explain the rise of Hallyu by asking questions like: What factors and backgrounds are responsible for this phenomenon? Why have Korean popular cultural products, and not others, become popular in those Asian countries? (Hanaki et al. 2007; Jeon 2006; Kim 2003; Kim 2007; Lee 2006; Leung 2008; Lin 2006; Shim 2008; Yoon-Whan Shin 2006). Second, in relation to above questions, some researchers concentrate on the issue of Hallyu’s reception. Why are Asian audiences fascinated with Korean popular culture? How do they interpret and evaluate imported Korean cultural contents? (Hong-xi Han 2005; Kim 2009; Sin 2005; Yun 2009). Third, there are also studies that try to assess the effects of Hallyu for both Korea and the receiving countries. Many of them are concerned with economic effects such as booming tourism, increasing sales of Hallyu-related products, and its marketing potential. Others focus on changing images of Korean people and culture in those countries where Hallyu has made a hit. A few studies report that Korean cultural products or cultural contents have become a part of everyday life and culture in these countries as a result of Hallyu (Chae 2006; Choe 2007; Eun-kyoung Han 2005; Hong, Gang, and Ohya2007; Hwang 2008; Iwabuchi 2008; Kim et al. 2007). Finally, Hallyu has prompted theoretical debates on the interpretation of globalization (Cho-Han 2003; Chua 2004; Iwabuchi 2008; Kim 2009; Kwon 2006; Shim 2006; Yang 2007). Some observers regard Hallyu simply as part of globalization propelled by the logic of capital (Cho-Han 2003). Others see it as a case to counter media imperialism (Kim 2009). Still others argue for regionalization as part of, or against, globalization occurring in Asia. This latter view considers Hallyu as a symptom of a new regional cultural formation (Chua and Iwabuchi 2008).

### **4.3. Globalization and Hallyu**

The process of globalization has grown ever since the end of cold war due to advances in transportation and communication technology. With this increase in global interactions comes the



growth of international trade, investment, flow of ideas and knowledge, culture. Cultural globalization refers to the spread of ideas, values, meanings, knowledge around the globe in such a way as to extend and intensify social relations. Cultural globalization involves the formation of shared norms and knowledge with which people associate their individual and collective cultural identities. Hence, it brings increasing interconnectedness among different populations and cultures. This cultural globalization too many scholars, is an attempt to possibly Americanize the world.

One of the prominent theories that reflect existing studies on Hallyu is the theory of globalization. It seems to be quite appropriate that Hallyu is approached from the perspective of globalization, because it encompasses cross border flow of cultural products and recent globalization process in East Asia has laid the base for it through liberalization of markets and deregulation of the culture industry sector. Indeed, Hallyu has triggered heated debates on the nature of globalization, especially in East Asia. Globalization, however, is a complex term involving many dimensions, including not only economic and political but also social and cultural ones. This thesis is specifically concerned with cultural globalization, the contemporary process of which has been driven by establishment of new global cultural infrastructure, the rise of Western popular culture ( for example: Hollywood) the dominance of multinational culture industries, and an increase in cultural exchange and interaction across national borders ( David Held et al. 1999, p. 341).

The existing literature on Hallyu based on the models of globalization may be grouped into the following three categories: the political-economic, the cultural, and the social. The first approach emphasizes political and economic backgrounds for the sudden boom of Korean popular culture in Asia. It takes neo-liberalism prevalent after the fall of the communist bloc in the late 1980s as a major contributor to the cultural flow from Korea to other East Asian countries. Many countries in Asia have opened up their markets, especially cultural markets, to foreign imports in the 1990s due to pressures from the super powers and international financial organizations such as the IMF and WTO. As a result, not only did cultural products begin to flow more freely among Asian countries, but increasing international competition has also led to heavier investments in the

culture industry and to more choices for cultural consumers in this region. In this view, Hallyu is simply the case of Korean culture industry taking advantage of this changing market situation (Shim 2006; Kim 2009).

On the other hand, some critics view Hallyu as a product of recent capitalist development. For example, according to Hyejung Cho-Han (2003), Korean cultural products are the Korean version of American commercial culture, and Hallyu is simply an extension of the Korean export industry that includes the culture industry. Major Hallyu products are cultural products of “turbo” capitalism that forsake tradition in a definite way (Cho-Han 2003, p. 35). In this sense, Korean popular cultural products are simply commodities like any other manufactured goods that are exported to other Asian countries. However, Cho-Han warns against viewing Hallyu as a case of cultural imperialism, e.g., the diffusion of superior culture to the inferior one. Rather, it should be regarded as part of the complex and dynamic process of cultural globalization which flows in both directions rather than in one direction.

