

Confidence Building

in **Looking for a New Approach
and the Helsinki Process**

Korean Peninsula and the Balkans



Embassy of the
Republic of Korea



CONFIDENCE BUILDING IN KOREAN PENINSULA AND THE BALKANS

Looking for a New Approach and the Helsinki Process

«22 September 2015, Crowne Plaza»

The Embassy of the Republic of Korea and East-West Bridge have the honor to welcome you to the political seminar Confidence Building in Korean Peninsula and the Balkans – Looking for a New Approach and the Helsinki Process.

The aim of this seminar is to exchange experiences between Korean Peninsula and the Balkans and look for a new approach to confidence building. Renewed speakers from Korea will present examples from Korea, focusing on policies such as Northeast Asia Peace and Cooperation Initiative, which is a key element of Trustpolitik. Speakers from Serbia will also share their new policies and the current situation in the region. Through discussion with speakers and looking at the Helsinki Process and the work of OSCE, this seminar will be of a great benefit to promoting common goals and practices.

09:00–09:30	Opening remarks (Mediterranean hall)
09:30-10:30	Northeast Asia Peace and Cooperation Initiative and Korean Peninsula
Session 1	Moderated by: Amb. Chun Yungwoo Panelists: Dr Choi Kang, Mr. Kim Choongoo, Ms. Sonja Biserko, Prof. Dr Dragana Mitrović
10:30-10:45	Coffee Break
10:45-11:45	Confidence Building in the Balkans and Roles of OSCE
Session 2	Moderated by: Dr Vladimir Bilandžić Panelists: Ms. Aleksandra Joksimović, Prof. Dr Dragan Simić, Mr. Dragoljub Kojčić
11:45 – 12:00	Coffee Break
12:00-13:00	Ways to Confidence Building and Regional Cooperation
Session 3	Moderated by : Prof. Dr Slobodan Marković, Dr Choi Kang Panelists: Prof. Dr Jovan Teokarević
	Free discussion
13:00-14:30	Business Luncheon (Atlantic 2,3)

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Opening remarks – H.E. Ivica Dačić, First Deputy Prime Minister and Minister of Foreign Affairs of the Republic of Serbia



Opening remarks – Mr. Jovan Kovačić, Chairman of East West Bridge



Opening remarks – H.E. Lee Dohoon, Ambassador of the Republic of Korea



Session 1:
Northeast Asia Peace and
Cooperation Initiative and Korean
Peninsula



Delegation from the Republic of Korea with H.E. Ivica Dačić, First Deputy Prime Minister and Minister of Foreign Affairs of the Republic of Serbia

Session 2:
Confidence Building in the Balkans and
Roles of the OSCE



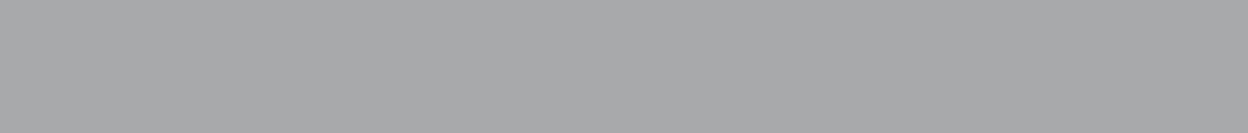
Session 3:
Ways to Confidence Building and
Regional Cooperation

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Ways to Confidence Building and
Regional Cooperation



Table of Contents

Summary (SRB and ENG).....	7
Opening remarks	21
<i>Session 1:</i> Northeast Asia Peace and Cooperation Initiative and Korean Peninsula	33
<i>Session 2:</i> Confidence Building in the Balkans and Roles of the OSCE.....	53
<i>Session 3:</i> Ways to Confidence Building and Regional Cooperation	70
Closing remarks	88
Biographies of participants	91



Rezime konferencije

Pozdravni govori

Sesija 1:

Inicijativa za mir i saradnju u istočnoj Aziji i Korejsko poluostrvo

Sesija 2:

Građenje poverenja na Balkanu i uloga OEBS-a

Sesija 3:

Građenje poverenja i regionalna saradnja

NJ.E. IVICA DAČIĆ: Iskustvo OEBS-a u oblasti bezbednosti, izgradnji poverenja i uspostavljanju saradnje dugo četiri decenije može biti korisno pri rešavanju aktuelnih pitanja na Korejskom poluostrvu i u istočnoj Aziji. Završni akt iz Helsinkija pruža solidnu osnovu za bezbednost i stabilnost u Evropi već decenijama. Prisustvo OEBS-a u zemljama Zapadnog Balkana svakako je odigralo značajnu ulogu u pružanju podrške sveobuhvatnim reformama, kao i u procesu pomirenja i uspostavljanju saradnje u regionu. Problem migracije, pored transnacionalnih i globalnih pretnji kao što su terorizam, organizovani kriminal i klimatske promene, postaje globalni problem. Zbog toga je OEBS-ov koncept sveobuhvatne bezbednosti sada važniji nego ikada.

HJ.E. ČON JUNG VU: Ono što je zajedničko za Koreju i Srbiju je činjenica da je politika velikih sila igrala značajnu ulogu u sudbinama naših nacija. Premeštanje centra moći u svetu, izazvano usponom Kine, stvara određenu nelagodu u regionu, pa se mnoge zemlje okreću Sjedinjenim Američkim Državama za zaštitu. Evropa ima značajno iskustvo u uspostavljanju bezbednosti kroz rad OEBS-a i to iskustvo može da подели sa severoistočnom Azijom.

JOVAN KOVAČIĆ: Građenje poverenja je jedan od najvažnijih zadataka čovečanstva koje se suočava vrlo nemirnim vremenima. Statistika kaže da se ove godine u svetu dogodilo 18% više oružanih sukoba u svetu u odnosu na prošlu godinu. Pored ratova, tu je i izbeglička kriza – najveće kretanje ljudi u istoriji. I odjednom hiljada izbeglica, neoružanih žena i dece, ugrozili su ceo koncept Evropske unije i Šengenske zone.

NJ.E. LI DOHUN: Cenim napore Srbije da uspostavi mir, stabilnost, saradnju i pomirenje na Balkanu. Ministar Dačić i njegovi zaposleni su pokazali kako diplomatija ne samo da može da podigne ugled jedne zemlje u svetu, već i da doprinese jačanju poverenja u regionu punom nepoverenja i teškoća. Korejska vlada ima sličnu ulogu na Korejskom poluostrvu i u severoistočnoj Aziji, regionu koga takođe obeležavaju nepoverenje i konflikt interesa. Iz tog razloga će današnja konferencija u velikoj meri koristiti čitavom regionu, a i šire.

Sesija 1 – Inicijativa za mir i saradnju u istočnoj Aziji i Korejsko poluostrvo (NAPCI)

NJ.E. ČON JUNG VU: Inicijativa za mir i saradnju u istočnoj Aziji (NAPCI) je autorska politika predsednice Republike Koreje. Korejska vlada veruje da će ovaj mehanizam biti u stanju da reši mnoga bezbednosna pitanja koja proizilaze iz premeštanja centra moći u svetu i geopolitike u severoistočnoj Aziji. Za razliku od Evrope, mi nemamo iskustvo u multilateralizmu. Živeli smo u unilateralnom svetu na čelu koga je bila Kina. Sada je došlo vreme da ideju o multilateralnoj saradnji pretvorimo u stvarnost, ali moramo početi od nule.

DR ČUE KANG: Severoistočna Azija prolazi kroz dve vrste promena – strukturne i kontekstualne. Strukturna promena je premeštanje centra moći. Uspon Kine dovodi u pitanje nadmoć Sjedinjenih Američkih Država, tako da sada želimo da uspostavimo ravnotežu moći u severoistočnoj Aziji. Japan takođe želi da proširi svoju bezbednosnu ulogu u regionu, tako da je severoistočna Azija sada borilište za sve velike sile. Kada je u pitanju kontekstualna promena, ako pogledamo novac potrošen za naoružanje zemalja u regionu, primećujemo da je svaka zemlja značajno povećala ove troškove. Konkurencija u smislu izgradnje i modernizacije naoružanja je oštra.

KIM ČUNGU: NAPCI nije organizacija ili koncept; NAPCI je proces koji nastoji da izgradi norme saradnje, uzajamne koristi i poverenje u rešavanju funkcionalnih pitanja među zemljama u regionu. Naš izazov je činjenica da okruženje u regionu nije idealno za jačanje multilateralne saradnje, ali zato smo pokrenuli NAPCI inicijativu koja je dizajnirana da ojača postojeću multilateralnu saradnju u severoistočnoj Aziji, a inspirisana je istorijom multilateralne saradnje u Evropi kroz Helsinški proces. NAPCI se fokusira na manje ozbiljna pitanja, a kada izgradimo poverenje među državama članicama možemo da pređemo i na ozbiljnija pitanja.

PROF. DR DRAGANA MITROVIĆ: NAPCI inicijativa je jedinstvena zbog svog postepenog i suptilnog pristupa i njen cilj je da dopre do građana, akademskih krugova i nevladinih organizacija; da omogući razmenu ideja, da se postepeno i suptilno stvori atmosfera u kojoj se može razumeti stav druge strane, kao i da se stvori atmosfera za političke okvire i promenu teške stvarnosti. Kina je počela da se pravi važna i ovo izaziva brojne probleme članicama asocijacije zemalja Jugoistočne Evrope, ugrožava njihovo jedinstvo i sposobnost da zajednički re-

šavaju probleme. Upornost Koreje da nastavi sa merama za izgradnju poverenja je od velikog značaja.

Ms. SONJA BISERKO: Izveštaj Odbora izazvao je reakciju kod međunarodne zajednice i stavio u centar pažnje ljudska prava u Severnoj Koreji. Takođe je naveo Severnu Koreju da razmotri barem neke od naših kritika i preporuka, uglavnom one koje se tiču hrane, zdravstvene zaštite, dece, žena i obrazovanja. Opstanak Severne Koreje definitivno zavisi od stranih investicija, a to je ujedno i jedini mehanizam koji garantuje pristup stanovništvu ove zemlje. Iskreno predlažem konstruktivan angažman međunarodne zajednice, posebno Južne Koreje. Podrazumeva se da je potpisivanje mirovnog sporazuma između dve Koreje imperativ za mir na Korejskom poluostrvu.

Sesija 2 – Građenje poverenja na balkanu i uloga OEBS-a

DR VLADIMIR BILANDŽIĆ: Neki ljudi su OEBS od samog početka nazivali konferencijom o bezbednosti, dok su ga ostali nazivali konferencijom o ljudskim pravima, međutim OEBS je bio i jedno i drugo. Postepeno se razvijao u oba smera i na kraju je razvijen sofisticirani sveobuhvatni sistem normi, kako u dimenziji sigurnosti, tako i u dimenziji ljudskih prava. Zahvaljujući multilateralnom pristupu OEBS-a manje države mogu da balansiraju veće članice, zahvaljujući konsenzusu. Mislim da je uloga konsenzusa u OEBS-u nešto što ukazuje da je OEBS potencijalno relevantan za situaciju koja se dešava u severoistočnoj Aziji.

Ms. ALEKSANDRA JOKSIMOVIĆ: OEBS deluje u tri dimenzije: političko-vojnoj dimenziji (kontrola naoružanja, upravljanje granicama, borba protiv terorizma, sprečavanje sukoba, reforme vojske, policije, itd.), ekonomskoj i ekološkoj dimenziji i dimenziji ljudskih prava. Međutim, velike sile potpuno različito vide OEBS kao organizaciju. Ako pitate SAD, rekli da OEBS ne smatraju međunarodnom organizacijom, već pre procesom i instrumentom za uspostavljanje mira i bezbednosti. Rusija, sa druge strane, optužuje OEBS da je sredstvo kojim zapadne države uređuju svoj interes i vrši ogroman pritisak da se OEBS strukturno reformiše.

PROF. DR DRAGAN SIMIĆ: Za proteklih 40 godina OEBS je uspešno prevazišao sve prepreke i njegove zemlje članice su shvatile značaj i neophodnost njegovog postojanja. Tokom krize u Ukrajini OEBS je pokazao da je jedina institucija za evropsku bezbednost koja uklju-

čuje sve aktere konflikta u dijalog kako bi se pronašlo rešenje krize. OEBS je takođe dokazao da je prva međunarodna organizacija koja je prepoznala promene u domenu bezbednosti i životne sredine po završetku Hladnog rata i delovala u skladu sa njima. OEBS je vrlo dobro razumeo rat i nove vrste sukoba. OEBS je ušao 21. vek sa novim kapacitetom za razvijanje saradnje u oblasti bezbednosti.

Sesija 3 – Načini za izgradnju poverenja i uspostavljanje saradnje na Balkanu

PROF. DR SLOBODAN MARKOVIĆ: Najskoriji problem na Balkanu bili su ratovi za jugoslovensko nasleđe, niz ratova koji su se desili u periodu između 1991. i 1999. Ime je zapravo rezultat napora da se izbegne nazivanje ovih ratova građanskim ratovima, međudržavnim ratovima ili međuetničkim ratovima, iako su ovi ratovi bili sve od toga. Hardver u izgradnji poverenja u regionu čine stotine hiljada izbeglica, 135 000 mrtvih, kao i veterani. Softver čini sećanje na istoriju Problem je u tome što četiri glavne antagonističke etničke grupe (Srbi, Hrvati, bosanski Muslimani i Albanci) sve smatraju sebe najvećim žrtvama istorije. Ovo je velika prepreka i ne znam kako bi se mogao rešiti problem sećanja na istoriju.

PROF. DR JOVAN TEOKAREVIĆ: Voleo bih da Vam ispričam više o saradnji u rešavanju ovog paradoksa na Balkanu, kao i da kažem da naše regije zapravo imaju neke zajedničke karakteristike. U oba regiona o kojima danas govorimo u teoriji postoji funkcionalna integracija. Međutim, funkcionalna integracija sama po sebi ne može da donese očekivane rezultate ako iza nje ne stoji nešto što ja nazivam „velika ideja” , ili mreža EU / NATO – izacije. To je termin koji sam uveo, a koji pokriva područje Zapadnog Balkana gde sve države u regionu idu u zajedničkom smeru, želeći da postanu članice EU i NATO i da dele zajedničke vrednosti. U Aziji ne postoji tako nešto, bez obzira o kojoj regionalnoj grupaciji govorimo.

DRAGOLJUB KOJČIĆ: Ako govorimo o situaciji na Korejskom poluostrvu, verujem da ne postoji bezuslovni cilj , ali ono što jeste bezuslovno je sistem vrednosti. Mora se uvesti standard. Uspostavljanje i podizanje standarda u pravu, ekonomiji, politici i obrazovanju predstavlja osnovu svetle budućnosti i Koreje i Srbije. Primetio sam da je Južna Koreja uvek spremna na sve, jer ima standarde u svim ovim oblastima. Osim toga, u Koreji ima 22% protestanata i 7% katolika i svi oni žive u miru. Crkva je u Koreji mesto okupljanja, mesto za su-

sret sa drugim ljudima. Bojim se da ovo nije moguće primeniti u našem delu sveta, ali bih voleo da uvedemo ovu praksu.

DR ČUE KANG: Razumevanje i tolerancija su dva elementa od ključnog značaja za izgradnju poverenja. Izgradnju poverenja uslovljavaju dva faktora: prošlost i vizija o budućnosti. Čini mi se da smo mi ipak žrtve prošlosti, kao i žrtve nedostatka vizije o budućnosti, zajedničke vizije. Vizija o budućnosti koju nam pruže prosvetljeni i mudri ljudi može biti polazna tačka za unapređenje saradnje. Funkcionalna saradnja može nam doneti korist, ali nam je neophodno više od toga. Potrebna nam je zajednička vizija, poduprta rešavanjem sukoba iz prošlosti. Takođe je potrebno i izgraditi zajednički sistem vrednosti.

JOVAN KOVAČIĆ: Bosna i Hercegovina je nažalost savršen primer onoga što sam želeo da kažem. Nasledili smo sećanja. U Bosni i Hercegovini se odigrao krvavi rat u kome su se komšije borile jedni protiv drugih. Oni jesu su pripadali različitim religijama, ali ja iskreno verujem da je religija u većini slučajeva samo izgovor za ono što se dešava. Tako sada imamo nove generacije koje primaju infuziju nacionalizma. Verujem da bi se ljudi lako dogovorili o budućnosti kada bi razmišljali svojom glavom. Međutim, globalizacija nam je donela internet i sada razne zemlje mogu da vrše uticaj na druge bez obzira na geografsku udaljenost, a taj uticaj nije uvek pozitivan. Bosna i Hercegovina je tako postala igralište u sukobu supersila, pre svega Rusije i SAD.

