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Going Global: *The Future of the U.S.-South Korea Alliance*

By Kurt M. Campbell, Victor D. Cha, Lindsey Ford,
Nirav Patel, Randy Schriver, and Vikram J. Singh



Center for a
New American
Security

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INTRODUCTION

By Kurt M. Campbell, Nirav Patel,
and Vikram J. Singh

Intrinsic Value, Global Potential: The U.S.-ROK Alliance for the Next 50 Years

The United States and the Republic of Korea (ROK) have one of the most formidable and durable military alliances in the world. This alliance has preserved peace and stability in Northeast Asia and ensured nuclear restraint among Asian powers. It has weathered extreme domestic unpopularity in South Korea and pressures to reduce U.S. overseas defense obligations.¹ During the lifetime of this military alliance, the junior partner has transformed from a war-battered, backward military dictatorship into a prosperous democracy with the world's most wired population and one of the world's largest economies. Most American and Korean strategists agree that the value of the alliance goes far beyond security on the Korean peninsula.

Yet, the contours of that future U.S.-ROK alliance are elusive. Cooperation on the peninsula itself often brings the partners into conflict, most often with Seoul seeking a more conciliatory stance than Washington toward Pyongyang. Can two partners so often at odds on their most proximate and pressing challenge really expand their cooperation effectively? Some analysts also warn of alliance creep. Would continuing the military alliance be a costly strategic error based more on nostalgia than a sober assessment of both sides' national security needs? Finally, although it has made tremendous strides, South Korea is a young and populist democracy and a relative newcomer to the world stage.² Is the ROK ready to take on a greater role in the Asia Pacific and beyond in ways that support mutual U.S. and South Korean interests?

The Center for a New American Security (CNAS), with the strong support of the Smith Richardson Foundation, undertook a 12-month project to

¹ Most notably, President Jimmy Carter set into motion the withdrawal of U.S. forces from the Korean Peninsula after his election in 1976. A statement putting those plans on hold was issued by National Security Advisor Zbigniew Brezezinski on July 20, 1979.

² South Korea's populism is a well-known fact of life that puts tremendous pressure on governments regardless of party. Internationally, the ROK only joined the UN in 1991.

assess new frontiers for these powerful alliance partners. The project was structured to look at disconnects and opportunities for improved cooperation on the peninsula, in the Asia-Pacific region, and around the world, particularly with regard to transnational threats. Over the course of the past year, the project authors have traveled to South Korea numerous times and engaged a variety of government officials and academics. In addition, CNAS has hosted numerous workshops with members of the Senior Strategic Review Group as well as smaller mini-workshops on each chapter. It is our hope that this project will help shape both countries' strategic-level discussions on the future of the U.S.-ROK alliance.

Change and Opportunity

As a new administration takes control in Washington and faces an unprecedented array of global challenges, America is looking to reset and revitalize its alliances for the 21st century. U.S. power has been sorely tested over seven years of war. No U.S. alliances have escaped unscathed by demands to support the global war on terror and the controversial invasions of Afghanistan and Iraq, with their lengthy and inconclusive stabilization and counterinsurgency requirements. Allies have been asked to do extraordinary things in support of missions that most viewed, at best, with skepticism. As a result of a relative decline in America's unipolar power, global financial turmoil, and growing transnational threats, the Obama administration is now seeking to reestablish constructive, mutually beneficial partnerships with its allies.

Outside of NATO, the most critical of those partnerships are with America's treaty allies in Asia: Australia, Japan, the Philippines, South Korea, and Thailand. Asia is one foreign policy area in which the United States has scored well over the past eight years. A broad and pragmatic center remains dominant in America's Asia policy community.

Strong bipartisan commitment to the U.S.-Korea alliance has been and will continue to be critical in order to strengthen the relationship.

Yet, the way forward is not without any controversy or disagreement. In the region, Japan is viewed as the preeminent U.S. partner and China the most worrisome potential adversary. Australia has sacrificed tremendously to support the United States in military operations in Afghanistan and Iraq and is often referred to as a top-tier ally—a prominent club. South Korea has also been a key supporter of American combat operations in Iraq, but more often than not Seoul's strategic utility is overlooked. This is unfortunate because Korea offers the best potential for a change in focus from narrow shared interests to broad global aims. Japan is limited by its constitution and political turmoil; Australia is near the limit for such a small force; and the Philippines and Thailand face internal challenges that keep them from being significant partners beyond their own borders. Korea, on the other hand, has large and well-trained ground forces, substantial power projection capabilities, great naval potential, and a battle-ready military that has been at a high state of readiness for generations.

This short volume presents three views on U.S.-ROK relations informed by the research and discussions conducted by CNAS in 2008. Dr. Victor D. Cha explores the principles on the peninsula that will be prerequisites for any real expansion and growth of the alliance. Randy Schriver details the regional potential for the U.S.-ROK alliance. Kurt M. Campbell, Nirav Patel and Vikram J. Singh stretch the possibilities of the alliance to the global and transnational level.