#### **4.4. The Development of Korean wave in Vietnam**

Vietnam and Korea are two Asian countries having many similar historical and cultural features. Their diplomat relationship was officially established in 1992, which paved the way for both sides to develop economic, educational and science-technical dimensions, leading to the upgrade to comprehensive partnership in 2001 and strategic partnership in 2009. This deep ties is one of the reasons why the Korean Wave can come to Vietnam (since late 1990s) and achieved a continuous success in the order of dramas, movies and then popular music, which provide a base for market expansion of Korean screen products, helping Korean celebrities earn hundreds of Vietnamese fans. This success is attributed to the ease on foreign cultural products restrictions of Vietnamese government; the economic ties between two countries; as well as the policies of Korean government to support Korean Wave in Vietnam.

With the rise of Korean Wave in Vietnam, the market has witnessed growing demand for Korean products, making Vietnam rank fourth among countries which have fastest growth rate in consuming Korean products with the retail revenue reached USD 100 million in 2009-2014.3

According to Shin Myung-Jin, chairman of Korean Importers Association (KOIMA), Vietnam is the second largest trading partner of Korea among ASEAN countries, and one of the four largest strategic markets for export. Consequently, a number of new Korean fashion shops have appeared for the first time in Ho Chi Minh City in high-end malls like the Diamond Plaza, including Bana Bana, Kaco, Olivia Lauren, Zaksin, etc., all of which are considered luxury brands by consumers. Moreover, bilateral trade turnover between Korea and Vietnam has grown annually 23.4% on average in the last 10 years, making Korea rank in top three biggest partners of Vietnam (VCCI, 2016).

The entry of Korean dramas began in the mid-1990s with such dramas like “Dae Jang Geum” (Jewel in the Palace) and “Winter Sonata”, due to the enthusiastic efforts of Korean government policy as they realized that cultural products help spread culture transnationally and interact with host countries during consumption. In the beginning, Vietnamese broadcasters chose Korean shows because the productions were high-quality but cheap to purchase. Among Southeast Asia countries, Vietnam imported the highest number of Korean dramas, with average price per episode ranged from USD 540 in 2001 to USD 760 in 2004 depending on each economic capacity, competition and the difference in purchasing power. However, the more Vietnamese viewers are exposed to Korean dramas, the more they enjoy it. Because the shows had themes that Vietnamese audiences could relate to such as family struggles, love, romance. By 2000, the Korean Wave was in full swing in urban Vietnam, thus paving the way for Korean companies to utilize their brand marketing strategies and provide significant support to the broadcasting of Korean dramas. Similarly, Korean film producers has been trying to maximize the link between the TV viewers and the targeted consumers of their products, as well as hold events related to the programs for advertisements, which made crucial contributions to the expansion of the Korean Wave in Vietnam. Since then, the demand for Korean cultural products has increased significantly, which allow Korean broadcasting companies to export directly. Specifically, the Korea Trade-Investment Promotion Agency (KOTRA) invested in Vietnamese cinema market with two big cinema complex LOTTE and CGV, which accounted for 50%

market shares. With high quality facilities, these two groups of cinemas are often favoring of Korean movies with many promotion to attract more viewers.

In 2015, Vietnam and Korea started a collaboration to produce a TV series on the dreams and choices of young Vietnamese students in Korea. The drama entitled “Tuoi Thanh Xuan” (Forever Young), co-produced by the Vietnam Television (VTV) Film Center and CJ E&M Pictures from Korea.<sup>6</sup> The 36-episode series tells a story about the lives and dreams of young Vietnamese students who study in Seoul, struggling with conflicting emotions of friendship and love. The series also highlights the important role of one’s homeland, which should be the final destination people should come back to despite how successful they are. Both Vietnamese and Korean actors/actresses were auditioned to join this project. Due to the language barrier, they spoke in their mother tongue and the lines were dubbed. “Forever Young” was broadcasted in two countries, a number of Southeast Asian nations, and the U.S. via CJ’s M Channel.

#### **4.5. Influence Korean Language**

Vietnam and Korea have been close friends for more than 25 years and have developed economic partnership as well as exchanged many cultural and social values. The two countries are trying to find more common features in bilateral ties in order to improve the relation. Due to the spread of Korean Wave, more and more Vietnamese consider Korea as a destination of success, thus they attempt to study or work in Korea, or even move to Korea for living. Nowadays the demand on studying Korean language is increasing and we can see the support to promote this field from both governments. For instance, in 2013, the Korean Ministry of Culture, Sports and Tourism (MCST) announced a policy containing three projects intended to globalize the Korean language. Hence, they would build 60 more King Se-jong Institutes to improve accessibility for people overseas who are interested in learning the Korean language, as well as upgrade the professional expertise of teachers. Moreover, they would introduce a standardized, systematic educational curriculum for those institutes by providing all textbooks and study materials, along with building an online digital database, so that teachers overseas can access to multimedia educational materials.

