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SOUTH KOREA'S FOREIGN POLICY: UNVEILING FACTORS IN HALAL INDUSTRY DEVELOPMENT

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Abstrak

Penelitian ini bertujuan untuk menganalisis dan memahami faktor-faktor yang mendasari kebijakan luar negeri Korea Selatan dalam mengembangkan industri halal, terkait posisi Korea Selatan sebagai negara dengan mayoritas non-muslim. Teori yang digunakan adalah teori pengambilan keputusan yang dikemukakan oleh Richard C. Snyder, H.W. Bruck, dan Burton Sapin, sementara menggunakan pendekatan kualitatif, studi kepustakaan dan teknik wawancara. Hasil menunjukkan bahwa faktor-faktor yang mendasari perumusan kebijakan luar negeri Korea Selatan dalam mengembangkan industri halal dapat dijelaskan melalui beberapa variabel. Simpulannya, pertimbangan faktor internal seperti populasi Muslim, tujuan ekonomi, dan inovasi serta struktur sosial dan pengaruh eksternal, seperti permintaan global dan pariwisata Muslim, memainkan peran penting bagi Korea Selatan untuk mengembangkan industry halalnya.

Abstract

This study aims to analyze the factors that underlie South Korea's foreign policy regarding halal industry development. The decision-making theory proposed by Richard C. Snyder, Bruck, and Burton Sapin is the theoretical framework employed, while employing a qualitative approach, literary study, and interview techniques. The research findings reveal that the formulation of South Korea's foreign policy in the halal industry development can be explained through various variables. In conclusion, South Korea's halal industry policy draws from decision-making theory, considering internal factors like the Muslim population, economic goals, and innovation. Social structures and external influences, such as global demand and Muslim tourism, play significant roles.

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INTRODUCTION

Today, the Halal Sector is seen as a way of life encompassing everything from food production to shopping. The global Halal industry is growing fast, covering seven sectors that make up the global Islamic economy: Islamic Finance, Halal food, modest fashion, media and leisure, Muslim-friendly travel, pharmaceuticals, and cosmetics. “Halal” is an Arabic word that means “permitted” by Islamic law. As a result, every Muslim must ensure that whatever they consume comes from Halal sources, including the ingredients and the entire manufacturing and handling process from beginning to end (Akim et al., 2019). The halal industry has experienced rapid growth in the last few decades. The increasing Muslim population and awareness of the need for halal products have driven global demand for products and services that meet halal requirements (Atiko Putri et al., 2021). Estimates indicate that the halal market will continue to grow, reaching a value of trillions of US dollars in the next few years.

Countries with significant Muslim populations seek to exploit this economic opportunity by developing the halal industry and exporting halal products to international markets. In addition to dealing with market demand with a limited domestic market, South Korea opened a halal food distribution system to the global market, where the world's Muslim population continues to grow yearly (Nayeem et al., 2020). South Korea has joined the halal industry along with the growth of the global halal market. Since introducing the halal industry in South Korea in 2001, the private sector has made various efforts to enter the Muslim market. The government is also actively supporting the halal industry, especially after a visit to the Middle East in 2015 (Park & Jamaludin, 2018)

South Korea has become one of the fastest-growing global economic powers and is one of the countries with extraordinary industrial growth and innovation. Even though South Korea is a non-Muslim majority country, the government and the private sector have identified significant potential in expanding the halal market. This effort aligns with South Korea's vision of becoming a leader in industrial sectors and international trade.

In competition with other industrialized countries, South Korea is trying to gain a favourable foothold in the global halal economy. However, in the process, the country is also faced with issues of multiculturalism and social problems that arise due to globalization. The public debate about halal in Korea will reveal that different views about South Korea are being debated through

discourses aimed at influencing the views of South Koreans on halal issues. Thus, the debate on halal involves various issues, including concerns about South Korea's international image, how to handle changes as a receiving country for immigrants, as well as aspirations to achieve economic success on the global stage (Kim, 2021).

In recent years, the South Korean government has taken strategic steps to develop the halal industry in the country. This effort includes expanding and diversifying domestic halal products, supporting halal certification for South Korean products, expanding access to the global halal market, and attracting investment in the halal sector. This policy was carried out to increase exports of South Korean products to countries with large Muslim populations, such as countries in the Middle East, Southeast Asia, and member countries of the Organization of Islamic Cooperation (OIC) (Inda, 2021). Although South Korea's ambition to develop the halal industry is promising, several challenges must be overcome. One is facing strict requirements and standards to obtain internationally recognized halal certification. In addition, understanding the preferences and needs of Muslim consumers, as well as creating awareness about South Korean halal products in the global market, are also considered necessary.