TAHIR HASANOVIĆ: Jovan Kovačić, Aleksandar Nikolić i ja smo odlučili da se konsultujemo sa ambasadorom Republike Koreje pre naše posete Seulu povodom Konferencije Trilateralne komisije. Nakon divne večere tokom koje smo razgovarali o brojnim pitanjima, došli smo na ideju da zajednički organizujemo ovaj događaj. Istakao bih da nam je bilo veliko zadovoljstvo da organizujemo ovu konferenciju. Mi, predstavnici Ambasade Republike Koreje i East West Bridge-a ponosni smo i srećni što imamo ovako uspešan tim saradnika.

Nj.E. LI DOHUN: Mislim da je ovo odličan početak. Možda na današnjoj konferenciji nećemo naći konkretna rešenja za probleme sa kojima se suočavamo, ali smo došli do zaključka da je bitno razgovarati o njima. To je prvi korak. Sledeće godine, kao i narednih godina, pokušaćemo da unapredimo naš dijalog. Možda čak i proširimo opseg tema na druge oblasti. Kroz diskusiju i razmenu mišljenja možemo da obogatimo jedni druge. S tim u vezi želim da čestitam svakom od nas na ovom uspehu. Hvala svima!

Summary

Opening remarks

Session 1:

**Northeast Asia Peace and Cooperation Initiative and
Korean Peninsula**

Session 2:

Confidence Building in the Balkans and Roles of the OSCE

Session 3:

Ways to Confidence Building and Regional Cooperation

H.E. IVICA DAČIĆ: OSCE's four decades of experience, especially in the field of security, confidence-building and cooperation can be beneficial for resolving current issues in Korean Peninsula and wider East Asia region. The Helsinki Final Act has been providing a solid foundation for security and stability in Europe for decades. Presence of the OSCE in Western Balkans certainly played a significant role in supporting comprehensive reform, as well as the process of reconciliation and cooperation in the region. Problem of migration, in addition to transnational and global threats such as terrorism, organized crime and climate change, is becoming a global issue. Therefore, OSCE concept of comprehensive security is now more important than ever.

H.E. CHUN YUNGWOO: Important commonality between Korea and Serbia is that great powers' politics have played disproportionate role in determining our respective national fates. Power shift driven by the rise of China is creating some sort of uneasiness in the region and many countries look to the US for protection. Europe has considerable experience to offer to Northeast Asia in building cooperative security in our region through its OSCE process.

MR. JOVAN KOVAČIĆ: Confidence building is one of the most important tasks of mankind today, which is facing very troubled times. The statistics said that this year we had 18% more armed conflicts in the world comparing to last year. Apart from wars, there is also refugee crisis– the biggest movement of people in the history. And all of a sudden thousands of refugees, unarmed women and children, have put the entire concept of the European Union and the Schengen region in danger.

H.E. LEE DOHOON: I admire Serbia's efforts to bring peace, stability, cooperation and reconciliation to the Balkans. Minister Dačić and his staff have shown how diplomacy can not only elevate a country's stature in the world, but also actually contribute to building of confidence in the region fraught with historical mistrust and difficulties. Korean Government has been playing its part in Korean Peninsula and in Northeast Asia, a region equally marred by mistrust and conflict of interests. The entire region and beyond will also greatly benefit from our discussion today.

Session 1 – Northeast Asia Peace and Cooperation Initiative and Korean Peninsula

H.E. CHUN YUNGWOO: Northeast Asia Peace and Cooperation Initiative is a signature policy of the President of the Republic of Korea. Korean government believes that such mechanism would be able to address many of the security challenges coming from the power shift and geopolitics in Northeast Asia. Unlike Europe, we do not have experience in multilateralism. We used to live in a world of unilateralism, led by China. Time has come now to turn the idea of multilateral security cooperation into reality and we have to start from scratch.

DR. CHOI KANG: Northeast Asia is experiencing two types of changes – structural and contextual. Structural change is power shift. The US supremacy has been challenged by the rise of China and we are looking for new balance of power in Northeast Asia. Japan is also looking to expand its security role in the region, so Northeast Asia is a competition area for all great powers. When it comes to contextual change, if you look at defense spending of countries in the region, every country increased defense spending very much. There is intense competition in terms of arms building and arms modernization.

MR. KIM CHOONGU: NAPCI is not organization or concept; instead it is a process that seeks to build norms of cooperation, mutual benefit and trust over functional issues among countries in the region. Our challenge is the fact that that regional environment is not ideal for strengthening multilateral security cooperation, but that is why NAPCI was designed – to strengthen the existing multilateral security cooperation in Northeast Asia and it was inspired by Europe's history of multilateral security cooperation through the Helsinki Process. NAPCI focuses on soft issues and then if and when we build trust among participating nations we can move on to heavier and tougher issues.

PROF. DR. DRAGANA MITROVIĆ: NAPCI managed to be unique in its very gradual, subtle approach and its goal to reach citizens, academic circles, NGOs and people on the basic level; to exchange ideas, to gradually and subtly create atmosphere of being able to apprehend the other side's approach and the issue, and gradually create more appreciating atmosphere for political frameworks and eventual change dire reality. China is has started showing off and we know that this causes numerous problems to ASEAN countries, their uni-

ty and ability to deal with issues together. Still, Korean persistence to go on with confidence building measures is very important.

Ms. SONJA BISERKO: The Commission's report has galvanized the international community and brought human rights situation in North Korea into sharp focus. It has also pushed North Korean regime to take into account at least some of our criticism and recommendations, mostly those dealing with food supplies, healthcare, children, women and education. North Korea's survival definitely depends on foreign investment and foreign investment is the only mechanism that guarantees access to Korean people. I sincerely suggest constructive engagement of international community, especially South Korea. It goes without saying that signing of the peace agreement between two Koreas is imperative for reconciliation in the Korean Peninsula.

Session 2 – Confidence Building in the Balkans and Roles of OSCE

DR. VLADIMIR BILANDŽIĆ: Some people had been calling the security conference from the very beginning, while others had been calling it human rights conference. It had been both; it had been developing gradually in both directions and eventually developed a very comprehensive and very sophisticated system of norms, both in security and in human rights dimension. In multilateral approach of the OSCE number of smaller states can somehow balance big participants. That is true because the OSCE has the rule of consensus – even the smallest country can influence decisions and even block them. I think that the role of consensus in the OSCE is something which indicates possible relevance to the situation in Northeast Asia.

Ms. ALEKSANDRA JOKSIMOVIĆ: There are three baskets or dimensions that the OSCE deals with: political-military dimension (arms control, border management, combating terrorism, conflict prevention, military reform, policing, etc.), economic and environmental dimension, and human rights dimension. However, there are completely different views on how powers perceive the OSCE as an organization. If you ask the USA, they would say that they did not consider the OSCE an international organization, but a process and an instrument for improving peace and overall security. Russian side, on the other hand, has been accusing the OSCE of being a tool for Western states to advance their own interest and there is a huge pressure for structural reforming of the OSCE.

PROF. DR. DRAGAN SIMIĆ: For the past 40 years the OSCE has been able to successfully overcome all obstacles and its member-states realized the importance and the necessity of its existence. During the Ukraine crisis the OSCE has proved to be the only institution for European security that could engage all parties, all stakeholders of the conflict in dialogue to seek the crisis resolution. The OSCE proved to be the first international organization to recognize and act according to changes in the meaning of security and the environment of security at the end of the Cold War. They understood very well new kind of war and new kind of conflicts. The OSCE entered 21st century with the new capacity for far developed cooperation in the field of security.

Session 3 – Ways to Confidence Building and Regional Cooperation

PROF. DR. SLOBODAN MARKOVIĆ: The most immediate problems in the Balkans were Wars for Yugoslav succession, a series of wars that took place between 1991 and 1999. The name is actually the result of an effort to avoid calling these wars civil wars, inter-state wars, inter-ethnic wars, although they were all of that as well. The hardware of confidence building in this region is hundreds of thousands of refugees, 135 000 dead and veterans. The software is about historical memory. The problem is that four major antagonists in terms of ethnic groups (Serbs, Croats, Bosnian Muslims and Albanians) all consider themselves to be the greatest victims of history. This is very difficult and I have no idea how to solve this problem of historical memory.

PROF. DR. JOVAN TEOKAREVIĆ: I would actually like to tell you the story of Balkan cooperation, tackling the issue of this paradox, and say that in fact we share some of the characteristics of the paradox, too. In both regions that we discuss here we have functional integration in theory. However, functional integration alone cannot produce such expected results if there is no something I call the “grand idea” behind it, or web of EU/NATO-ization. This is the term I am introducing here that covers the area of Western Balkans within which all states in the region go in one direction, desiring to become members of EU and NATO and to share values. There is no such thing in Asia, whatever regional grouping we talk about.

MR. DRAGOLJUB KOJČIĆ: If we talk about the situation in Korean Peninsula, I believe that there is no unconditional goal, but something is unconditional – system of values. It must be expressed in terms of standards. It means that establishing and erecting standards in law, economy, politics and educations is the basis of good future of both Korea and Serbia. I noticed that South Korea is prepared for anything, because they have standard in all these areas. Furthermore, in Korea, there are 22% Protestants and 7% Catholics, and they all live in peaceful coexistence. There, church is a social club, place for encountering people. I am afraid this is impossible to implement in our part of the world, but I would like us to develop this practice.

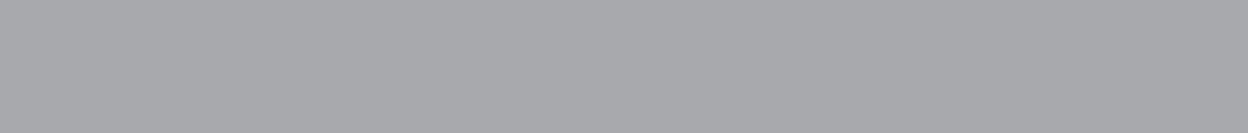
DR. CHOI KANG: Understanding and tolerance are today, as well as in the future, two elements critical to building confidence between each other. This is conditioned by two factors: the past and future vision. It seems to me that we are victims of the past, as well as victims of lack of future vision, common vision. Vision for the future provided by enlightened and wise men could be starting point of having more cooperation. Functional cooperation can bring us benefits, but there should be more than that, some kind of commonly shared vision, and it should be backed up by reconciliation of past issues. We also need to build a system of commonly shared values.

MR. JOVAN KOVAČIĆ: Bosnia and Herzegovina is unfortunately a perfect example of what I am about to say. We have inherent memory. We had bloody war there. It was fought by people who used to be neighbors. They belonged to different religions, but I truly believe that religion is, in most cases, just a simple excuse for what happens. We now have new generation being IV fed with nationalism. I believe that if left alone people would easily come to an agreement for future. However, globalization has given us the internet and now various countries can exert their influence, which is not always positive. With the clash of the superpowers, primarily Russia and the USA, Bosnia and Herzegovina became their playground.

MR. TAHIR HASANOVIĆ: Jovan Kovačić, Aleksandar Nikolić and I decided to call the Ambassador of the Republic of Korea before our famous invitation to visit Trilateral Meeting Conference in Seoul. After fantastic dinner where we discussed many issues Ambassador of the Republic of Korea we decided to launch an idea to organize something together. I would like to stress that it was our pleasure to organize this conference. We, representatives of the Embassy of the Repub-

lic of Korea and East West Bridge, are very impressed and blessed to have such a wonderful team of collaborators.

H.E. LEE DOHOON: I think we have just made a good start. We might not find solutions or any concrete ideas about problems we are facing after having this very successful session today, but we have just found out that this issue is worth discussing together. This is just the first step. Next year, and year after that we will try to increase our contacts and discussions. Maybe we can expand the agenda to other areas as well. We can enrich each other through discussion and exchange of insights. In that regard, I really want to congratulate every one of us on this success. I thank you all!



Opening remarks

H.E. Ivica Dačić

First Deputy Prime Minister and Minister of
Foreign Affairs of the Republic of Serbia

H.E. Chun Yungwoo

Senior Advisor at the Asan Institute for Policy Studies

H.E. Lee Dohoon

Ambassador of the Republic of Korea

H.E. IVICA DAČIĆ

First Deputy Prime Minister and Minister of Foreign Affairs of the Republic of Serbia

Respected Ambassador Chun,
Respected Ambassador Lee,
Dear guests from Korea,
Respected participants,
Ladies and gentlemen,

It gives me great pleasure to address you at the opening of the seminar dedicated to confidence building in Korean Peninsula and the Balkans, organized jointly by the Embassy of the Republic of Korea and East-West Bridge from Belgrade. At this workshop we expect eminent participants to give a significant contribution to search for new ways for confidence-building and regional cooperation in these two remote, but also similar regions. Allow me also to wish a warm welcome to our guests from the Republic of Korea, who will share their views and experiences on building trust, as well as challenges and results in regional cooperation.

As you know, Serbia has a very responsible task this year – chairing the OSCE. Our presidency takes place during the greatest crisis since the end of World War II – the crisis in Ukraine. At the same time, our presidency takes place in year when we mark the fortieth anniversary of signing the Helsinki Final Act in 1975. Although much has changed since 1975, principles and obligations that came out of this document and our collective responsibility to act in accordance with it remain crucial for the OSCE and its participating states today, just like before. In the modern world OSCE's comprehensive approach to security and its commitment to dialogue, cooperation, compromise and peaceful settlement of disputes prove to be crucial for rebuilding confidence, which helps create a positive agenda for the future. The Republic of Korea is Asian partner of the OSCE and I am convinced that OSCE's four decades of experience, especially in the field of security, confidence-building and cooperation can be beneficial for resolving current issues in Korean Peninsula and wider East Asia region.

The Helsinki Final Act has been providing a solid foundation for security and stability in Europe for decades. Forty years ago, an agreement was made that maintaining peace and security in Europe shall be joint responsibility. At the time of more difficult divisions than ones today, political leaders found courage to achieve a pragmatic compromise which has been serving us well for decades. In the past, the Helsinki process facilitated transition from confrontation to cooperation, thus helping end the Cold War. Today, unfortunately, we face new, but basically retrograde challenge – confrontation instead of cooperation. We see the legacy of Helsinki at risk again. Crisis in and around Ukraine has shaken the foundations of European security architecture. It set us a challenge, testing our readiness and ability to preserve basic principles and essential security. Armed conflicts are reality on our continent again. Helsinki principles are violated and mistrust and tensions rise, which can increase the risk of provocation and escalation. I think it would be no exaggeration to say that we are now struggling with the most severe threat to European security since the end of the World War II. However, the current crisis has shown the importance of the Helsinki Final Act, as well as its revolutionary concept of comprehensive security. Despite current challenges, I believe that we can find encouragement and inspiration in decades-long history of the Final Act.

Presence of the OSCE in Western Balkans certainly played a significant role in supporting comprehensive reform, as well as the process of reconciliation and cooperation in the region. Therefore, one of the most important priorities of our OSCE Chairmanship are reinforcing regional cooperation and advancing the process of reconciliation. We also strive to encourage and improve horizontal integration and cooperation in the Western Balkans through projects in three dimensions of the OSCE.

Ladies and gentlemen,

Today, while you are preparing for discussion at the seminar, mass migration of people is happening in front of us – young and old, women and children are seeking refuge from war, suffering and misery. Problem of migration, in addition to transnational and global threats such as terrorism, organized crime and climate change, is becoming a global issue. Solving these complex problems that are often interconnected requires cooperation, including our Asian and Medi-

terrestrial partners. Therefore, OSCE concept of comprehensive security is now more important than ever.

In October 2013 at the international conference *Global cooperation in the era of Eurasia* Korean President Park Geun-hye presented economic concept called Eurasian Initiative. It is created to connect the energy and logistics infrastructure in Europe and Asia (rail network, oil and gas pipelines, electricity). This integration would be followed by gradual elimination of trade barriers and establishment of a large free trade zone. Part of this plan is initiative named NAPCI, in accordance with conclusion of negotiations on free trade agreement between Korea and the People's Republic of China, with plans to involve Democratic People's Republic of Korea, especially in terms of rail connections, which would reduce costs of transport between Europe and the Republic of Korea by about a third.

Last year President launched the Dresden Initiative which envisages gradual unification of two Koreas by making largest South Korean companies open for investments and implementing major regional projects (railways, gas, etc.) in which China and Russia would participate, and which would be funded with support of international financial institutions. It is estimated that united Korea would be a powerful factor of stability in the region and that significant financial resources invested in weapons, could be channeled to economic development of impoverished North.