One of the most important organizations serving as Korean language promotion in Vietnam is the Korea Foundation (KF), which is an independent body affiliated with the Korean Ministry of Foreign Affairs, established in 1991 by the KF Act (No.4414 / promulgated on December 14, 1991). In 2014, in order to lay the foundation for the networks of future friendly relations, the Korean Foundation for Korea-Vietnam Youth Exchange Program invites 40 students to Korea. Vietnamese delegations are provided opportunities to access and experience the Korean economic development experience as well as agricultural experience. The mission of this organization is to promote better understanding of Korea within the international community and to increase friendship and goodwill between Korea and the rest of the world through various exchange programs. (Article 1, KF Act). The KF set up its representative office in Vietnam in 1997, located in the Embassy of Korea, LOTTE Center Hanoi. They have been trying to maintain their development of Korean language education in Vietnam, which includes completing and diversifying teaching programs. In 2016, they established many projects to improve Korean Studies in Vietnam, such as exchanging human resource, learning, or culture. The KF set up its representative office in Vietnam in 1997, located in the Embassy of Korea, LOTTE Center Hanoi. They have been trying to maintain their development of Korean language education in Vietnam, which contains completing and diversifying teaching programs. In 2016, they established many projects to improve Korean Studies in Vietnam, such as exchanging human resource, learning, or culture. As a result, Hanoi National University and other seven universities have established departments that include Korean subjects, and these majors are strongly favored by local students (Jin, 2010). Currently, Vietnam has Korean Study major in 15 universities with over 2,800 students; Se-jong institutes which attract around 100,000 students. Vietnam ranks 2<sup>nd</sup> in top 5 countries that have the most Se-jong institutes in Asia.

In 2016, Vietnamese Ministry of Education signed an agreement with Korean Embassy in Vietnam on bringing trial program to teach Korean in secondary school as 2<sup>nd</sup> language. This program would be applied in two schools in Hanoi and two in HCMC until 2023 to see the effects after evaluation in each semester. The Ministry of Education wanted to create human resources to provide for Korean firms in Vietnam as well as send more students to Korea for

study. In 2010, there are 1,914 Vietnamese students studying in Korea and this number increased to about 5,000 in 2013.

The demand on Korean language is increasing because Vietnam is the second largest receiver nation of investments from Korean firms over the last three years (KOTRA, 2010), and there are around 350,000 people, or 3% of Vietnam's workforce are recruited by Korean companies (Jin, 2010). As the number one investor in Vietnam, there are 4,100 Korean firms looking forward to recruit Vietnamese labor for their business. In 2015, more than 13,000 Vietnamese workers applied for Korean proficiency exam, doubled from 2014 (Banking news). According to Korean Ministry of Justice, in 2016, Vietnam has 8,293 students studying in Korean, accounts for 7.8%, ranks 2<sup>nd</sup> after China. To sum up, both Vietnamese and Korean government are doing well to support the demand on studying Korean language of the young. The trend is expected to go up since more and more Vietnamese students are aspired to learn Korean language to find a high-paid job or to work in Korea.

In terms of Korean language studying demand, Vietnam ranks first among ASEAN countries, as in 2014 Korea. ASEAN Se-jong Hak-dang Forum which took place in Hanoi with the support of Korea Ministry of Culture, Sports & Tourism and Korea National Language Institute, according to the remarks of Mr. Park Nak-Jong, Director of Korean Cultural Center in Vietnam, "the popularity of Korean language and proportion of Vietnamese students studying this language in Vietnam is increasing" (Ha, 2015). He evaluated that Vietnam has the highest demand of studying Korean among ASEAN countries and hope for more facilities support from both governments. Moreover, the then Korean Ambassador in Vietnam Jeon Dae-joo also stated that Korean is one of the most common languages in Vietnam which is taking increasing interest from youngsters (Ha, 2015). There are 12 Se-jong language institutes in Vietnam which have attracted many students who are interested in Korean culture. These students are given certificate after graduation.