Several studies have previously discussed halal issues in South Korea. In (Kim, 2021; Ray, 2022). It is explained that the South Korean Government is trying to link halal with multiculturalism as a symbol of globalization and modernity. However, the results still have to be judged by its positive impact on Korean society. The South Korean government is trying to present an image of South Korea that is open and friendly to various cultures, and halal is a significant concern because it is a practical way to assess the extent to which Korea can accommodate Muslim visitors, a form of multiculturalism. Halal underwent a process of secularization in Korea through various discourses that framed this category in the context of economics, multiculturalism, and religion but retained its religious meaning. In contrast, the religious meaning in the context of halal is relevant for many people because more and more non-Muslims in Korea have a role in determining the meaning of halal (Syaza Nabilah Binti Fauzihana & Ayob, 2020). This is what defines the

development of the halal industry in South Korea.

Furthermore, several previous studies discuss Korean Halal Tourism. In (Han et al., 2019; Kim, 2021; May et al., 2020) it is explained that the South Korean government is aware that the level of comfort and friendliness felt by Muslim tourists in the country reflects the extent to which Korea has become a multicultural society that embraces diversity. This measure can assess Korea's ability to comply with the "global standard" of multiculturalism. To meet those standards, KTO started a ground-breaking campaign to promote a "Muslim Friendly Korea" (Kim, 2021). The active engagement of KTO and MAFRA demonstrates the government's attempts to connect the tourism, trade, and investment sectors. Furthermore, Muslim community organisations in the country are actively supporting and pushing the formation of halal certifying bodies like KMF. Collaboration with certification authorities in other Muslim nations, such as JAKIM in Malaysia and MUI in Indonesia, has also aided South Korean product development. The federal government, local governments, and the community as a whole are driving this development. (Han et al., 2019). This can be seen from the many exhibitions and exhibitions of halal products, applications, and websites that facilitate information about Muslim-friendly restaurants, places of worship, and accommodation (May et al., 2020; Nayeem et al., 2020).

As for its journey, the Halal industry's development in South Korea faced many challenges. In (Mathew et al., 2014; Park & Jamaludin, 2018). Along with the growth of the halal industry in Korea, social views about Islam in that country also grew. Unfortunately, it is often filled with opposing views. This negative perception is formed through various news and events in the Muslim world, such as terrorism, war, human rights violations, and inequality. Issues related to Muslims in and outside Korea, such as the issue of refugees from Yemen, crimes committed by Muslim immigrants, and terrorism by Muslim extremist groups, also reinforce this negative perception. This makes non-Muslim communities in Korea reluctant to accept Islam in their local communities. Several surveys show that some people reject Muslim refugees because they are worried about the terror and crimes that come from them and religious and cultural conflicts that may arise due to cultural differences. The Korean government's plan to allocate a particular room for halal industry players in the master plan for the national food industry complex has also drawn public criticism (Park & Jamaludin, 2018). Halal

business integration by non-Muslim countries, such as South Korea, faces several challenges, including social conflict, lack of efficiency, and inadequate understanding of the halal support system. South Korea has been trying to integrate the halal economy within the existing paradigm. It is actively seeking penetration of the Islamic market, particularly in food and beverage products, with active support from the government. It is said that a hierarchical support system consisting of levels of policies, systems, and approaches can help Korea reach its full potential in the halal industry. (Mathew et al., 2014; Park & Jamaludin, 2018). Several previous studies have discussed halal issues in South Korea, halal tourism in South Korea, and the challenges of developing the halal industry in South Korea, while what the researchers will discuss is the factors that underlie South Korea's policies in developing the halal industry in South Korea.

Being an exciting discussion, despite facing challenges that are not easy in developing its halal industry, South Korea has shown a solid commitment to continue to overcome these obstacles. The halal industry in South Korea is also trying to expand the variety of halal products and facilities. Innovations in food, fashion, and halal tourism are the main focus to attract more Muslim visitors. The Government of South Korea collaborates with the authorities of other countries to ensure that the products and services presented on the market meet international halal standards. Seeing this phenomenon, this research aims to analyze and understand the factors that underlie South Korea's foreign policy in developing the halal industry related to South Korea's position as a country with a non-Muslim majority. An in-depth analysis of South Korea's foreign policy in the halal industry is hoped to provide insight into how non-Muslim countries like South Korea can adapt and contribute to the global halal market.