These two major initiatives stem from the idea of cooperation rather than confrontation. Common infrastructure projects would replace border incidents and arms on both sides of the demilitarized zone. In order to do that open discussions and mutual trust are necessary. Format of six-party talks, in given circumstances, is probably one of the most acceptable ways of easing tensions on the peninsula, rebuilding trust and to building a foundation for unification – which stands out as the ultimate strategic goal on both sides of the border. Republic of Serbia considers that problems in Korean Peninsula should be resolved peacefully and through dialogue, and we support all activities leading to defusing the situation and strengthening confidence. Bearing in mind its traditionally friendly relations and growing cooperation with countries of the Far East, Serbia fully supports all initiatives and processes aimed at strengthening cooperation, peace, development and stability in that region.

Ladies and gentlemen,

Allow me to wish you successful work and fruitful exchange of opinions, and to our guests from Korea pleasant, though brief, stay in Serbia.

Thank you for your attention!

H.E. CHUN YUNGWOO

Senior Advisor at the Asan Institute for Policy Studies

Excellences,
Distinguished guests,
Ladies and gentlemen,

It is great honor and privilege for me to be here in Belgrade and speak to such distinguished audience and I would like to express my sincere gratitude to H.E. Ivica Dačić, Foreign Minister of the Republic of Serbia, for honoring us with his presence and most inspiring opening remarks. I would also like to thank Ambassador Lee Dohoon, my former colleague from the Ministry of Foreign Affairs of the Republic of Korea, as well as Chairman Jovan Kovačić from the East West Bridge for organizing this important event. I attach great value to it as it is the first such conference that brings together Korean and Serbian academia and practitioners – current and former practitioners in the area of foreign policy and national security policies. I am confident that this will not be the last one. This is a new beginning which will certainly develop into a broader strategic dialogue between the academia and policy practitioners of our two countries.

When I look at geopolitics of the Balkans and Korean Peninsula I am really struck by commonalities and similarities between our two regions and our two countries. I used to be the Head of Delegation to the Six-Party Talks on North Korea Nuclear Program and my American colleague was Ambassador Christopher Hill. Before he joined Six-Party Talks, he had been an eminent American diplomat involved in Dayton Peace Accords. Therefore, he tried to use his experience with the Balkan Peace Process in Korean Peninsula. We haven't been very successful yet, but I do believe that your experience is going to be relevant in our part of the world.

One of the striking similarities is that both Korean Peninsula and the Balkans used to be characterized as powder kegs where geostrategic tectonic plates intersect and major fault lines crisscross. That is one important commonality – great power politics have played disproportionate role in determining our respective national fates. Sometimes geopolitics has played more important role than free will of our own

peoples. National divisions in Korea and the Balkans are also a product of geopolitics, great power politics. Korean Peninsula and the Balkans are also victims of geopolitics, but we proved strong enough and resourceful enough to survive in a world which has not been particularly kind to us. We have no choice but to live with geopolitics whether we like it or not and we have to learn how to enjoy the game and turn it to our advantages. The history, which has not been particularly kind to both of our nations, could not defeat our national resolve to face up to myriad challenges coming from power politics.

Let me just give you a taste of what is currently happening in Northeast Asia. This will be discussed in greater length and depth this morning. What is happening in East Asia, particularly in Northeast Asia, is reminiscent of what occurred in Europe a century ago, especially in this part of Europe. There is a power shift driven by the rise of China and relative decline of Japan, which has far reaching implications for regional peace and security. China's assertiveness and failure to resist temptation to flex its newly gained muscles is creating some sort of uneasiness, anxiety and nervousness in the neighborhood and many countries look to the US for protection. China's neighbors are bracing up for challenges coming from this power shift.

To sum up – the great power politics is returning in vengeance to East Asia. Northeast Asia is fraught with resurgence of nationalism, unresolved historical grievances and territorial disputes. This is a dangerous mix but it is becoming even more explosive when economic downturn increases domestic political need to find vent for pent-up frustrations of the people.

Korea has been battleground for competition for power and influence in our region. Many major wars were fought on and about Korean Peninsula: Sino-Japanese war in 1893 and Russian–Japanese war in 1905 were also fought over Korean Peninsula, i.e. over who calls shots on the Korean Peninsula. I am not going to talk about Second World War or annexation of Korea, but most of the tragedies that occurred in East Asia over the past 150 years were about who has the dominant voice in Korean Peninsula.

We are located at the place where strategic interests of major powers intercept and crisscross. No other country has as unique experience as Serbia in dealing with this and successfully outmaneuvering great powers in order to claim its rightful place under the Sun and determine the faith of your own people, according to your own free will.

In conclusion, Serbia has all the experience and wisdom that Korea needs. Europe as well has considerable experience to offer to North-east Asia in building cooperative security in our region through its OSCE process. I hope that this conference will produce useful ideas for building confidence and peace, and preventing future tragedies. As Minister Dačić said – what we need in Northeast Asia is confidence building and regional cooperation, now more than ever. Thank you very much!

MR. JOVAN KOVAČIĆ

Chairman of East West Bridge

Your Excellency, Minister of Foreign Affairs,
Your Excellences,
Dear friends from the Republic of Korea who travelled so far to
be with us today,
Distinguished scholars and friends,
Ladies and gentleman,

It is very difficult to say anything after two lustrous speeches before mine. Therefore, I will try to take a totally different track. This conference, as we hope in East West Bridge, is just first of many in cooperation with the Embassy of the Republic of Korea in Belgrade. Someone said I organized this? I actually co-organized it. My warmest gratitude goes to Mr. Tahir Hasanović, Mr. Park from the Embassy of the Republic of Korea and Prof. Marković. They did mostly everything. I am solely a guest here, like you.

East West Bridge is about building bridges, talking and dialogue. Unfortunately, we live in very hard times. I wish that everything that is going on and everything that came to an end started with a dialogue. I know from personal experience that after every catastrophe, every war, there is no winner. There are only victims – some bigger, some smaller. It is a wonder that mankind has not realized that for so many millenniums of the bloodshed.

The worst victim is the system of values. That is the hardest to repair. You can repair a country, you can repair infrastructure and you can repair the economy, but once the system of values is gone, it is very hard to restore. Secondly, there is confidence. Confidence building is one of the most important tasks of mankind today, which is facing very troubled times. You will note that this year, several months ago, the statistics said that we had 18% more armed conflicts in the world comparing to last year. Last year was a record setter.

As Minister of Foreign Affairs noted, apart from wars in the Middle East and all over the world, we have another crisis. We have refugee crisis. We have the biggest movement of people in the history. Some

will argue that it was worse during the WW2, but I think that we are looking at the tip of an iceberg. I would be so bold to note that today half a million refugees have managed to endanger area that has a population of half a billion and probably the most advanced political structure in the world today – the European Union. And all of a sudden thousands of refugees, unarmed women and children, have put the entire concept of the European Union and the Schengen region in danger.

I will let you carry on with your deliberations today, for which I wish you a great success. I wish our guests from Korea a pleasant stay in the country. I hope this is not the last time we will see them. This is just a beginning. Thank you very much!

H.E. LEE DOHOON

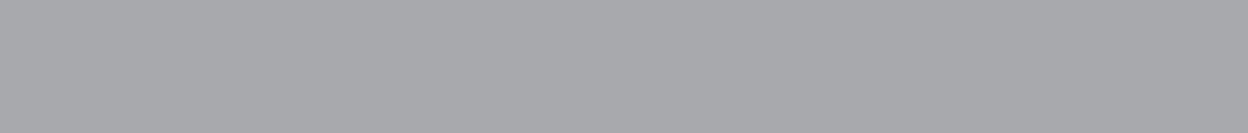
Ambassador of the Republic of Korea

Your Excellency Ivica Dačić, Minister of Foreign Affairs of the Republic of Serbia,

Friends and colleagues from Serbia and Korea,

I admire Serbia's efforts to bring peace, stability, cooperation and reconciliation to the Balkans. This year in particular witnessed Serbia's leadership at its best as the Chair of the OSCE. Minister Dačić and his staff have shown how diplomacy can not only elevate a country's stature in the world, but also actually contribute to building of confidence in the region fraught with historical mistrust and difficulties. Korean Government has been playing its part in Korean Peninsula and in Northeast Asia, a region equally marred by mistrust and conflict of interests.

We are trying hard to build confidence and establish habitual dialogue and cooperation in the name of Trustpolitik, Northeast Asia Peace and Cooperation Initiative and Eurasia Initiative. I thought it was high time that experts from the two countries set together and exchanged experiences, visions, perspectives and insights. I am sure that the best selection of experts has been made today. Both Korea and Serbia will benefit from each other. Furthermore, all of you will agree that the entire region and beyond will also greatly benefit from our discussion today. Allow me to conclude by thanking Minister Dačić for gracing us with his presence and his insightful speech. I also want to thank East West Bridge for its excellent work and cooperation in organizing this seminar. I thank you all!



Session 1

Northeast Asia Peace and Cooperation Initiative and Korean Peninsula

Moderator:

Ambassador Chun Yungwoo

Senior Advisor at the Asan Institute for Policy Studies

Panelists:

Dr. Choi Kang

Vice-president of the Asan institute

Mr. Kim Choongu

Deputy Director General for Policy Planning at the Ministry of Foreign Affairs of the Republic of Korea

Prof. Dr. Dragana Mitrović

Director of the Center for Asia and Far Eastern Studies

Ms. Sonja Biserko

President of the Helsinki Committee for Human Rights in Serbia

MODERATOR: AMBASSADOR CHUN YUNGWOO

Senior Advisor at the Asan Institute for Policy Studies

I am honored to be the moderator of the first session. The first session is titled *Northeast Asia Peace and Cooperation Initiative and Korean Peninsula*. We have four panelists. Let me begin with Dr. Choi Kang, Vice-president of the Asan Institute. He has rich experience in government (in the Blue House, which is the presidential office) and he used to be professor at Korean National Diplomatic Academy. He now runs the premier think-tank at the Center for Foreign Policy and National Security at the Asan Institute for Policy Studies. Here is also Mr. Kim Choongoo, Deputy Director General for Policy Planning at the Ministry of Foreign Affairs of the Republic of Korea. On my left is Professor Dragana Mitrović, Director of the Center for Asia and Far Eastern Studies, and second on my left is Ms. Sonja Biserko, Founder and the President of the Helsinki Committee for Human Rights in Serbia. I understood that she is also a member of Commission of Inquiry for North Korean Human Rights.

We have four eminent panelists in this panel and we are already half an hour late, so unfortunately I cannot give them enough time to make their full presentations. They will have around five minutes each to make their presentation and I would like to give them a chance to discuss within the panel, so there will not be much time for the questions.

Before I give the floor to Dr. Choi Kang let me just give you a brief background. Northeast Asia Peace and Cooperation Initiative is a signature policy of the President of the Republic of Korea. This has been the policy goal of the Korean government for the past 27 years, but with President Park coming to power higher priority was given to this goal as a way of building peace and security at regional level. It has been a long effort to build multilateral security cooperation in Northeast Asia. Korean government believes that such mechanism would be able to address many of the security challenges coming from the power shift and geopolitics in Northeast Asia.

In Korea we look forward to hearing experiences from Europe. You have many lessons to offer us in building regional security cooperation. Of course, we have different historical backgrounds. In Europe

you had multilateral cooperation for centuries. Europe has long tradition of regional multilateral cooperation. Before many European countries became republics, back then when they were kingdoms, you had inter-marriages between most European royal houses. They used to be relatives, cousins or second cousins. So you have different tradition of working together through families or through churches.

In Northeast Asia we do not have this kind of tradition. We used to live in a world of unilateralism, led by China. It is a kind of tribute relationship with China, which considers itself the center of the world, ruling with a heavenly mandate, while other countries exist by paying tribute to it. There are some countries where this tributary system could not be enforced; they are too far away, like Japan. There China had difficulties to enforce its unilateral order. But many people believe that time has come now to turn the idea of multilateral security cooperation into reality and we have to start from scratch.

Given that we do not have centuries of working together between countries like in Europe, Korean participants here want to learn and benefit from European experience, especially from the Helsinki Process and OSCE's experiences. With that, I give the floor to Dr. Choi Kang.

PANELIST: DR CHOI KANG

Vice-president of the Asan institute

Thank you, Mr. Ambassador. I would like to thank East West Bridge and the Embassy of Korea to Serbia. My dear friend, Ambassador Do-hoon Lee, asked me to come to Serbia to do this presentation and it was an offer I could not decline, so that is why I am here. I will try to be very brief because Ambassador Chun Yungwoo has already done all the heavy lifting on Northeast Asia. There is almost nothing to add to his remark.

Northeast Asia is experiencing a change. Let me focus on two aspects. One is a structural change and second is rather contextual change. Structural change is power shift. It is very well known that China is rising. It is trying to set new tones, new structure and new institutions in the coming era. But they always prolong, like when Xi Jinping argued the achievement of egalitarian society by 2049. They have been postponing it every 10 years, whenever new leaders appear in China. So it started with 2030, then 2040 and now they are talking about 2049. The US supremacy has been challenged by the rise of China. So we are looking for new balance of power in Northeast Asia, but it is still unclear what kind of regional security architecture we will be seeing in the future.

Anyhow, the existing security structure will continuously be challenged by the rise of China because of power shift. Of course, US will still enjoy the supremacy in military, but China is ahead of the United States in diplomacy and economy. China successfully launched AIIB, Asian Infrastructure Investment Bank. That is the beginning of building new institutions at regional level. They are looking for Asian security for Asians, excluding the United States. The US is responding to these changes by trying to strengthen its bilateral alliance relations. This April US and Japan agreed on new defense guideline, upgrading their security cooperation in various areas.

Japan is also looking to expand its security role in the region, so couple of days ago Japanese Diet passed security legislations and it provoked China. Of course, we recognized that, but we clearly underscored our concerns. Whenever they exercise collective self-defense

or security law, they have to consult with South Korea and they must have South Korea's consent whenever it comes to Korean Peninsula. There is a trend – a conflict or competition among great powers. So Northeast Asia is a competition area for all great powers, status quo powers vs. revisionist power.

Ambassador Chun Yungwoo tried to mention North Korea. North Korea is revising its power by acquiring nuclear weapons and missile technology. They have intermediate range missile and they clearly stated they are going to pursue parallel development of nuclear weapons and economic development. They are pretty determined to do so. That would actually bring us tremendous challenges in terms of security. So there is one bilateral alliance security structure and also raising this multilateral cooperation desire of theirs, that is how it is usually proposed by China. Also, let me turn to contextual change.

If you look at defense spending of countries in the region, every country increased defense spending very much. I was told that, after acquiring security legislation, Japan wants to spend more than 1% of GDP on defense. There is always a clear line below 1% but they need to go beyond 1% of GDP in defense spending. So they like to have more weapons. China has shown their new intermediate missile T DF-26C. That is actually to deny US ships access to this region. So there is intense competition in terms of arms building and arms modernization. We will see if it is going to become an unstable situation.

As Ambassador Chun Yungwoo already mentioned, we still have some territorial disputes between Japan and China, so South China Sea and East China Sea will become focal point of the conflict. They are trying to manage the conflict, but anyhow there will be some competition there. That is also powered by the rise of nationalistic sentiment in every country in the region. Japan has become much more nationalistic. If you would come to China you would see how widespread nationalism in China is. China wants to carry out something like middle kingdom dream again. If you look at China's dream that President Xi mentions it is almost like China-centric world order. That is a dream. So it is going towards being more nationalistic. If you combine these two together, it is a kind of deadly binary.

The other aspect is the fact that Northeast Asia or East Asia has become home to nontraditional security challenge: earthquakes, forest

fire and pandemics. All these nontraditional security issues are present in Northeast Asia as well as in East Asia. We talk very often about ways to ensure these nontraditional security issues stay within the limit and how we can prevent or eliminate collateral damages of such things. That actually requires us to cooperate on multilateral level very much. So those are contextual challenges we have to face with. I think that is why Korean Government has proposed NAP-CI, Northeast Asia Peace and Cooperation Initiative, to handle these nontraditional security issues in coming era. But we will see what will be the response from stakeholders in the region, as well as from the region itself. Unfortunately, we will be seeing more turbulent era in North East Asia, but I hope we can manage this turbulence effectively and efficiently. Fasten your seatbelt and remain seated until the turbulence is over. Thank you very much!