Due to the credibility of the Korean Wave, Vietnamese viewers are more willing to open their mind and accept new ideas. As Korean dramas and music have allowed Vietnamese consumers

to experience the whole new culture without travelling, including many interesting culture such as traditional meal with a lot of colorful side dishes, cherry blossom festival in Han River Park, or old villages which preserve Korean history, etc. While receiving and taking interest in Korean pop culture, the Vietnamese consumers are now considering foreign culture as an opportunity to learn about the outside world, instead of a threat which can affect their thought and fade out their identity. Due to this exposure, people can easily integrate into globalized era, which help Vietnam to perform better in the affairs. However, the increasing popularity of the Korean wave in Vietnam also has its downsides. For instance, many argue and believe the idea that the alarming widespread of K-pop is almost like a “culture invasion” as the domestic music industry nowadays is influenced too much by Korean music characteristics. Songwriters, musicians and singers are learning Korean styles, copying their ideas or even rhythm, to create a hybrid product with no uniqueness. Similarly, traditional arts are in danger due to the ignorance of young people. These days, despite the policy of Government and Ministry of Culture, Sport and Tourism of Vietnam to preserve cultural values of national heritages like cheo, tuong, hat xam, cai luong, etc., few of the young care and listen to these kind of music, since they prefer other more fashionable and lively types. In addition, studies have shown that the modern and active society as demonstrated in Korean dramas are making many Vietnamese dream of living in Korea. It urged them to study Korean language to seek for a high-paid job in Korea, thus they would try to go abroad and stay in their fantasy world. As a result, Vietnam is facing many serious problems since local labor forces are attempting to work outside the country. This has called for more initiatives from the policy makers to preserve talented manpower and attract returnees.

#### **4.6. Korean government policies relating to Korean pop cultural export**

The first President taking culture into account was Park Chung-hee (1961–1979), who proactively launched cultural policies by establishing laws, institutions, organizations and public funds related to this sector. In particular, in 1973, Park’s government published “The first five-year Master Plan for Cultural development”, which was implemented from 1974 as the first comprehensive long-term plan for culture. This plan’s major priority objective was to establish a new cultural identity by highlighting traditional culture (Ministry of Culture and Information

(MCI, 1973), thus 70% of the total public expenditure on the cultural sector was distributed into folk arts and traditional forms (MCI, 1979, 228). Secondly, the period of Chun Doo-Hwan's government (1980- 1988) was outshone by the increasing support for the arts from State. However, in contrast to previous administration, public subsidies not focus only on cultural heritage and traditional arts, but also extended to contemporary arts happening in people's daily lives. Chun's government published two comprehensive plans for cultural policy: "The new Plan for Cultural Development" (1981) and "The Cultural Plan in the sixth five-year Plan for Economic and Social Development" (1986). According to these plans, primary objective, which aimed at cultural identity, was upgraded to promoting the excellence of the arts to the region, improving cultural welfare, and strengthening cultural exchange with other countries (MCI, 1981; 1986). Thirdly, in 1990, the Roh Tae-Woo government (1988-1993) established a "ten-year Master Plan for Cultural Development" and initiated a new concept Culture for all the people. Basically the goals remained the same as previous administration, but Roh's government attempted to develop cultural media and achieve ethnic reunification (Ministry of Culture, 1990). Generally, these three governments tried to focus all resources on their army, thus they mobilized other social and cultural domains to achieve political and economic objectives. At that time the government controlled the cultural products and only allowed those having contents that support the economic development; therefore the creative freedom was strictly regulated, making the cultural industry 32 remained underdeveloped. For instance, they imposed many restriction on foreign cultural products, especially those from Japan or the West, to preserve the so-called national spirit (Yim, 2002). Last but not least, after 30 years doing similar cultural policy, there was refresh breeze when the government of Kim Young-Sam (1993-1998) advocated the new political campaign slogan called "Creation of the New Korea" in order to improve the Korean status in global society (Young, 1995; 1996; 1997). Compared to the former governments, cultural identity continued to be main point, however, some innovative objectives were the declaration of cultural democracy, the creativity of people, cultural industries and tourism, unification, and cultural globalization. Especially, Kim's government emphasized the economic role of culture and the arts, by issuing "the new five-year Plan for Promoting Cultural Development" (1993), "the Master Plan for Cultural welfare" (1996), and "the Cultural vision



2000” (1997) (Ministry of Culture and Sports, 1993; 1996; 1997). He also removed the stringent censorship faced by Korea’s film and music industries, as well as allowed foreign multinational corporations and local family-owned large conglomerates (chaebols) invest into the cultural industries. To sum up, even the objectives had changed many times, from traditional culture to more modern and popular forms, the main goal of these governments was to construct cultural identity. Policy makers have been trying to improve their policies in order to show the world best strength of Korean such as the spirit of self-help, self-dependence and self-reliance, cooperation and patriotism through their culture and the arts. They realized that these values would motivate economic development, because once the world got familiar with Korean culture and perceived them more positively, more governments would be willing to cooperate with and help Korea expand international relations. With wider vision, following administrations recognized the concept of culture in a much broader sense, including contemporary arts and popular culture, in which the creativity of the people among knowledge-based information society should be promoted. Nowadays, one of its biggest successes, the Korean Wave, is a popular and well-known phenomenon worldwide. This study discusses the steps taken up by the Korean government to promote Korean wave in an elaborate manner.