ANALYSIS FRAMEWORK

In analyzing the underlying factors behind South Korea's foreign policy in developing the halal industry, researchers will utilize the decision-making theory proposed by Richard C. Snyder, H.W. Bruck, and Burton Sapin. This is particularly relevant due to South Korea's position as a country with a non-Muslim majority. According to Snyder et al., when evaluating foreign policy, four key components should be taken into account: players involved, objectives to be achieved, methods to be employed, and the

overall situation. In this context, the state acts as the primary actor, driven by its national interests as objectives and using various methods to achieve them. The situation, encompassing internal and external factors, plays a significant role in shaping policy decisions by the nation's decision-makers, making the context a defining feature of decision-making theory (Snyder et al., 2002). The theory emphasizes that foreign policy is not developed in isolation but is closely linked to the surrounding internal and external conditions that policymakers monitor and assess (Kusumawardhana, 2021).

The theory also introduces the concept of interconnected policies influenced by multiple factors, including the country's background, social structure, and conduct (Kusumawardhana, 2021). The circumstances and conditions in different contexts also impact government actions and policy choices. The first variable is the internal setting, which encompasses significant domestic factors such as human factors, civilization, and the non-human environment. This variable also considers domestic politics, public opinion, and the country's geographical situation. On the other hand, the second variable is the external setting, which refers to elements and circumstances that originate outside territorial borders. This includes the actions and behaviors of other countries' decision-makers, government, society, and regional conditions that influence a state's choices (Snyder et al., 2002). Additionally, cultural settings are considered an external factor that can influence a state's policy decisions, further emphasizing these variables' global and regional effects.

The theory emphasizes the importance of considering leaders, decision-makers's perceptions, cultural beliefs, and foreign policy impacts in decision-making. The interconnectedness of policies and the influence of internal and external settings further underscores the complexity and context-dependence of policy choices.

RESEARCH METHOD

This study employed a qualitative method to explain South Korea's foreign policy that unveiled factors in halal industry development. This study gathered primary and secondary data to analyze the research emphasis and locus. The interview method was used to acquire primary data. The researcher used a purposive sample strategy to identify informants for this study. The purposeful sampling technique is a data source sampling technique with specific concerns. Certain factors in determining the informants in this study were made with the idea that the informants were

individuals who mastered and experienced the development of the Halal industry in South Korea. Based on this description, the significant data study subject will be the CEO of the Korea Halal Association, a Non-Governmental Organization, and Non-Profit Organization for Halal certification, training, and industry support that intends to serve as a framework for Korean enterprises to enter the Islamic market successfully. The informants were chosen based on their South Korean halal industry expertise.

The researcher then interviews the assistant manager of the Korea Muslim Federation Halal Committee. The informant is chosen based on their knowledge and experience in the South Korean halal industry. Secondary data sources from literary studies include books, journals, documents, written annual reports, official South Korean government reports accessible via the South Korean government's official website, and websites relevant to this research.

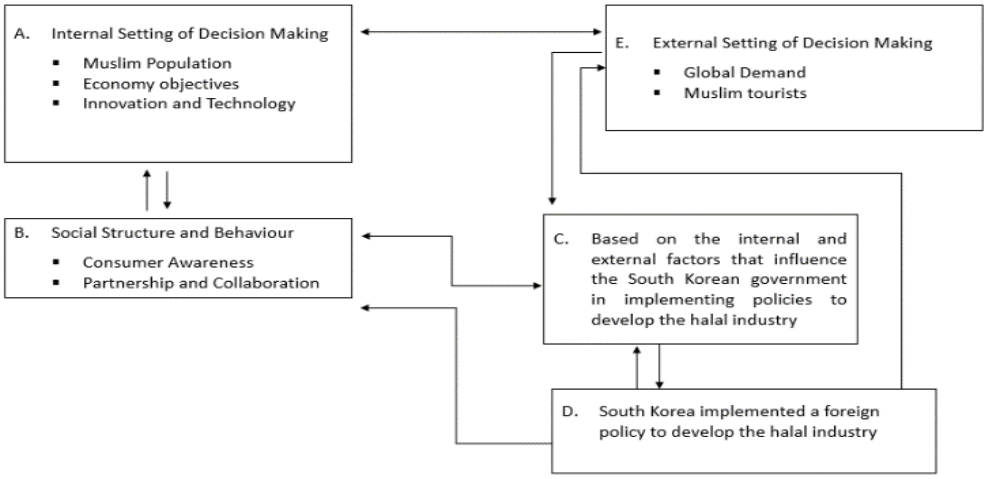
This study's research instrument was the researcher, assisted by an interview guide and other technological equipment such as a recording device, camera, and notes. Meanwhile, secondary data was gathered through research journals, documents, archives, and policies connected to foreign policy and the Korean halal industry.