PANELIST: MR. KIM CHOONGU

Deputy Director General for Policy Planning at the Ministry of
Foreign Affairs of the Republic of Korea

Thank you Mr. Ambassador! The purpose of our visit is to give you in-depth explanation of my government's foreign policy initiative – Northeast Asia Peace and Cooperation Initiative (NAPCI). As Dr. Kang told us, this is one of the best and most important foreign policy initiatives of President Park Geun-hye. My statement is quite long, but let me try my best to try to squeeze it into 5 min.

The Korean Government has been promoting NAPCI for the past two and a half years, since the beginning of President Park Geun-hye's administration. It is a process of building an order of multilateral cooperation and trust. It is not organization or concept; instead it is a process that seeks to build norms of cooperation, mutual benefit and trust over functional issues among countries in the region. The initiative emphasizes advancing positive changes in Northeast Asia through aggression of small, but significant habits of cooperation. NAPCI aims to lay foundation for sustainable pace and prosperity in order to overcome so-called Asian Paradox (the gap between deepening economic interdependence and lacking political trust and cooperation in the region) through mechanisms of dialogue and cooperation based on shared vision and recognition.

This initiative is the part of President Park's current Trustpolitik diplomatic strategy – a concept that is comprised of trust building processes in Korean Peninsula, the Eurasia Initiative and middle power diplomacy. NAPCI is designed to strengthen existing multilateral security cooperation in Northeast Asia and it was actually inspired by Europe's history of multilateral security cooperation through the Helsinki Process, the CSCE and the OSCE, that helped ease tensions between communist block and the West during the Cold War and contributed to achieving reconciliation and cooperation in Europe.

NAPCI aims to build up lessons learned from European experience by complimenting existing mechanisms, building consensus among participants and pursuing process oriented approach through dialogues. Our challenge is the fact that that regional environment is not ideal for strengthening multilateral security cooperation. Con-

sidering the complex dynamics among US-China, Japan-China and US-Russia relations it is unlikely that efforts to enforce multilateral cooperation that engages all of these countries will yield progress. Taking into account the current situation, Korean Government is trying to facilitate cooperation areas where all countries can join without being too uncomfortable.

As a multilateral dialogue process, NAPCI seeks to cultivate the habit of cooperation among nations in Northeast Asia by focusing on soft security issues. Areas such as nuclear safety, energy security and climate change, management, public health and cyberspace issues are just some of examples of soft security issues or transnational nontraditional challenges. These issues are relatively less sensitive and do not represent significant burden to participating governments. Then, if we have and when we have a trust among participating nations (which are two Koreas, Japan, China, Russia, USA and Mongolia) we can move on to heavier and tougher issues.

We had the first intergovernmental high-level meeting in Seoul last year in October and we will have another one this October as well. We hope that at least Deputy Minister's level officers will visit Korea on the occasion of further talks on NAPCI in October. Thank you very much!

PANELIST: PROF. DR DRAGANA MITROVIĆ

Director of the Center for Asia and Far Eastern Studies

Thank you very much, Ambassador Chun! Good morning, everybody! *Dobro jutro svima!* It is a real pleasure to take part in this conference and to welcome our distinguished guests from the Republic of Korea. It is not a very often that we discuss East Asia and Northeast Asia in Belgrade and Serbia, contrary to its global importance. Of course, we know a lot about it. Every citizen of Serbia knows about economic show cases of Northeast Asia, including Korea. Yesterday I mentioned to our guests that almost every second person who possesses a smartphone has a Samsung smartphone. That is a global success, but such products are actually result of one very specific talent that people from East Asia have and that it is to transform their deep cultural roots, their deep and developed tradition into modern, sophisticated and technologically advanced product. And that is very important – nurturing those talents. Among those talents are also patience and capacity for building peace and confidence.

What we could hear from great opening remarks from previous speakers was brief, but deep explanation of many challenges that East Asia, Northeast Asia, has been facing in our time. North Korean nuclear program is one of the dangers that not just East Asian countries face. On the other hand we could also see that that dream and realistic political goal or aim of reunification of the Korean nation is very much on the agenda and that is very inspiring. Of course these two poles seem to be so distant but we could see they actually call for that patience that I mentioned at the beginning of my speech.

This initiative, launched by President Park, is actually unique among many regional mechanisms and it involves not only countries from East Asia, Asia, but countries across Pacific. I will just mention *One Road – One Belt* initiative of China, Trans-Pacific Partnership, EPEC, Asian Regional Forum, Eurasia Initiative and others. We heard about Six-Party talks, which have already proven to be very efficient, although not active at the moment. But beyond that, this initiative managed to be unique in its very gradual, subtle approach and its goal to reach citizens, academic circles, NGOs and people on the basic level, to exchange ideas, to gradually and subtly create atmos-

phere of being able to apprehend the other side's approach and the issue, and gradually create more appreciating atmosphere for political frameworks and eventual change dire reality.

There are many challenges. We have heard of some geopolitical challenges that have happened in East Asia. Some of them were caused by USA-Asia pivot, announced and started in 2008. We could now discuss whether America-Asia pivot provoked China to invest so much in military upgrading and become naval super power or whether Chinese military buildup on the other hand inspired PM Abe to construct, together with his family background, this Abe doctrine. I would not say that Japan has become more nationalistic society. I would say that PM Abe and certain circles in military and political elites have become more nationalistic. As we could see, his support in general public has declined sharply after those very controversial parliament measures. Laws have been annexed in Japan's Parliament due to majority that his party has in both chambers. Nevertheless, we could see many positive attempts to solve or to start solving some of these challenges.

I would also mention that arm race has been happening in East Asia, Northeast Asia, because 2014 was the first time in modern history that Asian countries were bigger purchasers of weaponry than most developed countries. It is a very sad situation regarding the numerous positive mechanisms for economic cooperation. I would just mention Free Trade Agreement negotiations between three major Asian economies and one of the biggest global ones, China, Japan and Korea, in spite of historical issues, in spite of territorial disputes and in spite of power rebalancing in Asia Pacific.

Of course, new major player has arrived. I would like to remark that China could not resist showing off, but this is very dangerous showing off, regarding the giant proportions of China's power. Many neighbors of China did not feel comfortable at all with that showing off. We know that this causes numerous problems to ASEAN countries, their unity and ability to deal with issues together. Still, Korean persistence to go on with confidence building measures is very important. President Park's approval of PM Abe's speech regarding historical issues at Japan's commemoration of the end of the WW2 was also a very positive thing. That is very small, but important step forward.

There is also Korean persistent presence in all those initiatives and support from Korean Government for all of them, one of which is this to connect positive experiences and permanent mechanisms from Europe, which East Asia has been missing since the end of WW2. I think that many mistakes that we were forced to make or were not wise to avoid could be shared with you. I think that at the moment it is not possible to see building of permanent framework, comprehensive framework, but I consider those initiatives to be very helpful and in a way complementary to existing ones. Thank you!

PANELIST: MS. SONJA BISERKO

President of the Helsinki Committee for Human Rights in Serbia

Excellences, ladies and gentlemen, it is a pleasure to be with you here today. I will start by saying that this initiative is genuine and that it establishes new order in Far East, but I do not think it will be possible for this initiative to succeed without North Korea joining it. I think that is crucial. Allow me to make a few comments as former member on the UN Commission of Inquiry on Human Rights in North Korea. The Commission's report has galvanized the international community and brought human rights situation in North Korea into sharp focus. After many years of having just geostrategic issues on the North Korea agenda, the UN report provided genuine and fact based account of human rights violations there.

The report has also given impetus to some internal policy changes in economic, trade, arts, culture. It has also pushed North Korean regime to take into account at least some of our criticism and recommendations, mostly those dealing with food supplies, healthcare, children, women and education. North Korea also agreed to enter the dialogue with UN bodies to improve human rights situation in the country. Considering the general context, I would say that was a real breakthrough.

The report gave impetus to the idea of developing a new strategy for North Korea that should reinvigorate international community, including the UN and other international organizations, to take coordinated and responsible action for renewal of unconditional talks with North Korea that will take into consideration reports and recommendations. Our findings also indicate that the agenda for a new round of talks should focus on the human dimension, along with security and economic issues.

North Korea's survival definitely depends on foreign investment and foreign investment is the only mechanism that guarantees access to Korean people. It would be naïve to expect economic reforms turning the North Korea into more liberal or democratic country in any significant way. I believe that further sanctions would hardly shape a course for the effective strategy. Sanctions can be just means of

achieving certain objectives. The regime ready to sacrifice entire nation for its political aims cannot be stopped through sanctions. Therefore, I sincerely suggest constructive engagement of international community, especially South Korea.

I strongly believe that initiative should approach this problem as Europeans did through shared values incorporated in the Helsinki Final Act. Such values cannot be endorsed overnight, but it is crucial to have the rule of law and respect for human rights shared to start with. And there is additional problem plaguing regional relations – historic divisionism keeps polluting bilateral relations. Even after 70 years the interpretation of history is an issue of present, rather than of the past. Here, in the Balkans, we are still coping with the past, despite all the mechanisms that were installed; obviously it takes more patience and more time. Such burdensome legacy calls for regional endeavor, for common understanding of the history that would help build mutual trust and develop the culture of multilateral cooperation. European experience after the WW2 can be a good model.

I am concerned with the future of North Korea and how they will deal with this issue. I do hope that violence will not prevail and that South Korea will lend a helping hand. It goes without saying that signing of the peace agreement between two Koreas is imperative for reconciliation in the Korean Peninsula. And finally, I have to point out that South Korea is, as I witnessed as the member of Commission, playing the most constructive role in the region and I wish you all success and wisdom in dealing with all those delicate issues ahead of you. Thank you!

MODERATOR: AMBASSADOR CHUN YUNGWOO

Senior Advisor at the Asan Institute for Policy Studies

What will asymmetric distribution of power do to success or progress of NAPCI? Power distribution in Europe is such that one country's accesses can be constrained by all other countries combined. You have, more or less, multilateral distribution of power. You have big powers like Germany, UK, France, Italy, but no country dominates or can have dominant position in Europe. Closer to home you have Russia, but basically you have multi-polarity in terms of power distribution in Europe. Where the power distribution is multi-polar you have better chance of promoting multilateral security cooperation.

In Northeast Asia we do not have multilateral distribution of power. We have China, which is predominant power in terms of power distribution. In the past, when China was weak, in decline, the raise of Japan could counterbalance China. Now, we are going back to the tradition where China plays predominant role in power distribution and all other countries combined do not have enough power or resources to counterbalance China without outside player like the US. East Asian countries alone do not have enough power to constrain China's predominance in Northeast Asia. Can we still have a chance to build workable multilateral security cooperation in this kind of asymmetric power distribution? That is one question. I have always wanted to hear about this from experts.

Another thing is that we have very different structure of security interests comparing to Europe. We have very narrow commonality of security interest among candidates in NAPCI. Most of the hard security issues, the war and peace issues and existential threats, would normally be managed or resolved through bilateral security alliances, such as Korea-US alliance, Japan-US alliance, so China's neighbors depend on bilateral alliance to resolve hard issues.

When it comes to soft issues – the Helsinki Process focuses heavily on human rights issue. In Northeast Asia, however, human rights issue, even with NAPCI, is a taboo in some countries. In China *human rights* is a dirty word. In North Korea you can go to prison for talking about human rights. So if we leave all hard security issues and human rights what kind of issues can we deal with in NAPCI in order

to maintain the relevance, the momentum of the process? There will be many issues, but they should create momentum strong enough to sustain the process. For instance, disasters relief is an important one, but that alone, from my point of view, will not have the power to bring together the highest leaders from countries to talk about those issues every year. Once or twice is OK, but can we sustain the process and strengthen the process with these issues? So what issues do we have to deal with? What issues will have the relevance and the power to sustain NAPCI process?

PANELIST: PROF. DR JOVAN TEOKAREVIĆ

Faculty of Political Sciences

I see this seminar as a way of learning from each other, so for us from Serbia it would be very interesting and important to know something that has not been said in presentations: How did other partner countries react to NAPCI, especially North Korea? This is a question for our Korean colleagues. Thank you!

PANELIST: MS. SONJA BISERKO

President of the Helsinki Committee for Human Rights in Serbia

The OSCE process in Europe started from certain principles that we established, 10 principles, which also may be something to recommend. Maybe not the same ones, but you should certainly select some of the issues you can agree on. I understand that human rights issue is a very difficult one, especially in China and in North Korea, but as we have seen, our report is less intense now. I believe so, or I want to believe so. Anyway, it engaged North Korea in dialogue with the UN. There is some progress in this respect. I think that historical issues could also be put on the table, because without common understanding of your history it will be very difficult to see any serious engagement on issues that are so crucial for the region. We have the same problem in the Balkans now – so many mechanisms were installed, but I think that we are still very much at the beginning although EU is insisting on regional cooperation, meaning also reconciliation and normalization.

In our discussion with partners from China, South Korea and Japan we understood how big burden history is for the region. You still have very strong emotional reactions to mentioning certain dates and interpretations of the history, especially conflict related to Japan and Korean Peninsula. I think you have to start from there. There are already many books, fact finding missions, special report written about this issue, so I think this could be one of the points to start. Your paper indicates cooperation in different economic fields which already exists. As it is indicated – energy, economy, trade and so on are already very strong basis to start the talks and to balance China. China certainly creates anxiety at this moment, but I think it will be confronting serious problems inside the country, because South Korea and Japan are much better off economically, the standard is higher. China cannot be compared to them. I think China will confront internal challenges sooner or later and it will have to address them.

And one basic thing which is important for the initiative is establishing rule of law which all the countries of the region will abide. Maybe human rights issue can be postponed for the moment, but you could at least discuss values that you would like to deal with. Your country is highly developed, but maybe some of these human rights issues are still not dealt with. But you have to start with that step by step. It will not happen overnight. You need a lot of patience to bring these issues to the agenda.

MODERATOR: AMBASSADOR CHUN YUNGWOO

Senior Advisor at the Asan Institute for Policy Studies

Interesting ideas! I happened to take part in the first NAPCI working group under the Six-Party talks, since Six-Party Talks had couple of working groups and one of them was on multilateral security cooperation in Northeast Asia. What I noticed at the first meeting was that all countries wanted to talk about issues related to other countries, but they objected to talking about any agenda related to them. China does not want to talk about issues such as South China Sea or anything like that. “Leave it to me”, that is their position. I think it is basically the same with all other countries.

If we talk about comfort women or historical issues, I think Japan may be reluctant to take part in this process. If we want to talk about human rights, China does not want to talk about that. Many of these agenda items that we need to talk about will limit participation or interest of the countries in NAPCI. The key issue is how we resolve those questions.

PANELIST: PROF. DR DRAGANA MITROVIĆ

Director of the Center for Asia and Far Eastern Studies

I do not have magical solution, but I have been thinking about these issues. We know there are dialogues and it is not that China refuses to talk about human rights, they have regular dialogues with the USA, the European Union, but their definition of human rights issue is totally different. They will tell you: “We eliminated 600 million people out of poverty, so that is how we have contributed to human rights globally” and they would be right. But that is not my point. My point is that those dialogues on historical issues, territorial issues, or any other dubious issues that concerns each of those countries or most of them should be held among historians, NGOs and other sectors of the society (of course, in a very sophisticated and low pressure level) and the dialogue should go on.

I think that the dialog has been going on so far, but what all the countries would be much more eager to put on the agenda would be non-traditional security threats such as contagious diseases. We could just remember S.A.R.S. situation in 2003 or Ebola nowadays. It is not happening only in Africa, it could happen here or anywhere tomorrow. Then there is also nuclear power pollution that happened after Fukushima Daiichi nuclear plant disaster, pollution coming from China, industrial pollution or desert storms that are sweeping over Korea. Mongolia, China, and Russia are all interested in those issues as well. There is also economic development, economic infrastructure, and cyber security. Everybody, even China, is very much interested in cyber security, including Internet security. Furthermore, there is infrastructure, telecommunication infrastructure, traffic infrastructure and energy infrastructure. Everybody in the region is interested in this. Also, more or less everybody is interested in free trade negotiations.

Regarding your first question, I will connect it to this one and other issues. There is a long list of issues, of course, but life is creating

new ones every day and some of them are very old. I think everybody is very sensitive to historical issues, so called “sex slave issues“. Also there is an issue of war orphans, abandoned babies, how the Soviets treated Japanese in nowadays Northeast China, at that time Manchuria, and so on and so on. There are so many very painful issues. Of course, people cannot talk so openly and boldly about them. There is different, but deeply rooted perception on this issues so, of course, they should be dealt with very carefully.