After the financial crisis in 1997, changes in the political, economic and social environment led to the shift in the government’s perception of cultural industries. After the crisis, the military government failed. Korea can no longer rely on its economic of scale and low-cost labor but consumers demanded more sophisticated and higher quality products, so that the government had to find a new way to increase national competitiveness. In particular, the 1994 blockbuster Hollywood movie, Jurassic Park, which helped sold out 1.5 million Korean Hyundai cars, gained the government interest in developing media production (Lim, 2015) and placing the cultural industries at the core of its development strategies. However, inspired by the profit from movie in the America and from musicals from England, it was not until the 1998 inauguration speech that President Kim Dae-Jung (1998-2003) decided to make his agenda focus on entertainment industry and stated that “My administration will make efforts to globalize our national culture, because the cultural industries will be the key strategic industry in the 21st century, and some

cultural industry sectors such as tourism, conventions, broadcasting, and national heritage products will enrich Korea”.

In this period, those primary objectives of cultural policy from previous administrations continued to be considered serious. In particular, with the purpose of promoting cultural industries and cultural exchange with North Korea, his government established four comprehensive plans including “the Plan for Cultural policy of the new government” (1998), “the five-year Plan for the Development of Cultural industries” (1999), “the Vision 21 for Cultural industries” (2000) and “the Vision 21 for Cultural industries in a digital society” (2001) (Ministry of Culture and Tourism (MCT), 1998; 1999; 2000; 2001). Behind the success of Korea’s own brand called Korean Wave lies the support of the government.

The shift in government policy towards promoting the cultural industries in the early 1990s was reflected in a funding increase. The average annual budget allocated to the cultural industries by the Ministry of Culture under the Kim Young-sam government increased to USD 18.4 million, which doubled the one provided by the Roh Tae-woo government (USD 9.3 million). The budget rose significantly more than 5.5 times under the Kim Dae-jung administration, which reached USD 102.1 million and exceeded 1% of the total government budget for the first time. The following regime of Roh Moo-hyun and Lee Myung-bak attempted to spend even more, USD 193.4 million and USD 321.9 million respectively. In addition, President Lee Myung-bak established the Global Contents Fund in 2011 to finance for a more “qualitative and quantitative growth of Korean cultural products in global markets” (KOCCA, 2012). Especially, since 2012, the Korean government has declared the “3.0 Hallyu Generation” and promoted “K-Culture” projects to expand Hallyu culture previously led by dramas and pop music. In 2013, the government budget related to Hallyu increased by 27.3%, equivalent to USD 68.7 million.<sup>4</sup> Moreover, Korean government established some agencies, for example, the Korean Creative Content Agency (KOCCA) and the Korean Film Council (KOFIC) to finance and promote all aspects of Korean Wave. The KOCCA is a government-funded organization which was formed in 2009 with the support of Korean EXIM Bank. This agency provides loans for small companies producing cultural products such as TV shows, films, games and animated series. In terms of

music, KOCCA began offering financial assistance to musicians for overseas festival appearances. Besides infrastructure, investing in media and ICT has been a strategic policy of Korean government to bring its culture outside the region and expose to the world. Thus the national marketing strategies were well enhanced.

To sum up, cultural policies has been focus of successive Korean governments, especially from Kim Dae-jung administration. Since his administration there were many factors threatened Korean tradition. In particular, almost 40 years of colonization tended to distort Korean culture by the assimilation policy of old Japanese domination (Lee, 1984, 361 - 372). They believed that this dark period prevented Korea from modernizing their culture based on traditional characteristics (Yam, 2002). Moreover, after the Korean War 1950, the country has been divided into two parts and there are growing differences and heterogeneity between South and North Korea in terms of language, ethnic or customs; Western culture came and took over the Korean society, which is considered to be too commercialistic, materialistic or violent, thus had bad effects on Korean people in globalization era. Those difficulties challenged cultural policy makers, and even objectives might change over time, but primary goal remained building its own national identity, thus government attempted to build and improve policies to bring Korean culture outside the world. Since then, governments have financed for cultural industries, developed marketing strategies as well as laws in order to save their artists' intellectual property.