RESULTS AND DISCUSSIONS

Analysis of South Korea's Foreign Policy Formulation Factors in Developing the Halal Industry

Referring to Snyder (2002), as shown in Figure 1, the factors that underlie the formulation of South Korea's foreign policy in developing the halal industry according to decision-making theory can be explained through the first variable, namely the internal setting of decision making which includes the Muslim Population, economy objectives, innovation and technology. Social structure and behavior variables include consumer awareness, product innovation, customization, partnership and collaboration. While the external setting of decision making based on global demand, Muslim tourists, and foreign investment.

Figures 1. Implementation of the Foreign Policy Decision-Making Process Model Richard C. S, H.W. Bruck, Burton Sapin



Source: (Researcher, 2023)

Internal Setting of Decision Making

Richard Snyder's Decision-Making Theory emphasizes the importance of the internal setting in understanding how decisions are made. The internal setting refers to the domestic factors and conditions within a country that influences the decision-making process of its leaders and policymakers. The internal decision-making setting will analyze the factors behind South Korea's foreign policy formulation in developing the halal industry, particularly considering the country's Muslim population, economic objectives, and the importance of innovation and technology.

Muslim Population

The Muslim population in South Korea is likely to be a significant internal factor influencing the country's foreign policy decisions regarding the halal industry. Decision-makers would consider the needs and preferences of this demographic, leading to the formulation of policies that cater to the halal market. Understanding the size and requirements of the Muslim population within South Korea can help policymakers make informed decisions on developing and supporting the halal industry. In a country of less than 52 million people, the Korean Muslim Federation believes that between 150,000 and 200,000 Muslims, including 35,000 Korean Muslims, live in South Korea (Gong, 2023). This data shows that there is a sizable Muslim population in the country. Of course, this is closely related to the existence of a potential market for the provision of halal products and services.

With increasing awareness and global demand for halal products, the presence of Muslim consumers in South Korea can encourage the government and industry players to focus on developing products that suit the needs and preferences of the halal market. South Korea can forge closer economic partnerships with other Muslim countries by having a significant Muslim population. This can open up new opportunities for cooperation in trade, investment, and joint projects related to the halal industry. Seeing the economic potential of cooperation with Muslim countries can be an essential consideration in formulating foreign policies related to the halal industry. To forge good relations with Muslim countries, South Korea can take a more proactive approach to issues related to the needs and wants of Muslims. This can involve active support and participation in international policies that support the halal industry and protect the rights of Muslim consumers around the world.

Economy objectives

Economic objectives play a crucial role in a country's foreign policy, including its approach to developing industries like halal. South Korea's decision-makers would likely consider the potential economic benefits of investing in the halal sector. Currently, South Korea's main economic goal is to achieve economic diversification and reduce dependence on specific industries. By developing the halal industry, this country can create new sectors that have the potential to make a significant contribution to economic growth. Foreign policies supporting the halal industry's development can help South Korea achieve this goal of economic diversification (Seonjou, 2020).