Some others could be more operational and those issues are those that on the surface everybody should be more focused on. Regarding the small and rather giant stakeholders, we have giant China and other different giants, like Russia. Kazakhstan is a sort of small giant and then there are very small states. But everybody should be respected equally. Russia wanted Nagorno– Karabakh to be recognized by the member states, but, it was not, because consensus had to be reached. This and other issues are examples of how issues should be dealt with and how all stakeholders should be treated equally. This is the only way, I think, that everybody feels comfortable enough to really play their role within the organizational framework.

PANELIST: DR CHOI KANG

Vice-president of the Asan Institute

It seems to me that there is no clear connection between polarity and multilateral cooperation. Even within bilateral framework it is possible to have multilateral cooperation. For example even the USA, who always emphasizes bilateral level alliance, actually seeks multilateral cooperation or stakeholders’ contribution for solving the problem, especially in nontraditional area. Professor Mitrović has mentioned several issues: pandemics, energy, environment issue, eruption of the peak of mountain, seismic activities, etc. There is an ongoing cooperation at lower level, but we have to upgrade this cooperation to a high level and give it some political meaning. It is necessary to empower it. So I do not see any direct connections between the polarity and multilateral security cooperation.

On bilateral and multilateral relations – sometimes we can say: “Leave it to us, we will solve it bilaterally”, but sometimes multilateral form enables the platform to discuss these issues. For example, when we had difficult time with Japan, the USA brought President

Park Guen-hye and PM Abe together at the sideline of nuclear security summit. This is the formula or opportunity to utilize multilateral and also give some ideas about how we can overcome issues. I am not 100 %, confident about solving all issues, some issues could be solved bilaterally, but actually there is some binary impact between the multilateral and bilateral dialogue. Mr. Kim will answer the question about what has been the reaction of other countries on NAPCI. I have been attending several conferences in the US, China and Japan, and my observation is that the US's response has become more positive over the past two years. Initially, they did not understand what NAPCI is. They were confusing NAPCI with Northeast Asia balance issue, but NAPCI is not designed to replace the existing order, but to consolidate and liberate international order by promoting functional cooperation among countries in the region.

I think that human rights issue is a very tough one. I do not know how China reacts to that, but in order to solve human rights issue, maybe we should think of humanitarian issues as a way to detour, infiltrate and also make an agenda within the framework. Unfortunately, human rights issue it not one of the issues within the framework of NAPCI, but could be dealt with in a more global framework – UN or some other countries.

About candidate countries reaction – China was quite enthusiastic, they always supported multilateral. They cannot deny the multilateral security cooperation. Mongolia was very much enthusiastic about it as well. I think that Japan was a little bit reluctant, but, as Prof. Mitović mentioned, as of August 15 Korea–Japan relations became much better than before, so there is a higher chance to have Japanese cooperation. And maybe we underscored that this framework cannot provide opportunity to overcome some obstacles in bilateral relations.

PANELIST: KIM CHOONGOO

Deputy Director General for Policy Planning at the Ministry of Foreign Affairs of the Republic of Korea

Thank you, Mr. Ambassador. As for the possibility of bilateral cooperation in Northeast Asia, NAPCI is the first to try console soft issues first. In our past experience, we wanted to have so-called top-

down method. We talked about South China Sea, about historical issues, and that could not have been a good start. It was a non-starter for the consultations, so that is why we now wanted to talk about soft issues like disaster management of health management first. Then we could build trust among countries and we could work from the bottom to the higher or heavier methods. It is not something we tried before so let us see what will happen in the future.

As for reactions of other countries and North Korea, let me answer Dr. Teokarević's question. Until now we have had the official support from 29 countries and 8 international organizations. All NAPCI countries, including the USA, Japan, China, Russia, South Korea and Mongolia, gave us official support on this. As for North Korea, we are always open to that country, to our brothers. We always invite them to conferences or intergovernmental consultations, but there is no echo from North Korea as we expected. Still, we are open to the North and we will do our best to get them involved. Regarding Prof. Mitrović's statement, as Government Official, I should tell you that we do not have any territorial disputes with neighboring countries. The fact is that a good neighbor of Korea unlawfully, illegitimately claims certain territory of Korean sovereignty. Thank you!

MODERATOR: AMBASSADOR CHUN YUNGWOO

Senior Advisor at the Asan Institute for Policy Studies

I think we had many interesting ideas raised in this discussion and I think these are good ideas that our Korean colleagues can take back home to consider. General sense is that NAPCI has a good chance to succeed, to make progress at this point. There may be many constraints and difficulties, but multilateralism is the tide of the future and I think the time has come for East Asia. I think that is the general sense that we share here. If we have to start promoting multilateralism and security cooperation in Northeast Asia, NAPCI is the right place to start. That should be the conclusion of this meeting. Thank you very much for your patience!

Session 2

Confidence Building in the Balkans and Roles of OSCE

Moderator:

Dr Vladimir Bilandžić

Special Advisor to the OSCE Mission

Panelists:

Ms. Aleksandra Joksimović

Director of the Centre for Foreign Policy

Prof. dr Dragan Simić

Dean of the Faculty for Political Sciences

Mr. Michael M. Uyehara

Deputy Head of Mission, OSCE Mission to Serbia

Dr Choi Kang

Vice President of the Asan Institute

MODERATOR: DR VLADIMIR BILANDŽIĆ

Special Advisor to the OSCE Mission

During preparation for this conference organizers invited our Head of Mission to join us. Unfortunately, he is not in Belgrade today. Chairman of the office paid honor to this conference and made some inspiring remarks. I am happy to say that the OSCE office is not represented only by me, but also by our Deputy Head of Mission, Mr. Michael Uyehara, who will attend this session and hopefully contribute to my presentation.

I am honored to present you panelists. Ms. Aleksandra Joksimović has an extensive experience in multilateral diplomacy at the Ministry of Foreign Affairs. She has been very active in European Movement and other organizations, as well as in civil society. She is the Head of the Center for Foreign Policy Research. On my right side is Prof. Dr Dragan Simić, recently elected as the Dean of the Faculty of Political Sciences, also expert in international relations. He has published widely on the topic of international relations.

I will slightly misuse my role and say a few words that I prepared in order to start the discussion, although the discussion already moved in the direction of the subject matter of this round table. Our distinguished participants from the Republic of Korea showed impressive knowledge of the OSCE, which is not surprising since Korea has been OSCE's partner since 1994. It was the first country from East Asia, after Japan, to join the OSCE as a partner.

I think that both Serbian and Korean participants pointed out comprehensive approach and multilateralism of the OSCE, which is relevant to very original and very useful initiative of NAPCI, launched by the President of Korea. The OSCE, in addition to established matters, which are both human rights and security, is also about the procedure. Somebody mentioned that in multilateral approach of the OSCE number of smaller states can somehow balance big participants.

That is true because the OSCE has the rule of consensus – even the smallest country can influence decisions and even block them. This is very interesting feature of the OSCE. It now has 57 participants (originally it had 35), so it cannot be compared to this Eastern Asian Framework, which is smaller and misbalance of power is different, but I think that the role of consensus in the OSCE is some-

thing which indicates possible relevance to the situation in North East Asia. I would like to say that some people had been calling the OSCE (or the CSCE at that time) security conference from the very beginning, while others had been calling it human rights conference. It had been both; it had been developing gradually in both directions and eventually developed a very comprehensive and very sophisticated system of norms, both in security and in human rights dimension.

They somehow interconnect, because in both dimensions we have instruments such as notifications on human rights situation or on military situation, reports by participative states about their commitments in military sphere, but also in human rights sphere, so it kept its balance. At the beginning the system was mainly focused on East-West Confrontation and this is the similarity with East Asia. The Balkans weren't originally in the focus of the CSCE. It was Central Europe.

It was the division line between two Germanys, with armies accumulated on both sides of this division line. Unfortunately, the Balkans started to be in the focus of the OSCE in the 1990s, due to the conflict which developed there. The OSCE was not able to prevent conflict, neither was European Union nor other powers, but the OSCE engaged very early in the conflict to try wind it down. I think they were instrumental in the aftermath of the conflict.

It is interesting to note that military measures, like participants from the Republic of Korea indicated, are very delicate and very difficult to achieve. In Bosnia or in countries of so called Dayton triangle they accepted system of very sophisticated confidence building measures, which included inspections on all sides and was similar to wider OSCE system.

How was that possible? Well, first of all, it was possible because Dayton Peace Agreement was not negotiated between parties in the conflict, but was somehow imposed by major powers in the international community. Serbia, Croatia, Bosnia and Montenegro still implement so called Article 4 of the Annex B of the Dayton Peace Agreement and this is a system of measures that functions very well and sees the end of hostilities in the Balkans.

As far as I know there was not a single armed incident, there was never serious dispute in the implementation, so I think this shows that it is possible to do something even in such delicate area. Of

course, OSCE's engagement in the Balkans is not just about military security or hard security, but also about democratization. There are many missions in most of the countries of this region and they support democratization of countries, democratic transition. They also support regional reconciliations and regional dialogue. Mission in Serbia is very active, as well as our missions in Sarajevo, Tirana, Pristina, Podgorica and Skopje. So the OSCE has the role in the field too, which is an interesting feature that had actually started to develop in the 1990s and fully developed in 2000.

PANELIST: MS. ALEKSANDRA JOKSIMOVIĆ

Director of the Centre for Foreign Policy

It is hard to discuss the OSCE after Mr. Bilandžić, who is a real expert and has been working for the OSCE for so many years. Before I answer the question, I would like to add that Mr. Bilandžić mentioned something important – the role of consensus in OSCE's functioning. Besides that, I will mention another important thing about functioning of the OSCE. Decisions in the OSCE are non-binding, but they have moral and political strength. Whatever the OSCE decides is not binding. This is probably crucial for establishing a conference.

Most of the institutional organizations inside the OSCE started with the fact that this was a conference at the beginning. Everything about the OSCE is about the Cold War. Until the 1990s the OSCE was initiated by the Cold War, but in the 1990s, when the Berlin Wall fell and relations in Europe changed (not only in Europe, but on international level), it was obvious that the role of the OSCE was supposed to change as well.

Mr. Bilandžić also mentioned the number of member states in the OSCE. We started with 35 and ended up with 57 member states, but we have to mention that increase in number of members is in fact the result of dissolution of ex-Yu and USSR. Space from Vancouver to Vladivostok that we started with is more or less the same in spite the fact that number of member states increases on a daily basis.

The rule of consensus is enormously important. For example, it is important for Serbia because Kosovo could not become a member state without the vote of Serbia. That is one of the advantages or disadvantages of this rule. Mr. Bilandžić also mentioned different baskets or dimensions that the OSCE deals with.

The first one is political-military dimension and it considers arms control, border management, combating terrorism, conflict prevention, military reform, policing and implementation of democratic rules in civil control of the army. The OSCE has been deeply involved in those topics with different success, especially in conflict preven-

tion. Let us say with more success in reconciliation than in conflict prevention.

The second basket is economic and environmental dimension. Allow me to say that the least success was in this basket. And then we have the third basket, which I find the most important, so I was disappointed to hear that NAPCI is lacking this basket, and that is human dimension or human rights dimension. It seems to me that the biggest progress the OSCE has made was in this basket, considering combating human trafficking, democratization, education, elections, gender equality, national and international NGOs, media freedom and minority rights. Those topics were probably the most important for success of the OSCE missions, with reports which inform and alert international community. Observations are in fact of crucial importance for this organization.

There are completely different views on how powers perceive the OSCE as an organization. If you ask the USA, they would say that they did not consider the OSCE an international organization, but a process and an instrument for improving peace and overall security. The OSCE is a true example of success of international arrangement as not legally formal structure, but an agreement of major powers. So that is how the USA perceives OSCE's functioning. Russian side, on the other hand, has a completely different point of view.

Following a period of activity from 1990s to early 2000, the OSCE witnessed a few years of accusations, primarily coming from Russia, of being a tool for Western states to advance their own interest and there is a huge pressure for structural reforming of the OSCE. This year the reform has been more often discussed than earlier, but I would say that there will be no progress at all in spite of discussions, because it seems that any kind of reform can be discussed, but very difficult to be agreed on or delivered.

In 2007 at Munich Conference on Security Policy Vladimir Putin made his position on the OSCE very clear: *Western states are trying to transform the OSCE into a vulgar instrument designed to promote foreign policy interests of one or group of countries and this task is also being accomplished by OSCE's bureaucratic apparatus which is absolutely not connected with the state founders in anyway. Decision making procedures and the involvement of so-called non-governmental organizations are tailored for this task. These organizations are formally independent, but they are purposefully financed and therefore under control.* So this discussion and rising tensions between

Russia and West will certainly continue through the role of the OSCE as well.

Since our panel is supposed to be about experiences in the Balkans, let me tell you that this experience is not only about ex-Yu countries or Western Balkans. It is about ex-Soviet territory as well, but we will not discuss it today, since it is not our experience. So what was the advantage of the OSCE in regional cooperation? The answer is – the fact that Western Balkan countries are full members in the OSCE, contrary to the EU and NATO. Therefore, this was the place where they could work together on decisions and statements the OSCE was focused on. Concerning missions, Serbia was the first consumer of the OSCE mission, which started in August 1992, while this was still a conference and it was about Vojvodina, Kosovo and Sandžak. It lasted shortly, until March 1993, when it became the government controversy, so it ended.

The other country which was consuming the OSCE mission was Macedonia, almost at the same time as Serbia, in August 1992. The mission was aimed to preventing overflow of ex-YU conflict to Macedonia. That was initial task or goal for Macedonia and the mission, but since 2001 it worked more on Ohrid Agreement implementation. Missions were established in Croatia as well in April 1996, with the task to deal with the return of refugees and displaced persons, as well as media and judiciary reform, and in Albania in March 1996. In eighteen years there were 31 operations, out of which 18 are still active and 80% of the budget of the OSCE is allocated for those missions.

What can we say about the success of those missions? Missions were often jeopardized by conflicts with host countries and host governments due to reporting different fields of democratization process, mostly in the field of media and electoral observations. Hosting countries were mostly very angry with reports which the OSCE made.

The closer Western Balkan countries are to the EU, the less important OSCE missions are, so Croatia is without OSCE mission. It seems that in the transitional period the OSCE is contributing to democratization processes, but in fact EU is taking over accession process, harmonization and democratization of those countries. Ukraine crisis somehow refreshed the importance of OSCE mission as such due to the fact that at this moment OSCE mission is contributing to stabilizing ceasefire in Ukraine.

It is hard to believe that there will be any substantial reform or change. Since history was mentioned couple of times during the previous panel, I would like to say that not under the OSCE, but under another regional NGO, Center for Democracy and Reconciliation of South East Europe, joint history project has been established with 4 textbooks published so far. Those textbooks treat different parts of history and these are probably the first textbooks of such kind in the region and even wider, because even EU did not succeed in such attempt. Those textbooks were translated to Japanese, since Japanese government was very much interested in the project as such.

In Western Balkans, for example, we share different experiences from around the world about topics that we are interested about, like Nordic cooperation, East-West Germany and many other examples. It is interesting to study those examples, but every particular problem in the world is specific and needs its own approach. Therefore, the OSCE is interesting to be studied as an example, but I think that Asia and the Initiative, formulae for cooperation you have presented today, are something that needs special approach. Thank you!

PANELIST: PROF. DR DRAGAN SIMIĆ

Dean of the Faculty for Political Sciences

Thank you, Mr. Chairman! I am going to be as brief as possible, but bear in mind that I am risking to be brief, but not clear enough. As Horace put it: *Brevis esse laboro, obscurus fio*. It is an old proverb from Šumadija and Pomoravlje. Of course, this is joke to improve the atmosphere, although I think all of us are enjoying among our friends from Korea and our distinguished guests.

At the very beginning allow me to express my gratitude to gentlemen who organized this meeting, especially to Prof. Slobodan Marković, His Excellency, Mr. Tahir Hasanović, people from East West Bridge and the Embassy of the Republic of Korea in Serbia. We have had very good cooperation with the Embassy for decades and we are grateful to people of Korea and the Embassy for supporting the University of Belgrade for decades in various activities. Thank you very much!

I am going to repeat what people already said, but I feel the necessity to say that we are having very important conversation today. We are exchanging views with our friends, experts and diplomats from the Republic of Korea, but this is also one more opportunity to reconsider the importance of the OSCE. It successfully survived very turbulent decades in the recent history, bridging two worlds, two world orders – the order of the Cold War and post-Cold War era. In that regard, allow me to say a few words on the OSCE's role in that changing world, which steps have been taken since 1975 and the Helsinki Accords, and which steps should be taken in the future.