## **Chapter 5: Conclusion**

The purpose of this thesis has been to explore the level of Korea- Vietnam relations after 1992 by examining historical trends in bilateral relations. However the thesis is limited to the study of economic and cultural ties leaving out the sensitive subject on political and strategic ties. The thesis aims to explore the relevant IR theory while studying the role of culture as a factor in bringing the two nations closer. Recognizing the inherent limitations of the mainstream IR theory of Realism and Liberalism, I centralized my thesis on the Constructivist theory as it is best fitted to study the position of culture in promoting the bilateral ties between countries. . Consequently,

I have focused particularly on the economic relations between Korea and Vietnam and give a detailed analysis on the pattern of trade and flow of Korea's FDI to Vietnam and the factors attracting such heavy flow of FDI. Subsequently, I focus my study on the influences of the widespread phenomenon; the Korean wave or hallyu in Southeast Asia and Vietnam in particular. This has promoted integration between the two countries and paved way for Korean companies to enter the Vietnamese market. The efforts and steps taken by the Korean government to promote the export of Korean wave or Hallyu is also extensively discussed. One possible conclusion is that the Korean wave or Hallyu popularity will ensure that Korea- Vietnam relations will remain cordial in nature by promoting people to people exchange programs and the growing desire for Vietnamese youths to learn Korean language and prefer Korean brands.

The major finding of the study is that the Korean government's policies to promote Korean Wave are national agenda with clear instruction and financial support as well as marketing strategies to expose its culture into the world. . Comprehensive plans and strong goals are expected to bring back effectiveness and it is proved with the global success of the Korean Wave. Thus, the Korean wave or Hallyu act as a tool of soft power for the Korean government to stabilize its national identity to the international arena.

President Moon Jae- in visited Hanoi on March 2018 and met with Vietnamese President Tran Di Quang where both nations agreed to upgrade their bilateral strategic cooperative partnership into a more comprehensive level. They addressed that the two nations are key partners of each other in trade, investment, diplomacy and human exchanges. Moon said in the visit that Vietnam is the center of his New Southern Policy, which aims to diversify Korea's economic partnerships beyond the United States and China by increasing trade with Southeast Asian nations. In terms of economic cooperation, Moon and Quang agreed to expand the annual volume of trade by 2020 from the current 63.9 USD. The two nations signed six memoranda of understanding (MOUs) on trade and economic cooperation.

After 36 years of Japanese invasion and Civil war that divided the country into north and south, Korea has recovered incredibly from one of the most backward nations due to the so-called “Han River Miracle”, and became the world’s 15th largest economy. Now Korea is the most wired nation with the fastest internet speed, advanced technologies and home of many famous corporate brands like Samsung, LG, Hyundai, etc. However, the fact that Korea has not been noticed very well worldwide concerned its policy makers. Many other countries, especially those from the West, are perceiving Korea as a country with negative images such as Korean War, or problematic North Korea. Thus, even Korea flourished in achieving high economic growth; it is still attempting to mark its national identity footprint outside the Korean peninsula. After the Korean popular culture became popular, Korean government has tried to subsidize the production of various Korean dramas, movies, and documentaries. Along with private sector (e.g. entertainment companies), the government has been extremely supportive by sending Korean celebrities to other parts of Asia to spread their work, or making it possible for popular Korean dramas to be aired in remote countries such as Paraguay, Iran, Peru, India etc. Many policymakers see the Korean Wave as highly effective in improving Korea’s image and soft power, and have been working to find ways to use Hallyu to both attract more tourists and boost national exports. Beyond entertainment, there are other aspects of Korean culture which have been an important key in broadening the international perception of Korea. One of that is the Korean language. MCST plans to establish an additional 500 King Se-Jong Institutes overseas by 2015 (Kim, 2009). The Korean government has also been working rigorously to increase Korea’s status in international community by cooperating more closely with multilateral organizations such as UNESCO. In fact, in September 2009, five of Korea’s traditional dances and rituals were added to UNESCO’s List of Intangible Cultural Heritage of Humanity (Kim, 2009). Moreover, Korea has been bidding relentlessly to host a number of international sports events, including the 2011 International Athletic Games, the 2014 Asian Games, the 2014 Winter Olympics, the 2018 Winter Olympics, and the 2022 FIFA World Cup. The government expect that successful proposals to host these events would greatly improve Korea’s national image and boost tourism and the economy

For the last 50 years, Korean governments have always put cultural policies their first priority with the goals of gaining international attention in order to mark their footprint in the region as well as in global arena. Even though, the objectives of administrations might varied over time and administration to decide which aspect of Korean cultures should be promoted, but the primary goal has been remained as creating Korea's own identity to be outstanding from the dominated influence of its two giant neighbors, Japan and China. Initially, it might not be intentionally planned to export culture, however governments realized the potential of using Korean pop culture as its soft power. Since then, the government has supported the cultural industries with investment in finance and man power, as well as deregulation for film industry, along with strengthening the intellectual property rights protection. Thus, we can see the government plays an important role in promoting the Korean Wave or Hallyu.