ASEAN is a crucial trading partner for South Korea. One of ASEAN's strengths is its economic potential and market size. ASEAN is the fifth largest economy in the world, with a combined GDP of over $3 trillion. In addition, the region has a population of over 650 million people, making it a vast and significant consumer market (Wefer, 2021). With such a large market size, there are opportunities for businesses to expand and reach a wide range of consumers in the region. ASEAN is an ideal partner in achieving the goal of economic diversification, especially related to the halal industry. According to export statistics for 20-21 years, the average export growth rate of ASEAN countries is

21.5%, the growth rate of Middle East countries is 16.7%, and some of the exported goods are Halal-certified (Ovut, 2022). In 2019 ASEAN as a combined economy was Korea's second-largest trading partner, and Korean investment in ASEAN has grown 20-fold over the past two decades (Seonjou, 2020). The 2023 edition of The Royal Islamic Strategic Studies Center (RISSC) report shows that the ASEAN Muslim population reaches 271,046,003 people, a figure large enough to become a halal market (Annur, 2023). The halal industry offers excellent opportunities in a growing global market (Jo, 2022). By implementing a foreign policy supporting halal product export, South Korea can access new markets and increase its competitiveness internationally. In this way, the economic goal of achieving economic diversification can be realized.

Innovation and Technology

South Korea is known for its advancements in innovation and technology, which can also influence its foreign policy decisions regarding the halal industry. Decision-makers may leverage technology and research capabilities to develop halal-certified products and enhance the efficiency of halal production processes. Integrating innovative practices into the halal industry can give South Korea a competitive edge in the global market. As technology changes, the Halal industry must also be continuously updated, and in the process, it must be checked whether the changed technology is suitable for Halal. Korea has a high level of industrial exports; among them, Halal products also have a large scale. Therefore, Korea is also developing the Halal industry with the latest global technology (Ovut, 2022).

South Korea has shown a solid commitment to developing the halal industry as part of its economic expansion and diversification efforts. In this context, innovation and technology are essential factors underlying South Korea's foreign policy in developing the halal industry. Technology can be used to develop sophisticated systems and software to more efficiently test and verify ingredients and products, ensuring compliance with halal standards by utilizing modern technology such as DNA testing, remote surveillance, and automated laboratory analysis. According to the latest technology, all things eaten, used, worn, and in contact with humans and service facilities (restaurants, hotels, etc.) that Muslims can use comfortably are subject to Halal certification. Therefore, in Korea, food, cosmetics, medicines, industrial products, and restaurants are Halal-certified (Ovut, 2022).

The business sector as a government partner has contributed to the success of Muslim-friendly Korean branding. Approximately 150 enterprises have acquired halal certification for their products. South Korea has digital help as a means of modern halal tourism, aided by the speed of technology. Digital Assistance is an English-language application that can help Muslim travelers identify Muslim-friendly amenities such as the nearby mosque, restaurant, and so on. This program may also calculate the orientation of the Kaaba and the times of prayer (Kusumaningrum et al., 2017). These include the HHWT application or Have Halal Will Travel, Crave Halal, MUFKO (Muslim-friendly Korea), and Halal Korea. This application can even detect barcodes on food plastic to determine whether the food being sold is halal. South Korea can more quickly and accurately inspect products and ensure compliance with halal requirements. Through technological innovation, South Korea can conduct research and development of halal products that are relevant to the needs of Muslim consumers. South Korea can create innovative products compatible with an increasingly diverse global market using advanced technology and halal raw materials. Information and communication technology innovations enable South Korea to promote its halal products effectively in the global market. Social media, e-commerce platforms, and other digital marketing can help reach Muslim consumers worldwide and expand the reach of South Korean halal products.

Social Structure and Behaviour

Referring to (Snyder et al., 2002), social structure includes norms, social roles, hierarchies, and patterns of interaction between members of society or groups. These factors affect how individuals think, respond to information, and make decisions. For example, social norms within a group can form particular views or preferences for a decision or action. Meanwhile, behaviour refers to individual efforts and responses to specific environments or situations. Social norms and the social environment around him can influence a person's behaviour. In addition, Behaviour can also be affected by previous experiences, values, and individual motivations.

In the decision-making process, social factors such as group or community norms, social roles, and interpersonal relationships can influence how individuals process information, consider

choices, and make decisions. Daily behaviour and interactions with others can also play an essential role in making final decisions. The social structure and behaviour of decision-making will analyse the factors behind South Korea's foreign policy formulation in developing the halal industry, particularly considering consumer awareness, product innovation, customization, partnership, and collaboration.