In multitude of international organizations existing today the OSCE is a unique case and saying that the OSCE is unique case requires, of course, substantial discussion. Our Chairman, Ms. Joksimović mentioned some key words – consensus, which is a very important word, comprehensive organization and new thinking, new understanding of redefined security context.

If we take into account pluses and minuses, the OSCE was and still is a successful international organization in that field. As already

mentioned, the OSCE brings together 57 states across 3 continents in lasting effort to build peace and prosperity based on comprehensive understanding of security. For the past 40 years, despite the crisis and disagreements that the OSCE faced (it would take an hour just to number all the crises that we went through in the past decades) it has been able to overcome them successfully and its member-states realized the importance and the necessity of its existence. For instance, during the Ukraine crisis the OSCE has proved to be the only institution for European security that could engage all parties, all stakeholders of the conflict in dialogue to seek the crisis resolution. This has helped OSCE's competitive advantages: universality, equality and flexibility, plus consensus and soft power, some sort of gentle power.

We should also discuss limits of using only soft power to prevent or solve crisis. To add, the OSCE has a comprehensive cooperative nature including its frank in the field of conflict management. However, the main feature of this organization is that since its very beginning the OSCE has been ahead of its time for many reasons. In other words, inclusivity, expertise and rapid reaction have helped the OSCE act successfully in many cases. So many words, I hope that you will remember them; there is necessity to make hierarchy of these words. For instance, during the Cold War, when Europe was split by block confrontation and relations were extremely tense, the CSCE (at that time) became one of the main platforms where it was possible not only to bring all stakeholders in Europe to negotiation table, but also to achieve detent and compromise in many key issues.

At the end of the Cold War comprehensive approach to security made the CSCE in the middle of 1990s leading international organization, facing substantially changed environment in Europe after the fall of Berlin wall. Ms. Joksimović already told us something about the role OSCE played that time, focusing on the first field mission at the beginning of 1990s which was in our country. It was not as successful as we hoped, but it was still successful.

The OSCE works to address 3 dimensions of security, the politico-military, the economic and environmental and the human, as integrated whole. This statement is where I would like to stop and comment. That is the feature that shows us how comprehensive approach of the OSCE is. I have in mind new levels of security and new dimensions of security, human security, security of ethnic and minor-

ity groups, security of states, security of the mankind as such, security of regions, economic security, cultural security, societal security, and many other dimensions of security.

The OSCE proved to be the first international organization to recognize and act according to those changes in the meaning of security and the environment of security at the end of the Cold War. They understood very well new kind of war and new kind of conflicts and no other organization could be as successful as the OSCE used to be. Under certain circumstances the OSCE has offered forum for high level political dialogue and, what is more important, the OSCE as an inclusive regional instrument for conflict prevention, crisis management and post-conflict rehabilitation was the only international organization to act in such way. Mr. Bilandžić, who is an expert with great experience in that regard, will comment my statements in more details.

The OSCE entered 21st century with the new capacity for far developed cooperation in the field of security. In an era of growing turbulence in world politics and global shift of influence from the West to the East, just these sentences require no less than one hour of discussion: the return of geopolitics or the revenge of geography that to a large extent collides not only with ongoing processes of interdependence, as Joseph Nye put it, but also principles of indivisible security.

The latter is of critical importance for Euro-Atlantic and Euro-Asian security that, amidst growing confrontation between Russia and the West over Ukrainian crisis, has undergone a major test, seeking a smart strategy in a changing world; smart strategy, strategy with soft power, using instruments at disposal, famous instruments that were successful in many previous cases. For instance, what are prospects of the OSCE in this situation today? The paradox is that the OSCE has a huge potential. There are many powerful mechanisms and structures which can improve the security, but however due to lack of political will many mechanisms do not fully work and OSCE's potential remains unfulfilled.

At the very end I would like to thank our friends from the Republic of Korea for expressing their interest in sharing their views with us and for considering that they can learn something from the history of the Balkans in the 1990s. I think that there are many things

that anybody who wants to learn can learn, even from our situation. In the world we live in everything influence everything. We are living in global security web. It would be completely wrong not to take into account processes (especially security processes) in any corner of the world. East Asia, Korea, China, Japan – that part of the world is the real arena for international relations and new world order, not Europe. I am very sorry to say something like that but Europe is not in the very center of world affairs today. Eastern Asia is. We can learn a lot from our friends from Korea. Thank you very much for giving us this opportunity!

PANELIST: MR. MICHAEL M. UYEHARA

Deputy Head of Mission, OSCE Mission to Serbia

I will try to be brief. I think that people here might be interested in whether the OSCE is model for East Asian countries. I think there have been some constrains from the European Union whether that would form a kind of platform for cooperation and increase cooperation in East Asia. I would like to offer just a few thoughts.

I think that underlying conditions are quite different between East Asia and Europe. In Europe there is a broad consensus with regard to sort of democratic principles and I think that in Europe we see a model of development that is different from East Asia – in Europe the market economy and constitutional democracy have developed sort of hand in hand, whereas in East Asia we see a pattern where economic development precedes and then democratic development lags behind the improvement of the economy. Once a country reaches a certain level of economic development, sort of democracy happens naturally. I think that South Korea in particular is the prime example of that.

I would also say that if you take a look at the CSCE and its development since the signing of the Helsinki Accords in 1975 we did see quite a difference between the East and West Europe. Signing of the Helsinki Accords represented a grand compromise and those countries that were largely members of NATO and those that were largely members of the Warsaw Pact were able to get something they wanted and they had to give up something that they valued in order to be able to sign this accord. Warsaw Pact countries really wanted to be able to sort of establish the inviolability of the borders of Europe at the time and NATO wanted to have this recognition of principles of human rights, so with regard to developing a similar structure in East Asia I think there has to be the same sort of bargain, some sort of compromise. Each side will have to achieve something that is important to them but also they will have to give up something. That is the basic principle of going forward.

I would also say that, with regards to this idea of comprehensive security, military security, economic security, human dimensions and

human security, this provides structure that allows all of the 57 participating states to put emphasis on one aspect or the other in order to get something. I would say that the OSCE has a parallel structure that operates the Open Skies Treaty, which allows overflights by Russian airplanes, NATO airplanes, over countries and confidence security building mechanisms. That is an integral part of the OSCE, so that country like Russia, which has in fact violated what is called Decalogue, ten basic security principles of the OSCE, still values the OSCE.

I think that the OSCE, even though it is consensus based organization (and consensus principle sort of shrinks the operational space, because it is always driven to least common denominator) provides a value by allowing everyone to come around the table.

Talking about this principle of a compromise, in terms of developing the OSCE as a model in East Asia the initial step would have to be to bring everyone around the table. The idea of NAPCI and possibly two groups able to talk to each other would be the beginning of developing an OSCE structure and I would suppose that any such structure would have to integrally involve the US. We know that Mohamad Mahathir's idea of East Asia Strategic Initiative never went anywhere because of the US opposition. Speaking as a US diplomat, I would also say that APAC is a rather artificial construct, but that was the only way that US could get a seat at the table and any future OSCE-like structure would also have to involve the US.

From East-Asia perspective perhaps the one relevant and pressing issue that might be the impetus for development of the OSCE-like structure would be various territorial disputes that exist in South East Asia. If all of the parties could make some commitment, these disputes would be settled on the basis of discussion, rather than on use of arm force and that would be to everyone's advantage. It would form the basis for some sort of agreement on the set of principles that could form basis of organization like the OSCE. Thank you!

PANELIST: DR CHOI KANG

Vice President of the Asan Institute

I have just one question about the fixation of the border or resolution of this dispute. Was there any kind of mediation? In East Asia, where we have problems with South China Sea, East China Sea, it is quite difficult to have cooperation we envisage unless we have common understanding of the border or territorial dispute. If there are some management tools to keep the tension below the desired level, I would like to hear some thoughts on that.

MODERATOR: DR VLADIMIR BILANDŽIĆ

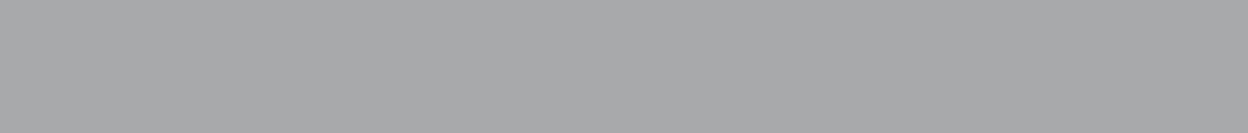
Special Advisor to the OSCE Mission

As far as I know there was no active mediation by the OSCE on Pacific territorial disputes, but one has to recognize that unification of Germany came within the wider framework of the CSCE and the OSCE. Of course, this was not only due to the OSCE; there were other processes as well. However, there was another dispute, sometimes forgotten – territorial dispute between former Yugoslavia and Italy over Trieste, the city and the territory around Trieste, and there was no signed agreement for decades. I cannot discuss the history of the whole issue, but the common border was not legally recognized by the two countries which had friendly relations until the Helsinki Final Act was signed. In the aftermath of the Helsinki Final Act the two sides found it possible to sign the agreement on the frontier between Italy and at time Socialist Federal Republic of Yugoslavia. So called Osimo agreements were signed and they actually fixed the border. When the former Yugoslavia faced dissolution this border became border between Slovenia, as a successor state, and Italy. So this is an example of territorial dispute which was solved due to principles established by the CSCE Final Act. Thank you!

PANELIST: MS. ALEKSANDRA JOKSIMOVIĆ

Director of the Centre for Foreign Policy

I wouldn't like to comment border issues, but I wanted to add that the OSCE is good platform for discussing questions. But at the end of the day, and it is pretty obvious right now due to Ukrainian crisis, decisions are made by great powers. They are sitting together and making decisions. So the OSCE is framework which is making era more comfortable, but great powers are decision makers.



Session 3

Ways to Confidence Building and Regional Cooperation

Moderators:

Prof. Dr. Slobodan Marković

Faculty of Political Sciences

Dr Choi Kang

Vice-president of the Asan institute

Panelists:

Prof. dr Jovan Teokarević

Faculty of Political Sciences

Mr. Dragoljub Kojčić

Director of the Institute for Textbooks of the Republic of Serbia

MODERATOR: PROF. DR SLOBODAN MARKOVIĆ

Faculty of Political Sciences

It is my pleasure to open the third session titled *Ways to Confidence Building and Regional Cooperation* and I have the honor to be the chairperson of this panel together with Dr. Choi Kang, Vice-president of the Asan Institute for Policy Studies. In this panel we will have two participants from Serbia. The first one is Prof. Jovan Teokarević, who will talk about regional cooperation. He is professor at the Faculty of Political Sciences. He also lectures regularly at the NATO Defense College in Rome and he teaches about relations between the Balkans and the EU at the University of Vienna. He also runs the first MA program in English at our faculty together with the University of Graz. To my left is Mr. Dragoljub Kojčić, Director of the biggest publishers in Serbia, Serbian state textbook publisher. Mr. Kojčić is also the President of the Program Council of the Radio Television of Serbia. He will talk about issues in confidence building in Serbia in terms of our neighbors.

Let me make several introductory remarks. The very title *Confidence Building* suggests that there is lack of confidence and what we discuss here is actually lack of confidence between states in the Balkans. The most immediate problems were Wars for Yugoslav succession, a series of wars that took place between 1991 and 1999. The very term is the result of efforts to create confidence building. For many years scholars and politicians were trying to make as neutral term as possible and we came up with this term – The Wars for Yugoslav Succession. It is actually an effort to avoid calling these wars civil wars, inter-state wars, inter-ethnic wars, although they were all of that as well. As the result of those wars we have 135 000 people who lost their lives between 1991 and 1999.

What is interesting is that states did not enlist those who were killed, but actually three NGOs, one from Sarajevo, one from Zagreb and one from Belgrade, and thanks to the Research and Documentation Center in Sarajevo we now know that 98 000 thousand people lost their lives in Bosnia, out of whom 64 000 were Bosnian Muslims, 25 000 Bosnian Serbs and 7800 Bosnian Croats. This includes missing persons and it is 2.24 percent of Bosnia's population in 1991.

Additionally, there are around 20 000 victims in Croatia and 13 500 in series of conflicts in Kosovo, ending with NATO intervention and Kumanovo Agreement in 1991. Altogether 135 000, but in addition to that (I do not have data for the whole territory of Ex-Yugoslavia, certainly Bosnia was most affected) many people left ex-Yugoslavia and migrated to the West. That is why we do not have 100% exact data. But what we have is the number of 618 000 refugees that came to Serbia. By mentioning Serbia I do not want to say that Bosnia was not the greatest victim, because it was. But Serbia got 618 000 refugees, 330 000 from Croatia and 266 000 from Bosnia and Herzegovina. Now, 20 years after the end of the Bosnian war, and even more after the war with Croatia, which ended in 1992, only 144 000 refugees returned. That is less than one quarter.

Additionally, there are IDPs. As you know, Serbia does not recognize Kosovo, so people who left Kosovo are not given the refugee status, which is not good for them. So they are internally displaced persons. And finally, there are veterans, you know, successor states, and they influence very much the dynamics of internal politics, particularly in Croatia, but also elsewhere. So this is hardware. Hundreds of thousands of refugees, 135 000 dead and veterans who, for instance, helped the downfall of Croatian government some decade ago and who were almost close to doing it again several weeks ago. So this is hardware has an important legacy.

But there is also software about confidence building and it is about historical memory. The problem is that four major antagonists in terms of ethnic groups, Serbs, Croats, Bosnian Muslims and Albanians, all consider themselves to be the greatest victims of history. This is why this project that Ms. Joksimović mentioned may not work in foreseeable future.

We have one example which worked, but not here. It is German example. But the way it worked is that two states, two statesmen, agreed on what happened in WWI. They signed a memorandum about that, because Versailles Peace Treaty said that Germany was exclusively responsible for WWI. But bilateral agreement said that there was no responsibility. So if any politician signed similar agreement here, he or she would likely lose power, the one who would accept that his own nation is not the main victim. And even if that happened, this trilateral or bilateral agreement would not work because historians would not accept it at all. This is very difficult and I have

no idea how to solve this problem of historical memory. This is bigger problem.

There is something else that I would ask my colleague Prof. Teokarević to talk about and this is regional cooperation, because exactly at the time of NATO intervention against the Federal Republic of Yugoslavia in 1999 the stability pact for Southeast Europe was created, so immediately during the intervention there was awareness in Europe that some reconstruction bringing stability and peace to the region had to be undertaken. Since 1999 various initiatives mushroomed and now I would like to ask our colleague, Mr. Teokarević, to tell us what has happened with all these initiatives, what results have they brought and what challenges have been noticed in the meantime.

PANELIST: PROF. DR JOVAN TEOKAREVIĆ

Faculty of Political Sciences

I will skip most of my paper, which is not long, but it is longer than it should be for the conference like this. Paper is about the comparison between what I call the Balkan model of the regional cooperation and integration, and the Asian model of regional cooperation and integration.

I was actually provoked to speak about just one part of the paper by our Korean colleague who mentioned the so-called Asian Paradox. This is an interesting issue. Even if you have developed economic cooperation within a region, it is not followed by cooperation in politics and security. In fact, we do have more than fifty initiatives of regional cooperation in all possible areas you can imagine within the Balkans or within Western Balkans. Some of them are very important and interesting, like free trade area that was constituted in 2006, almost decade old structure, but I would actually like to tell you the story of Balkan cooperation, tackling this issue, this paradox, claiming that in fact we share some of the characteristics of the paradox too. Basically, due to many circumstances, Western Balkans has quite developed regional cooperation now, two decades after the end of military conflicts.

Both here and in Asia, in various regional groupings, or all other groupings around the globe actually, there is this optimistic hope that if you have more trade between nations and economies and states that used to be in war, you would not have to wait too long in order to have quite well-developed political and security cooperation. Well, it is not like that. That is what I claim. So in both regions that we discuss here we have functional integration in theory.

Put very simply, it means that states within the region begin with insisting on cooperation, which is out of sensitive areas, whatever these areas could be. You begin with trade and avoid politically charged issues as much as you can in order to develop this cooperation, hoping that you are creating the basis on which you can later have much more fruitful political and security cooperation. It can go like this part of the way, but this has some limitations.

I argue in my paper that functional integration alone cannot produce such expected results if there is no something I call the “grand idea” behind it or if there is no web of EU/NATO-ization. This is term I am introducing here that actually covers the area of Western Balkans within which all states in the region go in one direction, desiring to become members of EU and NATO and to share values.