After the 1997 financial crisis, when Korean government decided to focus on cultural policies, instead of ordinary hard power, to spread its influence and improve national images, it faced another major problem, which is the two giant neighbors, Japan and China. Japan not only has been acknowledged worldwide because of its advanced innovation, but it also has had a long history of cultural promotion, meanwhile, China has the biggest population and market, which cannot be ignored easily by others. Hence, Korea has been struggling to capture some spotlight among these two spectacular rivals. However, despite these difficulties,

Korea does have two advantages: desire of self-improvement, and brand-building projects set as national policy, which was initiated by Lee Myung-bak administration since 2009 (Kim, 2011). Japan seems to lack a single, well-defined strategy with uncoordinated activities which are directed by individual ministries and organizations. In contrast, Korea's approach to nation branding has been much more top-down. It believed that Korea's centralized strategy has the potential to be much more effective than Japan's. On the other hand, China's nation branding plan is also much less clearly defined than Korea's, although one of its main image objectives appears to be that of a peaceful, rising superpower. China's tactic seems to focus more on traditional culture than commercial brands. However, in comparison to Korea, China's nation-branding efforts seem to have passed largely unnoticed by other countries. It was believed that

comprehensive and centralized strategies would help Korea be more effective than its neighbors in promoting cultures values as well as improve nation image (Dinnie, 2008).

On the other hand, Vietnam, as a country in the Asia – Pacific region which has always looked up to Korea because of the successful recovery, has found it easy to get to know their Eastern neighbor. Under similar Confucian influences, both countries have common traditions and customs. Also, both have experienced years of colonization, thus, Vietnamese society could easily accept the flow of culture from Korea. Due to the motivation of media exchange developed by the Innovation process of the Vietnamese government since the early 2000s, the Korean Wave has successfully accessed Vietnam through movies, dramas and music, making this country rank 4th among countries that favor Korean Wave the most in Asia. Earlier, due to the lack of ability to produce movie domestically, broadcast channels in Vietnam were dominated by Chinese style movies which originated from Taiwan or Hong Kong, with the contents about imperial periods, royal families, or mythological martial arts. Along with the economic development and increased income, Vietnamese customers have preferred enjoying more sophisticated and romantic kinds of movie that allow them to comfortably sit down with family or friends and relax after hard working hours. That how Korean dramas, mostly reflected social daily life, came in and satisfied local people. Through these media, Korean life style began to have an impact on the Vietnamese population, thus they try to do like Korean such as listening to Kpop songs, eating foods with Korean brands, and mimicking the fashion styles of their favorite Korean stars.

The hypothesis suggested that the main promoter of economic cooperation is the cultural proximity or common customs and traditions shared between the two nations such as Buddhism and Confucianism have contributed to greater economic cooperation, but this particular case has not always been the primary factor which drivesthe ties between Korea and Vietnam. The research has proved rightly that culture has become a diplomatic tool and acts as a bridge in promoting mutual understanding between Koreaa and Vietnam. Hence, the widespread of the Korean wave in Vietnam and South Asia alike has impacted the lifestyles of the people and this has led to greater trade cooperation between Korea and Vietnam. The research methodology

utilized in this research is analytical in nature. Primary and secondary sources have been used for this study. Similarly, there has been an extensive usage of journals, published articles, survey reports, working papers, internet sources, news, newspaper, magazines, interviews, speech, government and non-government published report and data. This research topic significant as it may help the audiences who have the interests in the subject to understand the influences of culture like Hollywood, Bollywood, Korean Wave, Sports in shaping the relations between nations and promoting friendship among nations. The findings on this research can be used for various government and decision-makers to implement their foreign policy as well as an encouragement to focus more on cultural policy.

I based my hypotheses on the idea that the cultural similarities between Korea and Vietnam such as the influence of Confucianism and Buddhism in the people in the nations has contributed to greater economic cooperation. For example, both Korea and Vietnam shared common historical experience such as they were both the tributary state of the Chinese empire and has experienced colonial aggressor. Korea was under the Japanese colonial power for 36 years and was divided as a result of the Cold War politics into North and South. Similarly, Vietnam was divided into North and witnessed one of the world's devastating war; the Vietnam War. Moreover, Vietnam a country in the Asia-Pacific region has always admired the economic success of Korea and eager to befriend their East Asian neighboring nation. Due to Confucian influences, Korea and Vietnam have varying common traditions and customs. This resemblance in culture can be helpful in shaping the interests of the leaders and decision-makers to build common grounds for further cooperation. In brief, the hypothesis holds that integration between or among nations is done easier if there is shared cultural values and understanding. The research has proved rightly that culture has become a tool of soft power used by leaders and policy-makers to frame their foreign policy. The desire of a state's leaders is highly characterized by his/her culture, thus, affecting their foreign policy outlook. The Constructivist theory of International Relations has rightly maintains that the international affair is characterized by structure, and that this structure is shaped by ideas, values, knowledge etc. They argue that ideas flow from region to region and this has helped in bringing nations together where their differences are put aside. Actors in international relations, not only the state, but also the non-governmental actors have come



together on the foundation of common ideas, knowledge to maintain order in the global arena. The Constructivist theory refutes the idea of Realism theory which sees the international arena as a struggle for 'power' which is highly anarchic. They view international relations in terms of 'security' or 'power' in terms of military might, Constructivist, on the other hand, views that international order can be maintained by soft power; for example, advocates cultural and public diplomacy as a means for order in international relations.