Several themes resonate across all of the chapters in this volume. First, all of the authors see the potential for the alliance to be one of the bedrock partnerships of U.S. and international security for

decades to come. As best described by Cha, they see the potential for the alliance to be of intrinsic rather than narrowly strategic value. Second, all three papers raise concerns about complacency. Recent changes in the alliance—particularly the transfer of wartime operational control (OPCON) to the ROK and the relocation of U.S. forces to the south of the peninsula out of “hair trigger” range—could provide the foundations for greater collaboration if properly and actively managed. These changes could also herald a degradation of the commitment and confidence in the partnership on both sides. Finally, non-military issues, particularly economic, seem to dominate the long-term future of the alliance and are likely to play a significant role in determining its global potential. Failure to ratify the Korea-U.S. Free Trade Agreement (KORUS FTA) could unnecessarily hasten perceptions in Asia of a protectionist American trade policy, and a lack of cooperation and collaboration on overseas development assistance (ODA) could also undermine the alliance’s potential.

Professional alliance management and attention will be critical for advancing the transformation of the U.S.-Korean military alliance into a more meaningful strategic partnership. Getting the key principles on the peninsula right will allow the United States and South Korea to coordinate and integrate their power to support mutual interests, from humanitarian relief and peacekeeping operations to maritime security and counterproliferation. Understanding the background is key to shaping this possible future. To paraphrase Kierkegaard, alliances can only be understood backward and inward, but they must be directed forward and outward. We expect this volume to go some distance in helping leaders in Washington and Seoul understand and effectively direct the partnership toward regional and global priorities.



CHAPTER I:
OUTPERFORMING EXPECTATIONS:
THE U.S.-ROK ALLIANCE

By Victor D. Cha



"Despite gloomy predictions in 2002 that this alliance was in trouble, the alliance has far outperformed expectations, achieving more positive changes over the past several years than in any comparable period in the alliance's history."

OUTPERFORMING EXPECTATIONS: THE U.S.-ROK ALLIANCE

By Victor D. Cha

Introduction: Three Principles For The Alliance's Future

The U.S.-South Korean alliance has outperformed expectations since its inception in 1953. The relationship has been instrumental in managing the most daunting national security challenges that the United States has faced since the end of World War II, and these successes have enjoyed the strong support of two generations of Americans as well as that of a vibrant Korean-American diaspora. Although the alliance's scope for its first half-century has been narrowly focused on deterring North Korea, the challenge for the next half-century will be to broaden the aperture to the regional and global arena.

Three principles should guide the effort to achieve this standard. First, the alliance must be seen as standing for common values, rather than just standing against North Korea. The common values of democracy, market economy, rule of law, and respect for human dignity naturally lead these two countries to seek similar objectives in many parts of the world. Key to the future vitality of the alliance is an agenda that continues to push the envelope for alliance-based cooperation beyond North Korea.

Second, as the alliance expands in scope, its crafters must strive to make the alliance an institution of intrinsic rather than just strategic value. Throughout its history, the U.S.-South Korean alliance has been of strategic value for the United States as a bulwark against communism and as a front line of defense for Japan. In short, it has been important to keep the ROK out of the adversary's hands, but beyond this utilitarian purpose, the alliance has not had value in and of itself. As a democratic ROK plays a more significant role in the world, one befitting a global citizen dealing with 21st-century problems, the alliance becomes intrinsically valuable. Korea becomes a key partner not only in traditional security terms, but also in addressing broader transnational challenges. The

U.S.-ROK alliance therefore becomes sustainable long after the North Korean threat dissipates.

The third principle is to run hard—do not coast. The crafters of the alliance must constantly push themselves to forge areas of common cooperation that increasingly define the alliance outside of a peninsular context. One area in which the ROK has already demonstrated the alliance's extra-peninsular context has been in the global war on terror. South Korea played a significant role in Iraq, providing the third-largest ground contingent, and in Afghanistan, where it provided logistics and medical support. Yet, there are many other areas of potential growth; Korea's proven record of peace-keeping operations in places such as East Timor and Lebanon show that Seoul can play an increasingly prominent leadership role in other areas of domestic instability including Africa, the Middle East, and the Pacific island nations. The ROK Navy can perform important regional tasks to maintain freedom of navigation in Asian waters. Korea's emphasis on nuclear power makes it a major player in efforts to move countries such as China away from carbon-based strategies to cleaner and more carbon-neutral energy development. Additionally, Korea's record as a responsible Non-Proliferation Treaty (NPT) member could become even stronger in the future through the potential leadership role that Seoul could play in dismantling a nuclear program inherited from a collapsed Democratic People's Republic of Korea (DPRK). Seoul is also seeking to enhance its global profile as a provider of development assistance, in particular by helping countries make the transition into modernity through assistance in information technology.¹ Because it has similar views on entrepreneurial development assistance to those of the United States and Japan (versus those of Europeans), there are opportunities for growth in everything from improving the business climate in Indonesia to state building in Palestine. In the early 1990s,

Korea started its own small but growing version of the Peace Corps, which can serve as a natural transmitter of democratic values around the world.