There is no such thing in Asia, whatever regional grouping we talk about. So even with this roof that we have, with this EU NATO-ization, it is difficult. We have had some unexpected successes in regional cooperation and integration. For example, one of the good things that has happened are negotiations between Belgrade and Priština, Serbia and Kosovo, name it whatever you want, on normalization of relations. These negotiations have been performed within the model in which the EU itself is mediator between two parties and through which EU conditions both parties and tells them very openly that both Serbia’s and Kosovo’s success in EU integration depends, if not solely, then most importantly on the normalization they can achieve, which is another thing that you cannot find in Asia.

We hope that there would be more economic cooperation, in addition to commerce that I mentioned, but unfortunately, because of good, fruitful, asymmetrical relations of all states of the region with EU, that allowed free export of our nation’s economy to the EU, 60% of our trade goes to the EU. In the region, depending on the country, the percentage goes from 15% to 30%, i.e. a quarter or half of what we exchange with EU. In addition, most of our products coming from various countries of the region are similar and we cannot actually offer something new to our neighbors, so there is no interest or capacity in progress in regional trade.

The second thing that is limitation to this regional cooperation and integration is a permanent dilemma that we have had from the beginning – EU involvement or EU imposition of the model of regional cooperation that we have. Regional cooperation is from the perspective of the EU integration both pre-condition and instrument of the EU integration. That is an interesting issue. It means that states cannot make progress in their EU integration if they do not cooperate well with their neighbors. So this is a condition that EU imposes on us.

At the same time, this is also an instrument of EU integration and the dilemma is important because if we understand it as an exercise for the Balkan countries alone and if EU shuts its doors to new members, then it is going to be only an enterprise, not a part of EU integration process.

The third limitation concerns so-called regional ownership over the process of cooperation and integration. It is clear that since 1999, since the stability pact, we have the model of regional integration imposed by the EU. The original idea was that the region and states should take over parts of the process on the way, but it is not as easy as it was imagined. Very often there is lack of political will of local governments and independent initiatives from society are more exceptions than the rule.

Even the new organization since 2008, Regional Cooperation Council, based on the idea of regional ownership, has overcome several problems, but the point is that it also always works on the basis of the least common denominator of all particular states or governments. So not the best one, not the most elaborate or ambitious things that come from countries, but those ones that can gather everybody. Another limitation is that the region is not enabled to speak in one voice. We do not have regional institution that can represent the region. It is not Regional Cooperation Council and it cannot be. And there is no Balkan or Western Balkan identity as well. This helps regional cooperation and integration quite a lot.

I will end with this: there is region around, here around us, in the same sense in which there is every single region in the world. Regions are invented things and they are invented along the idea of regional cooperation and integration. In that respect, Balkan or Western Balkan region is not different than any other region in the world. Thank you!

PANELIST: MR. DRAGOLJUB KOJČIĆ

Director of the Institute for Textbooks of the Republic of Serbia

I think that such conferences normally cannot resolve the problem, but Ms. Joksimović said that this is some kind of classroom and this conference is very useful because historical process is slow, but has the power of water. It means that string of such conferences and individual efforts can provide us step forward. Who knows who will be in the position to make that step. The pendulum of history is going from left to right in a worldwide range, national range, professional range, vocational range, etc.

I was studying at the University of Belgrade and I remember very well the crisis of Panmunjom. This was an extreme point of moving of pendulum, because mankind was just a fingernail away from the doomsday. What does that mean? If you accumulate contradictions, tensions and differences, and do not resolve them, this pendulum can once again reach this fatal point. We must take this into consideration. What is my remark from Korea? There is a slogan in Korea, written above the front door of the museum in Pohang. It says: “Resources are limited, but ideas are not.” And that is why this room is playground for unlimited and benevolent ideas. I think that this slogan is very deliberate and that it depicts Korean nation and attitude towards development and the future.

We all remember that we had one dilemma here – what is older, what must be the first, standards or statutes? For long time international community, negotiators and all of us believed in and pushed this idea that standards should come first. If we talk about the situation in Korean Peninsula, I believe that there is no unconditional goal, but something is unconditional – system of values. It must be expressed in terms of standards – what we want, what we really want. I am Euro fanatic. We have this expression here.

I think that by living in the same space, under the same laws, with no obstacles to face when it comes to the economy, culture, exchanging minds and staying open-minded – then we have the future and I would like to live in such society. When institutions fail, the war or disasters occur. It means that establishing and erecting standards in

law, economy, politics and educations is the basis of good future of both Korea and Serbia. Here in Serbia we have a proverb that can be translated as “First help yourself, then God will help you as well”.

I noticed that Korean people are prepared for anything, because they have standard in all these areas. South Korea is prepared for any kind of situation. I am not even going to discuss their GDP. It is trillions. You cannot even write a number with that many zeros. In Korea I saw the order in the streets. I saw the order among people. I saw devotion to national interest and to democracy. Finally, I must tell you about the role of religion in Korea. Our religious conflicts here usually end with bloodshed. In Korea, there are 22% Protestants and 7% Catholics, and they all live in peaceful coexistence. I am grateful to Prof. Marković for warning me of the role of the church in Korea. There, church is a social club, place for encountering neighbors, place for business and culture, or place to meet people who believe but do not hate another church.

I am afraid this is impossible to implement in our part of the world, but I would like us to develop this practice. On our last night in Korea, during the diner, I told my Korean friends: “We are Eurocentric and we call you the *Far East*, but in the future we might as well start calling you the *Close East*.”

MODERATOR: PROF. DR SLOBODAN MARKOVIĆ

Faculty of Political Sciences

What struck me while listening to Mr. Kojčić's presentation is the fact that Serbia and Korea have something in common that we might not be aware of. We are both victims of Europeanization. What happened in Korean Peninsula is that one disciple of Stalin and one disciple of Jesus Christ collided – presidents of North and South Korea. What we have in the Balkans, speaking about these major antagonists, is nationalism, which came from Europe. It was not present in the Balkans until the beginning of the 19th century. It came after the French revolution and it was a completely new identity. We both imported ideas from Europe and when these ideas came to our sight they had very strange course of development. We still feel consequences of them.

MODERATOR: DR CHOI KANG

Vice-president of the Asan institute

After hearing those excellent presentations I feel obliged to make some comments as one of the Chairs of this session. It seems to me that two things are the most important – understanding and tolerance. Having those two elements today and in the future is critical to building confidence between each other. This is conditioned by two factors: the past and future vision. It seems to me that we are victims of the past, as well as victims of lack of future vision, common vision. We cherish democracy, human rights, market, economy and freedom, but the only values that China shares with us are in the field of market and economy. They do not share other values with us at all. Whether China can transform its political system will be a critical condition for realizing regional cooperation.

Despite differences in values, maybe it would be possible to establish cooperation if we manage to provide clear tangible benefit for having this cooperation, but it seems to me that there is tremendous strategic distrust, especially between the USA and China about what is the most preferable state of regional architecture.

On the other hand, we have disputes among countries in the region because of past issues. We have not been able to solve all the past issues, so they are coming back again. It is quite lamentable to see the return of the history again, but we should be able to manage it. We have functional cooperation in the region. China, Korea and Japan have Trilateral Cooperation Secretariat and there are more than hundred projects among those three countries. Unfortunately, the majority of those projects are blocked by political atmosphere between Korea and Japan, and China and Japan. I am glad that China finally agreed to participate in Trilateral Summit at the end of October or the beginning of November. I hope that this can be the beginning of developing new relations between countries.

In the meantime, the most critical issue is North Korea. When you look all presidents of South Korea since the Declaration from July 4, they all tried to engage North Korea. It remained isolated by its choice. How can we bring North Korea into this circle? It is quite challenging. We provide incentives, economic engagement, but it did

not work. We have put enough pressure on North Korea. If Korea launches missile on October 10, it is going to be the beginning of another cycle of crisis. I hope we can prevent that from happening, but there is high possibility.

Even though we try to reconcile with countries, people's perception of each other is quite different. Vision for the future provided by enlightened and wise men could be starting point of having more cooperation. Functional cooperation can bring us benefits, but there should be more than that, some kind of commonly shared vision, and it should be backed up by reconciliation of past issues. And we need to build a system of commonly shared values. There are two countries opposing such system of values. The first one is China. I am not criticizing China; they are doing their best. But how can we bring those countries into global government system we have cherished since the end of Post-Cold War era? We are still in the process of making a new order, so we shouldn't be pessimistic about it. This should be an adventure, new horizon for us in the future. Thank you!

MR. JOVAN KOVAČIĆ

Chairman of East West Bridge

You mentioned Bosna and Herzegovina and everything that happened and there is one aspect that we have not touched. When thinking about building confidence either in Korean Peninsula or in the Balkans, Bosnia and Herzegovina is unfortunately a perfect example of what I am about to say. We have inherent memory. We had bloody war there, which caused a lot of lives to be lost, left millions displaced and ruined destinies of children and families beyond speakable. It was fought by people who used to be neighbors. They belonged to different religions, but for 45 years they lived in the state where nobody paid too much attention to religion, so I truly believe that religion is, in most cases, just a simple excuse for what happens. This war happened between people who were best men. They used to go to each others birthdays, weddings, funerals. And then they fought. It was bloody, dirty, ugly, as every war.

We now have new generation that is living with barbed wires in their hearts. They do not remember Tito, they do not remember joint life in Yugoslavia. They are being IV fed with nationalism. In a nutshell, I would say I am not an optimist. I am not a pessimist, but I am also not an optimist. I believe, despite what I just said, that if left alone (I am using the example of Bosnia and Herzegovina because I know I lot about it due to my work there) people would easily come to an agreement for future.

However, globalization has given us the internet, has given us access to vast amounts of knowledge, untold venues for improvement. Somebody said earlier: „There was never so many people on Earth and so little wisdom.“ Globalization has a downside – now various countries can exert their influence, which is not always positive, from remote parts of the world in a much more efficient manner comparing to hundred years ago.

With the clash of the superpowers, primarily Russia and the USA, Bosnia and Herzegovina became their playground. It is just a question of interest. Add to this *bosanski lonac*, the Bosnian pot. Add continual serious influence of Iran in terms of money, which pumped

one million Deutsche marks a day since late 1994, especially in 1995 and 1996. That is a lot of money. Nobody gives that kind of money for nothing. There is always something to ask in return. There are also Saudi Arabia, Turkey and Qatar. Now there is a new player on the scene – Malaysia. Guess what, Saudi Arabia, despite the alliances, does not like the USA too much. Of course, they do not like Russia either. So what we have is six or seven players in Bosnia and Herzegovina exerting their influence and doing their own thing. That is what makes me a pessimist.

You were talking about reconciliation in Germany. Those guys were big, powerful, influential. We in this region are still not on the economic, political, institutional level to defend ourselves properly. I am just talking theoretically. I am not taking any sides and I am not accusing anybody. There is that great anecdote about a turtle and a scorpion. When the scorpion asked the turtle to take him across the water. The turtle said: „You are going to sting me.“, and the scorpion said:“Are you out of your mind, we would both die.“ In the middle of the river, what does scorpion do? Stings the turtle and they both start dying. The turtle said: „Why did you do this?“ The scorpion said:“Because I am a scorpion, that is what I do.“

And this is what superpowers do. They take their fight to third countries and only as last resort would they take it to their territories, which usually does not happen. This is good news for mankind. The bad news is that conflict of interest is always happening somewhere else. This is going to be a bit of a problem for building confidence, that is my point. Thank you very much!

1. *Professor Simić said that Conference on Security and Cooperation in Europe was ahead of its time. But it seems that it is little outdated now. Is there any future for the OSCE?*

PANELIST: PROF. DR DRAGAN SIMIĆ

Dean of the Faculty of Political Sciences

Thank you for your question. It is a good one. It requires hours and hours of discussion. I think that the CSCE used to be ahead of its time, especially in 1975 when it was established, at the haze of the Cold War. Even today, this organization is forum for dialogue. It still brings together stakeholders in ongoing crisis. This is the only international organization that could bring together all sides in Ukrainian crisis and I think it has been successful so far. The OSCE has not prevented any crisis, but it treats security in comprehensive way, just like it has been doing all these decades.

The OSCE proved to be the only organization that understands the very nature of the security better than any other international organization, including the NATO. Taking into consideration all the aspects of security, especially human security and human rights – no organization was as successful in these areas as the OSCE. So having all these things in mind, I put plus summarizing the effects and results of the OSCE as international organization. We are now witnessing the creation of global world order. Question is for the OSCE and other international organizations whether they can moderate themselves to fit new reality and this power shift.

PANELIST: MS. ALEKSANDRA JOKSIMOVIĆ

Director of the Centre for Foreign Policy

We forgot to mention something important about the OSCE – it started as the question of European security. If we are talking about missions in Uzbekistan, Tajikistan, Kazakhstan, we could talk about European security but in very wide sense. Having in mind that most of the countries in the Balkans went through huge transition and

they are now approaching EU, one by one those missions are losing that kind of necessity in Western Balkans.

So if you ask me about the future of missions, I would say it is kind of question mark. But if you ask me about the OSCE as such, I think it is the only place where USA and Russia still sit around the same table and discuss European security. At this point there is no better framework to discuss issues and it has been proven through Ukrainian crisis that the OSCE refreshed its necessity in the atmosphere of new cold war.

MODERATOR: PROF. DR SLOBODAN MARKOVIĆ

Faculty of Political Sciences

It seems to me that OSCE is currently the only international organization in Serbia which pays attention to human rights and perhaps EU has forgotten a little bit about it.

2. Since we are facing some kind of struggles in the EU, especially regarding the Dublin rules and the Schengen Agreement, as well as the refugee crisis, do you think that we can survive only on regional cooperation without EU mentorship?

PANELIST: PROF. DR JOVAN TEOKAREVIĆ

Faculty of Political Sciences

It is not about mentorship. In fact, as time goes by, it is more about partnership. This partnership has been on the downside in security sector, at the cost of other sectors. This is a logical way to go. Let us remember that after the Bosnian war 60 000 NATO troops were sent to Bosnia. Never before and after has such a big army been sent. After the Kosovo war 50 000 troops were placed in this very small area. These numbers went down considerably, of course.

The other part of the question is that through regional cooperation, combination of this cooperation and EU integration, the region is slowly becoming (this is not the case in Asia) the part of EU. There are three areas in which this country and this region have become genuinely part of the EU. We have joint energy community with the EU and practically our obligations and rights do not differ considerably from those of member states of the EU. We can use funds of the EU, incredibly wealthy funds, in the same way as any other state and without any discrimination. We are approaching the same status in the area of transport – most of our highways and railways are becoming part of the joint transport system recognized by the EU. In this way partnership is beginning to replace mentorship, which is a good way to do things. Thank you!

3. I raise this question regarding the initiative of Korean President – Peace and Cooperation Initiative. I had privilege to visit Korea, where I found out that there are also other initiatives. Maybe you should listen to other suggestions and allow some flexibility regarding your current initiative?

PANELIST: MR. KIM CHOONGOO

Deputy Director General for Policy Planning at MOFA Korea

NAPCI does not seek any rights nor wants to substitute any other initiative or already existing functional system. It should function as a supplement to other existing forums, such as *One belt, one road*. It is as flexible as possible. The reason that so many initiatives in Asia fail is because they want to handle difficult questions first. That is why we started with soft-core issues like health or disaster management. We do not seek any ownership of this Initiative. We want every country in the region to be co-architect of the Initiative. Thank you!

Closing Remarks

MR. TAHIR HASANOVIĆ

Chairman of East West Bridge

Your Excellences,
Dear guests from Korea,
Distinguished professors,
All participants,

On behalf of Mr. Jovan Kovačić and on my own behalf I am happy to say that this seminar was something exclusive, and I hope that we share the same moment. This is the first time we had an event on such topics since Tito's time, which makes us very proud. Here is how we were in position to have this seminar. Jovan Kovačić, Aleksandar Nikolić and I decided to call the Ambassador of the Republic of Korea before our famous invitation to visit Trilateral Meeting Conference in Seoul and ask him for some guidelines which would help us present Serbian interest as a member of Trilateral Commission. After fantastic dinner where we discussed many issues Ambassador of the Republic of Korea decided to launch an idea to organize something together. I would like to stress two very important moments. One was the opening ceremony of Trilateral Commission Meeting in Seoul. Do not ask me for details, because that is forbidden.

However, I would like to tell you how Chairperson from Korea opened the Conference in front of representatives of the United States, Europe and Asia, in front of important guests such as Colin Powell, Joseph Nye, in front of all dignitaries of Korea. It was a very interesting method, which I would like to see once in my country. He said: "Dear friends, dear guests, I would like to welcome you to Korea and to ask this young man, who is Deputy President of Samsung, what he thinks about the statement that if Samsung was gone, we would all be gone." The young man said: "I think that Samsung is doing well." And everybody was happy. Maybe when we start implementing this kind of approach and attitude in Serbia, we will be at the beginning of the path toward this tunnel at the end of which will someday be hope.