The study discusses an important phenomenon of the Korean soft power; the Korean Wave or Hallyu. It explains the development of the Korean Wave or Hallyu in Southeast Asia and Vietnam in particular. The late 1990s witnessed the entry or otherwise widespread of the Korean Wave in Southeast Asian nations through the broadcasting of dramas like Winter Sonata, Jewel in the Palace etc. The Korean Wave or Hallyu has also reached the Western nations. This proposition can be justified with the success story of Korean boy band 'BTS' in winning the billboard award in 2018, the first to be awarded from Asia. The pride of the Koreans was boosted with Seoul Fifa World Cup in 2002 where it came 4<sup>th</sup>. The slogan 'Be the Red' was widespread not only in Korea but extended to other Asian nations. It gives the Korea a stature at the global level. "Korea has transformed itself from embattled cinematic backwater into the hottest film market in Asia". (Segers, 2000). The Korean song, film, dramas has a massive impact on the lifestyles of the younger generation in Southeast Asia. The younger generations are imitating their favorite Korean stars by changing their fashion style; adopt the Korean eating style and learning Korean language to an extent. Apart from the entertainment industry, Korea is also well known for its cosmetic surgery tourism. Tourists from across Asia from China to Thailand had gone to Korea for facial enhancement. This boom in cosmetic surgery tourism is known as the Korean Wave in cosmetic surgery. Thus, due to their obsession with the Korean culture, the international fans are eager or enrolled themselves in learning Korean language.

The Korean Wave or Hallyu acts as a tool of soft power in reforming the relationships between Korea and Vietnam. For example, during the Vietnamese War, the Koreans fought against their Liberation Army as an ally of the United States of America. Similarly, the Taiwan felt betrayed when Seoul severed its diplomatic ties with Taipei in order to reach new ties with Beijing in

1992. In spite of this, the Korean Wave or Hallyu has significantly contributed to improving Korea's foreign relations with its Asian counterparts. However, "the Korean Wave phenomenon has stimulated Korean scholars to re-examine the notion of the one-way flow of globalization". (Kim Sujeong 2009; Jeon and Yoon 2005).

The widespread of the Korean Wave has an impact on the consumer behavior of the Vietnamese society. The people in Vietnamese prefer to consume Korean brands such as Samsung, LG, Lotte etc. Thus, this has attracted more Korea's investment in Vietnam. Vietnam, for Korea, is also a market destination for its manufactured goods and Vietnam provides cheap labor to Korean factories. Vietnam, on the other hand exports raw materials to Korea.

The Korean Government put more emphasis on the cultural policies after the financial crisis in 1997, rather than concentrating on hard power, to spread its influence and national image at the global level. However, despite looming competitions from its economic giant neighbours, Japan and China, Korea has managed to maintain its national image at the global level through music, cinemas and football.

The rationale of this topic 'culture as a factor in Korea- Vietnam relations', is that this research has discusses the elaborate importance of culture as a soft power in strengthening greater cooperation among states. The research is analytical in nature. It mainly focuses on qualitative method for the discussion. However, recommendations for further study are that the study needs to be extended to wider cultural aspect like the eating traditions and similarity and differences in their customary practices. The existing literature on the topic is mainly concerned with the positive aspect of the Korean Wave in Southeast Asian nations and Vietnam. Literature pertaining to the negative influence of the Korean Wave is not discussed in most of the existing literature. For example, the Korean Wave in Vietnam might lead to the decrease in the value of their own art and culture. Moreover, the abuse of the migrant Vietnamese brides in Korea needs to be studied. The unrest of Vietnamese workers in Korean factories also need to be taken into consideration.

Thus, since the end of the cold war, the dynamics of international politics has changed. The international political scene is not dominated by bipolarity. The scene has altered into multi-

polarity where the inevitable form of power such as 'soft power' significance has increased. Culture has become a powerful and necessary card in the domain of international relations. In the past years, culture has less relevance and is mainly used for promoting political and economic goals. Gradually, the significance of culture is increasing and is now regarded as one of the three interdependent pillars of the foreign policy system along with politics, security, economy. Culture is the central point of diplomatic agenda of state and non- state actors. Rapid progress in the field of international relations shows that the 21<sup>st</sup> century is a golden age in terms of the relevance of cultural factors in relations among nations.

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(\* indicates a primary source)

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