Consumer Awareness

Consumer awareness is one of the critical factors that can underlie South Korea's foreign policy in developing the halal industry. Consumer awareness related to product halal is essential because it can affect global market demand for halal products. South Korea is increasing the food industry sector to advance its economy. The country focuses on improving food exports by implementing a halal certification system to achieve this goal. This system aims to attract Muslim consumers around the world. Developing institutions affiliated with halal certificates is a strategic step for South Korea in developing its food industry and attracting foreign companies to operate in it. Consumer awareness about halal products in countries with a Muslim-majority population has dramatically increased. The high market demand for halal products has encouraged South Korea to pay attention to and prioritize the development of halal products to meet the needs of global consumers. South Korea's foreign policy can be directed to expand the export of their halal products to countries with large halal markets (Jo, 2022). Consumer awareness about product halal, encourages South Korean companies to ensure that their products comply with international standards. To win the competition in the increasingly fierce global market, South Korean companies must follow a halal certification process that meets Muslim consumers' requirements. Muslim tourists, Muslims living in Korea, Muslim exchange students, and Muslim citizens (Korea) seek Halal products and become target consumers (Ovut, 2022).

Market demand for halal products continues to increase, both locally and globally. This is triggered by Muslim consumers and non-Muslim consumers who are increasingly concerned about halal, quality, and healthy food. Non-Muslim consumers who prefer Halal products drive the growth of the overall Halal market and provide expansion opportunities for Halal producers and retailers. In research (Goni, 2022), it is explained that the factors that influence the intention of South Korean non-Muslim customers to visit Halal restaurants are at least influenced by three factors: safety,

health, and food hygiene (Goni, 2022). The halal industry, which refers to healthier food ingredients that do not contain haram ingredients and are produced with high hygiene standards, is often a consideration for non-Muslim consumers who are more concerned with health and food quality and tend to look for halal products as a more affordable choice. Excellent and reliable (Goni, 2022). Given the global trend in the food industry for higher quality standards, the perception that Halal food is of high quality and healthy can provide motivation and intention for consumers to purchase Halal food. It suggests that action influences the purchase intention of non-Muslim consumers by increasing the level of perceived behavioural control over halal food by increasing the availability and affordability of halal culinary businesses in South Korea (Goni, 2022). Consumer awareness about halal products is also related to environmental and animal welfare issues, as many halal products follow stricter guidelines regarding production and raw materials. Considering the global concern for these issues, South Korea's foreign policy in developing the halal industry can include a commitment to sustainable development and environmentally friendly business practices.

Partnership and Collaboration

Partnership and Collaboration can be a factor underlying South Korea's foreign policy in developing the halal industry. South Korea has a long history of forging solid international ties with countries worldwide, and this approach is critical in their efforts to expand the halal industry. Indonesia and Malaysia are two ASEAN Muslim countries that partner with South Korea in the halal industry. Since the emergence of the halal industry in South Korea in 2016, partnerships and collaborations regarding the halal sector have started to appear. On November 17, 2016, the Global Halal Market Forum event was held in Seoul, organized by KOTRA. This forum aims to examine the current situation of the global halal market and provide strategic advice for Korean companies to enter the market effectively. As many as 200 Korean companies participated in this forum, which confirmed their interest in the fast-growing halal market. This forum also studied the Halal Certification System in Malaysia and Indonesia (Grund, 2016). Representatives from the world's halal certification bodies, namely JAKIM Malaysia and MUI

Indonesia, explained in detail the policies and procedures of the halal certification system (Grund, 2016).

Moving forward, to penetrate the US$2 trillion halal food sector, SPC Group, a South Korean food and beverage giant, proposes to invest RM130 million in creating a halal-certified bread manufacturing and distribution hub in Johor. According to CEO Huh Jih Soo's remark, SPC aspires to create a worldwide halal plant in Malaysia in order to reach the US$2 trillion global halal food market. (Jo, 2022). This production and distribution center will make over 100 culinary products, including bread, cakes, and sweets, which will be transported to Paris Baguette shops throughout Southeast Asia, including Indonesia, Cambodia, Singapore,Vietnam, and Malaysia. (Kaur, 2022).

M Aqil Irham, Head of BPJPH, Indonesia's Halal Assurance Agency, met with the Governor of Chungcheongbuk-do, Kim Young Hwan, in Jakarta. Kim Young Hwan expressed his interest in marketing halal-certified cosmetics as one of the superior products from Chungcheongbuk-do province, South Korea (Indah, 2023). The appeal of Chungcheongbuk-do province, South Korea, in marketing halal-certified cosmetics shows a very positive step in expanding the collaboration of the halal industry in the country. Indonesia has the largest Muslim-majority population in the world and is also a leading producer of halal products. Cooperation with Indonesia can bring valuable knowledge and experience to South Korea in producing halal products that comply with international standards.