Second, I would like to stress that it was our pleasure to organize this conference. We, representatives of the Embassy of the Re-

public of Korea and East West Bridge, are very impressed and blessed to have such a wonderful team of collaborators. I would like to say that everything was handled with great professionalism and enthusiasm. I hope that we will see each other again to discuss some other issue. Thank you!

H.E. LEE DOHOON

Ambassador of the Republic of Korea

Mr. Hasanović is congratulating us on the success of this seminar. Actually at that dinner we all started talking about how to promote our exchange of scholastic contacts and visits. I think we have just made a good start. We might not find solutions or any concrete ideas about problems we are facing after having this very successful session today, but we have just found out that this issue is worth discussing together. This is just the first step. Next year, and year after that we will try to increase our contacts and discussions. Maybe we can expand the agenda to other areas as well. We can enrich each other through discussion and exchange of insights. In that regard, I really want to congratulate every one of us on this success. I thank you all!

Biographies of Participants

H.E. IVICA DAČIĆ is the First Deputy Prime Minister and Minister of Foreign Affairs. He served on the Delegation of the National Assembly of the Republic of Serbia to the Parliamentary Assembly of the Council of Europe. He chaired his party's Parliamentary Group in the National Assembly of the Republic of Serbia and in the Assembly of the Federal Republic of Yugoslavia. From 1992 to 2004 he was delegate in the Chamber of Citizens of the Federal Assembly of the Federal Republic of Yugoslavia. He has been serving as Deputy of the National Assembly of the Republic of Serbia from 2004 to present. He was First Deputy Prime Minister and Minister of Interior from July 2008 to July 2012. He was Prime Minister and Minister of Interior from July 2012 to April 2014. On 27 April 2014 he was appointed First Deputy Prime Minister and Minister of Foreign Affairs.

H.E. LEE DOHOON is the Ambassador of the Republic of Korea to Serbia. During his career in diplomacy, he has been appointed to several countries, including the USA, Zambia, Tunisia and Iran. He was serving as Deputy Director-General of the International Organizations Bureau in 2010. After that he served as Senior Adviser to the Minister of Foreign Affairs and Trade and then as Senior Assistant Secretary to the President from 2010 to 2012. Before assuming the position in Serbia in November 2014, he was Director-General of the North Korean Nuclear Affairs Bureau at the Ministry of Foreign Affairs and Deputy Head of Delegation to the Six Party Talks.

H.E. CHUN YUNGWOO served 33 years as a diplomat in the Ministry of Foreign Affairs and Trade of the Republic of Korea including as the National Security Advisor in the Security Department in the Office of the President of the Republic of Korea. He has worked as a diplomat of the Republic of Korea for more than 30 years. He served as a Korean ambassador in the Korean Embassy in the United Kingdom (2008 – 2009) and became Deputy Minister of Foreign Affairs and Trade. He participated in the Six-party talks on the North Korean nuclear program as Chief Negotiator for South Korea. From 2010 to 2013 he served as the National Security Advisor to President. He established the Korean Peninsula Future Forum and is a Senior Advisor to the ASAN Institute.

MR. JOVAN KOVAČIĆ is the co-founder and President of East West Bridge, member of the Executive Committee of the Trilateral Commission and Chairman of the Serbian National Group of the Trilateral Commission. He was an international reporter, a communica-

tions expert and policy advisor. He worked as a war correspondent for CNN, ABC, NPR, BBC and other major media. After that, he joined the Office of the High Representative to Bosnia in 1998, as a political advisor in charge of reconstruction and negotiating the safe return of thousands of refugees and DPs. Mr. Kovačić was seconded to OSCE in 2001 in Belgrade as a Media Advisor. Mr. Kovačić is the CEO of GCA Global Communications Associates Ltd. and senior partner in a top Serbian PR company Kovačić&Spaić.

DR. CHOI KANG is the vice president for research and the director of the Center for Foreign Policy and National Security at the Asan Institute for Policy Studies. Previously, he was the dean of Planning and Assessment at the Korean National Diplomatic Academy, professor and director general for American Studies at the Institute for Foreign Affairs and National Security, research fellow at the Korea Institute for Defense Analyses, and senior director for Policy Planning and Coordination on the National Security Council Secretariat. Dr. Choi was also a South Korean delegate to the Four-Party Talks. He writes extensively on the ROK-US alliance, North Korean military affairs, inter-Korean relations, crisis management, and multilateral security cooperation.

MR. KIM CHOONGOO is the Deputy Director-General for Policy Planning in the Ministry of Foreign Affairs of the Republic of Korea. He worked as the Minister-Counselor at the Korean Embassy in Washington DC, before assuming his current office. He also served as an adviser to a couple of Ministers and Vice-Ministers. His career includes directorship for North America Division, political officership at the Korean Mission to the UN, New York, and Korean Mission to the UN, Vienna and Korean Embassy in Belgrade. Mr. Kim majored in International Relations at Seoul National University, Seoul.

DR. VLADIMIR BILANDZIC is recognized expert in international security, arms control, security building measures and Southeast European politics. He received his PhD in international relations from the Faculty of Law in 1984 and MA in political science from McMaster University in 1972. He graduated from the Faculty of Law in 1969. Until 1989 Vladimir was a researcher in the Institute of International Politics and Economics in Belgrade. Between 1986 and 1991 he served as a member of the delegation of former Yugoslavia at the CSCE conferences in Vienna. From 1996 until 2001 he lectured on Balkan security and Southeast-European politics at Central European University, Budapest. Since 2001 he is Special Advisor for Confi-

dence and Security Building Measures in the OSCE Mission to Serbia in Belgrade.

PROF. DR. DRAGAN R. SIMIĆ is a Professor and Dean of the Faculty of Political Sciences. He also lectures at the Diplomatic Academy of the Ministry of Foreign Affairs of the Republic of Serbia, at the Military Academy and at the highest military schools in Serbia. Last year Dr. Simić was appointed as professor of Clemson University, South Carolina, USA. As a publishing editor in IIC SSO Serbia (1986 - 1990) he edited over 60 monographs. He has authored and edited numerous books and dozens of articles in scientific journals and conference proceedings. He is the founder and director of the Center for US Studies at the Faculty of Political Sciences in Belgrade (2004). Dr. Simić is also the Head of Regional Master Degree in US Studies and Coordinator of International and European Doctoral Studies at the Faculty of Political Sciences. He is a member of editorial boards of several journals. He received a scholarship from the Fulbright program on US foreign policy at the University of South Carolina (2003) and he attended professional training at the Matthew B. Ridgeway Center for International Security Studies at the University of Pittsburgh (2006).

Ms. SONJA BISERKO is founder and president of the Helsinki Committee for Human Rights in Serbia. Ms. Biserko is also a Founding member of a European movement in Yugoslavia and the Centre for Anti-War Action in the Belgrade Forum for International Relations. She is also senior fellow in the United States Institute of Peace. In 1994 she received the Human Rights Award of the Lawyers Committee for Human Rights in New York. In 2005 was one of 1,000 women in the group 1,000 Women for Peace nominated for the Nobel Peace Prize. In 2009 she received Human Rights Prize of the City of Weimar jointly with Jestina Mukoko. In 2010 she was awarded the Human Rights Award of the University of Oslo.

PROF. DR. DRAGANA MITROVIĆ is the founder and director of the Centre for Asian and Far Eastern Studies at the Faculty of Political Sciences. Prof. Mitrović was Counsellor for Political Affairs at the Embassy of the FR Yugoslavia in Beijing (2001, 2002) and Minister Counsellor for Economic and Political Affairs at the Embassy of Serbia and Montenegro (2003, 2004). Prof. Mitrović teaches Political Economy, International Political Economy, and Political Economy of the PR China, Geopolitics and Geo-economics. She is the head of

the Regional Asian Studies master course. Prof. Mitrović is the author of three books and more than forty papers. From 2008 she is a member of the Board of Economic Science of the Serbian Academy of Arts and Sciences.

MS. ALEKSANDRA JOKSIMOVIĆ is the founder and president of the Center for Foreign Policy. She got her MA degree in IR from Faculty of political sciences, University of Belgrade, and specialization from Harvard. From 2000 to 2004 she was the deputy of the Minister for foreign affairs. Ms. Joksimović is the member of editorial board of the *International Problems* magazine, Forum for International Relations of European Movement in Serbia and Executive Board of the Center for Democracy and Reconciliation of the Southeast Europe. Among other works, she published book *Serbia and the United States, bilateral relations in transition*.

PROF. DR. SLOBODAN MARKOVIĆ is the professor at the Faculty of Political Sciences since 2014. Before that Prof. Marković was an Associate Professor at the Faculty of Political Sciences since March 2010 and Assistant professor at the Faculty of Political Sciences in Belgrade from February 2005 until February 2010. Prof. Marković also held following positions: Senior Research Fellow at the Institute for European Studies, Scientific Associate of the Institute for European Studies and Research Associate of the Institute for European Studies in Belgrade until 2006. From 2001 to 2001 Mr. Marković served as First Secretary for Cultural Affairs at the Embassy of the Federal Republic of Yugoslavia in the Hellenic Republic. He was also Research Associate Institute for Balkan Studies SASA. Apart from the the University of Belgrade, Prof. Marković taught at universities in Budapest and Banska Bistrica.

PROF. DR. JOVAN TEOKAREVIĆ is an Associate Professor at the Faculty of Political Sciences since 2003. Until 2003 Prof. Teokarević was a research fellow at the Institute for European Studies. He is currently Director of Belgrade Centre for European Integration (BeCEI). During his career he taught several courses such as Comparative Political Systems, Transition to Democracy – Comparative Perspectives, Balkan Transition, European Union as an Actor in International Relations, Comparative Constitutional Systems of the Balkan State. He is visiting professor at the NATO Defense College in Rome and the University of Trento. At the University of Vienna the course EU and the Balkans since 2008.

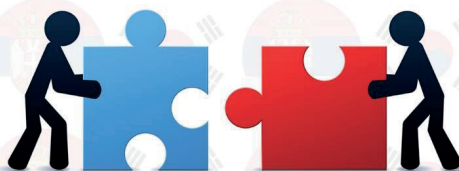


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CENTER FOR ADVANCED
ECONOMIC STUDIES

Economies of Korea and Serbia



Ways of potential collaboration
and sharing knowledge
and experience

October 14th, 2015, Belgrade

AGENDA

Economies of Korea and Serbia: Ways of potential collaboration and sharing knowledge and experience

14.th of October, 2015.
Hotel "Metropol", "Lavander" hall
Bulevar kralja Aleksandra 69, Belgrade

9:30 – 10:00	Registration
10:00 – 10:30	<p><u>Opening Remarks</u></p> <ul style="list-style-type: none">Do-hoon Lee, Ambassador of the Republic of KoreaKori Udovicki, Deputy Prime Minister and Minister of Public Administration and Local Self-Government
10:30 – 11:15	<p><u>Panel 1: Economic reforms: how far did we come and what lies ahead?</u></p> <ul style="list-style-type: none">Daehaeng Kim, IMF Resident Representative for SerbiaMilojko Arsic, Professor of Faculty of Economics and Editor-in-Chief of the Quarterly MonitorGongpil Choi, Senior Advisor, Korea Institute of Finance (KIF)
11:15 – 11:40	Coffee Break & Press Interviews
11:40 – 12:25	<p><u>Panel 2: Overcoming the crisis on the road to prosperity</u></p> <ul style="list-style-type: none">Sang Joon Lee, Professor of Kookmin University and Visiting Research Scholar of Samsung Economic Research Institute (SERI)Dusan Korunoski, Adviser to the Minister, Ministry of EconomyBojan Jankovic, International Cooperation advisor of the Serbia Investment and Export Promotion Agency (SIEPA)
12:25 - 12:45	Coffee Break
12:45 – 14:00	<p><u>Panel 3: Economic cooperation between Serbia and Republic of Korea: how to strengthen it and support it?</u></p> <ul style="list-style-type: none">Vladimir Marinkovic, National Assembly Deputy Speaker and a member of Korean Friendship groupDo-hoon Lee, Ambassador of the Republic of KoreaChan-kil Park, Representative of Korea Trade-Investment Promotion Agency (KOTRA)Miroslav Miletic, Vice-President of the Serbian Chamber of CommerceBojana Todorovic, Assistant Minister of the Ministry of Trade, Tourism and Telecommunication
14:00 - 15:30	Buffet

Moderators:

Vidosava Dzagic
Nemanja Sormaz

ECONOMIES OF KOREA AND SERBIA

Ways of potential collaboration and sharing knowledge and experience

Economies of Korea and Serbia:

Ways of potential collaboration and sharing knowledge

The objective of the conference is the exchange of knowledge and experience between the representatives of government, economy, academic community, financial institutions and other relevant figures in the economies of Serbia and Korea, which will enable the policymakers to improve the efficiency and effectiveness of the planning process and decision-making in the field of economic reforms, private sector development and improvement of the collaboration between the two countries.

Serbia has made a turnaround and has successfully started the process of economic reforms – strong fiscal consolidation is followed by positive economic growth and constant employment figure growth. However, there are many challenges that Serbia is still to face. Structural reforms are ahead of us, while economic growth needs to be accelerated, primarily through encouraging competitiveness and internationalization of the private sector. On the path of economic growth, the Korea is not only a potentially significant partner, but also a unique model of multi-decade dynamic growth, a successfully conducted economic reforms, and consistent and durable industrial policies, that can serve as a valuable drawing board of ideas and conclusions that Serbia needs.

Within the panel discussions, main topics will be the current situation and the future of economic reforms in Serbia, characteristics and particularities of Korean reforms and its industrial policies, and the present economic cooperation between the two countries, and also the room for further growth and strengthening of this collaboration.




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After two years, Serbian economy succeeded in overcoming the recession. The expected real growth of GDP is between 0,5% and 1%, while the number of employees in private sector is constantly growing. Positive tendencies are reached primarily thanks to growth of the investments and net exports, and despite the consequences of fiscal consolidation -- the decrease of pensions, number of employees and average earnings of the public sector with the aim of healing the public finance and modernization of the state apparatus. This is a big, but still the first step in the process of creating dynamic, inclusive and sustainable economic growth. In the future, the sequence of public sector reforms is expected, while the incentive of the private sector development has to depend on improving business environment, advancing the competitiveness, and the synergetic effect of creating entrepreneurial society, and attracting foreign investments.

Economic growth of Korea has been the subject of examination for decades -- Korea has had the fastest growth since 1960s until today. Korea is a highly developed country (GDP per capita is 2800\$), with encouraging business environment (5th place on the World bank's "Ease of doing business"), exceptionally stable macro-economic environment (low inflation rate, a well-balanced current and fiscal balance, moderate public debt), developed infrastructure, a high-quality educational system, high capacity for innovation and new technology development. The unemployment rate is only 3% and the country is the synonym for developed chemical, automotive, electronics and ICT industry. Still, even though economic growth is more than successful, it was not achieved without turbulences -- the Republic of Korea had dealt with economic crises in the previous decades, which required a public sector consolidation and reforms of state apparatus and a distinct plan for overcoming the crisis, which was based on long-term development strategies. Discipline and endurance enabled Korea to be one of the few high-developed countries, which had not been the victim of the latest global recession. On the contrary, there has been an average growth of 3.2% since the crisis had started and even faster growth is expected in the future.

Aside from the much needed knowledge and experience exchange, there is a significant chance for the improvement in collaboration between the two countries. In 2014, total trade exchange between the two countries was 140 million dollars, out of which 138 million dollars referred to import from Korea and merely 2 million to Serbian export. Korean economy is represented by a handful of companies in Serbia, out of which the most prominent is "Yura Corporation".

In addition, the questions of the encouragement of Serbian export will be raised as a significant subject at the conference. Focus will be on providing answers to what kind of products and services can Serbia offer and what does Korea need? Likewise, how can Serbia attract other Korean companies and what is of highest importance for them during the process of establishing stimulative business environment? One step forward has already been made in terms of intensifying collaboration between the two countries by reopening Korean Agency for Promotion of Trade and Commerce (KOTRA) office in Belgrade, which is expected in November. The beginning of work and plans of KOTRA will be presented at the very conference by representatives of the organization.



ECONOMIES OF KOREA AND SERBIA

Ways of potential collaboration and sharing knowledge and experience