South Korea opens up access to vast foreign markets through partnerships and collaborations with Muslim-majority countries and halal institutions. This collaboration allows South Korean halal products to be recognized and accessed by more Muslim consumers worldwide. Partnerships with developed countries in the halal industry enable South Korea to acquire and transfer the latest technology to establish their halal sector. This kind of collaboration helps South Korea improve the quality of its halal products and increase competitiveness in the global market. Partnerships and alliances with Muslim communities help South Korea understand the requirements and preferences of Muslim consumers. This knowledge allows the country to adapt its products and services to comply with halal regulations and respect religiously sensitive cultural values (Kaur, 2022).

External Setting of Decision Making

Referring to (Snyder et al., 2002), external conditions, namely the environment, society, culture, and

residents in other countries, are being interacted with. This variable focuses on how South Korea's interactions and relations with other countries can influence their foreign policy-making in developing the halal industry. Partnership, competition, and conflict with other countries will affect the strategy taken by South Korea in achieving its halal industry goals. The external decision-making setting will analyse the factors behind South Korea's foreign policy formulation in developing the halal industry, particularly considering the global demand and Muslim tourists.

Global Demand

Global demand for halal products and services can be a significant external factor in developing the halal industry in South Korea. The increasing global demand for halal products and services creates new market opportunities for South Korea. Countries with a large Muslim population and large Muslim communities, such as countries in the Middle East, Southeast Asia, and other Muslim countries, are potential market targets for halal products from South Korea. This high demand has prompted the South Korean government to develop foreign policies that support and promote the halal industry to gain a larger market share internationally. Global demand for halal products can also help South Korea diversify economically. By investing in and expanding the halal industry, South Korea can reduce its dependence on other economic sectors facing challenges. The halal industry can be one of the fastest-growing economic sectors, which can significantly contribute to the country's economic growth. South Korean companies are actively trying to penetrate and dominate the halal industry, realizing the vast potential of this global market. In 2014, a significant step was made as 133 South Korean companies successfully obtained KMF certificates for 197 goods, demonstrating their commitment to comply with halal standards(Nur Yasar, 2021). Stepping into 2016, the halal industry in South Korea witnessed tremendous growth, with 33 local companies obtaining KMF certification for an impressive 562 items. This substantial increase highlights the expansion of the sector and the determination of South Korean companies to meet the demands of Muslim consumers around the world (Nur Yasar, 2021).

Among the well-known businesses leading this venture are CJ CheilJedang, Pulmuone, Paris Baguette, and others. These companies have recognized the

importance of halal certification for entering international supply chains and increasing their export potential to various halal-conscious markets.

The South Korean company has not only secured a solid footing in the domestic halal market. Still, it is also actively seeking opportunities to become a key player in the global halal industry. Their dedication to obtaining halal certification reflects a broader effort to promote cultural sensitivity, inclusiveness, and respect for diverse religious practices internationally. As they continue to expand their range of halal products and uphold halal standards, these South Korean businesses are poised to capture a significant share of the growing halal market and further strengthen their position as a global player in the halal industry.

Global demand for halal products has also encouraged South Korea to increase its competitiveness in the international market. To meet the stringent standards and requirements in the halal industry, South Korea must improve the quality of its products and services and ensure that they comply with internationally recognized halal rules and certifications. This prompted the South Korean government to develop foreign policies that support capacity-building and innovation efforts in the halal industry.

Muslim tourists

The arrival of Muslim tourists from various countries, especially countries with a significant Muslim majority, increases the demand for halal products in South Korea. In terms of the halal market, halal-certified food is produced not only for export as international trade but also for the service sector known as "Muslim Friendly Tourism" for Muslim visitors to South Korea. According to the KTO (Korea Tourism Organization), 511,017 Muslim tourists visited the country at the beginning of 2019, an increase of 9.8 percent compared to 2018 (Jung, 2019). In the 2019 GMTI report, they were revealed that Korea managed to rank 8th as a popular foreign tourist destination among OIC (Organization of Islamic Cooperation) member countries. This achievement was triggered by an increase in Muslim tourist visits to Ginseng Country, estimated to reach more than 1 million for the first time in 2019 (Inda, 2021).

South Korea anticipates an increase in Muslim visitors every year and has invested in a Muslim-friendly tourism sector to meet the needs of Muslim tourists (Nur Yasar, 2021). The South Korean Tourism Organization (KTO) maintains an official internet portal with a section entitled "Muslim-Friendly Korea," which assists Muslim visitors in fulfilling various

needs while in South Korea. South Korean companies can respond to this demand by producing more Halal products in the food, beverage, or cosmetic industry. After continuing to provide all Muslim-friendly facilities as part of the development of the Korean halal sector, currently, there are at least 132 prayer facilities for Muslims in South Korea. Only 12 South Korean restaurants are registered with halal certification, and there are 223 halal restaurants that are Muslim friendly, or in other words, use halal raw materials but have not received halal certification from the relevant authorities (KTO, 2022).

With the increasing number of Muslim tourists visiting, South Korea is trying to promote itself as a halal tourist destination, such as offering Muslim-friendly facilities and services, such as halal restaurants, places of worship, and accommodations that meet halal standards to continue to gain the trust of the international public as a country capable of facilitating halal consumers.

Thus, based on decision-making theory, the factors underlying the formulation of South Korea's foreign policy in developing the halal industry can be explained through several variables. The first variable, the Internal Setting of Decision Making, includes Muslim Population, Economy Objectives, Innovation, and Technology. Then, Social Structure and Behavior Variables involve Consumer Awareness, Partnership, and Collaboration. Finally, the External Setting of Decision Making is influenced by Global Demand and Muslim Tourists. Through an in-depth understanding of these variables, South Korea can design effective policies to develop the halal industry and strengthen its position in the global market.

CONCLUSION

Based on decision-making theory, the factors underlying the formulation of South Korea's foreign policy in developing the halal industry can be explained through several variables. The first variable, the Internal Setting of Decision Making, includes Muslim Population, Economy Objectives, Innovation, and Technology. Through these variables, it is explained that the Muslim population describes how the total Muslim population in the country, including the arrival of Muslim workers from abroad and Muslim students, can affect demand and the market for halal products in the country, as well as being an essential consideration in formulating policies to meet their needs. And prove that South Korea accepts multiculturalism.

Then, the economic goals describe South Korea's financial goals related to the halal industry. This includes aspects such as the direction of economic diversification and reducing dependence on specific industries. These economic factors will become important considerations in designing policies that support the development of the halal industry. Furthermore, innovation and technology include innovation in production and technology used in the halal industry. Innovations in production processes and technology can help improve halal products' efficiency, quality, and sustainability, thereby enabling South Korea to compete in an increasingly competitive global market.

Then, Social Structure and Behavior Variables involve Consumer Awareness, Partnership, and Collaboration. The consumer awareness variable includes factors related to social governance and consumer behavior related to the halal industry in South Korea, where consumer awareness reflects the level of consumer awareness of halal products, which will influence market demand and acceptance of halal products. At the same time, Partnership and Collaboration describes opening opportunities to collaborate with various local and international parties in developing the halal industry. Collaboration with related parties, such as local producers, halal certification bodies, or international business partners, can open doors for access to a broader market and improve the quality of halal products.

Finally, the External Setting of Decision-Making variable is influenced by Global Demand and Muslim Tourists. Global demand refers to global demand for halal products, which can affect export opportunities and international market expansion for South Korea. Furthermore, Muslim tourism includes the potential for halal tourism generated by Muslim tourist visits to South Korea. The growth in Muslim tourists can open up new opportunities for the halal industry, including the halal food and services provided.

The implications of this research can guide South Korea in optimizing its strategy to enter the halal market effectively. In addition, this research can provide insight for other countries interested in developing the halal industry. They can learn from South Korea's approach and apply these findings in their context, especially in countries where most of the population is non-Muslim.

The limitations of this study lie in the research object, due to the focus on South Korea, the results may not be fully applicable to other countries with different conditions and characteristics regarding the halal industry. Then the limitations in

data collection limit the treasures of discoveries that might get more from this research.

Suggestions for further research, researchers can explore other factors that influence the formulation of foreign policies related to the halal industry, such as political, legal, or cultural factors. More research is needed to understand the impact of South Korea's foreign policy regarding the halal sector on economic growth and competitiveness in international markets.

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