Korea's forward engagement in global issues offers the deeply rooted bilateral relationship fertile ground in which to grow a global connection. History has shown, however, that Seoul sometimes remains constrained by a version of its own parochialism, which has often stood in the way of elevating the alliance to an international role. Although many South Korean governments talked about a "globalized" Korea (*segryehwa*) in the 1990s, for example, all of the resources that might have been put toward such an effort were ultimately beholden to North Korea. Those in favor of the Sunshine Policy wanted all resources devoted to the peninsular dilemma rather than to global problems. In this regard, the Lee government's focus on South Korea's global profile rather than an insular fixation on North Korea offers a great opportunity for alliance growth. The global financial crisis puts obvious constraints on the ROK, as it does to many other nations, but the mandate to map out a new political direction for Seoul is clear, which bodes well for the U.S.-ROK alliance's future.

The promise of a future path for the relationship, however, does not ensure a smooth ride. As the history of this rocky alliance has shown, there have been and will continue to be many low points. Moreover, there is still much work to be done in terms of revising elements of the alliance. Nonetheless, the alliance holds the potential to be one of America's most enduring relationships in Asia. Staying on the right path will require smart policy choices by leaders in Washington and Seoul. In order to provide a strategic context for how the U.S.-ROK alliance should manage peninsular challenges, this paper is broken down into three parts. Part One will survey the alliance's unusual

¹ This point is expanded upon in the third section of this edited volume (see page 57).

resiliency and recent accomplishments despite its turbulent history. Part Two will delineate some of the future challenges for the alliance. Part Three evaluates the challenge of North Korea for Washington and Seoul.

Part 1: Outperforming Expectations

As recently as six years ago, many Korea experts and pundits were openly predicting the end of the U.S.-ROK alliance. Anti-American demonstrations erupted in the streets of Seoul in 2002 over U.S. policies in Iraq and, closer to home, the death of two Korean schoolgirls run over by a U.S. military vehicle.² South Koreans elected a left-of-center president, Roh Moo-hyun, over the “pro-American” conservative candidate, Lee Hoi-chang, in December 2002. Critics further blamed President George W. Bush’s 2002 State of the Union speech, in which he designated North Korea as part of an “axis of evil” (with Iran and Iraq), for leading many young, affluent, college-educated, English-speaking South Koreans to define the United States as a greater threat to peace on the peninsula than North Korea.

When the second nuclear crisis with North Korea broke out in December 2002 and South Koreans sought to mediate and assure American hardliners that engagement was the best way to defang the North’s nuclear threat, longtime friends of the alliance bluntly stated in outright frustration: “It’s Seoul’s choice, the U.S. or the North.”³ Others talked about the “runaway ally” on the peninsula.⁴ The verdict was that the United States would “lose the Korean peninsula” — an ally in the South and the nonproliferation battle in the North — and that Bush would turn over to his successor a Korean peninsula in tatters.

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The record of U.S.-ROK relations that President Barack Obama inherits, however, is not nearly as bad as some might have predicted. In fact, there is a sturdy foundation upon which the new administration can build. Despite gloomy predictions in 2002 that this alliance was in trouble, the alliance has far outperformed expectations, achieving more positive changes over the past several years than in any comparable period in the alliance’s history. This progress was enabled by strong bipartisan support for the alliance in Washington and in Seoul, a key sign of its strategic importance.

This judgment runs contrary to the conventional wisdom, which saw the leftist President Roh Moo-hyun and the hawkish Bush administration as completely incompatible. Roh, who sought to follow his predecessor’s policy of open-ended engagement with Pyongyang, clashed with an

² The soldiers were acquitted of manslaughter in a U.S. military court.

³ Richard V. Allen, “Seoul’s Choice: The U.S. or the North,” *The New York Times* (16 January 2003). Section A2.

⁴ Nicholas Eberstadt, “Tear Down this Tyranny: A Korea Strategy for Bush’s Second Term,” *Weekly Standard* (29 November 2004), at <http://www.weeklystandard.com/Content/Public/Articles/000/000/004/951szxxd.asp>.

American president who saw the North as part of the potential terrorist threat to the United States after the September 11th attacks. This author can personally attest that the tone in the relations between the White House and Blue House during the Roh-Bush years was at times undeniably difficult, and the temperature was sometimes frigid.

Yet, there is an important distinction between tone and substance. Alliances are judged not cross-sectionally but longitudinally. That is, an overall assessment of the alliance's health should not be induced from the rhetoric and tone of any particular moment in time. Alliances should be measured by their outcomes or results across a broader expanse of time, not by day-to-day interaction. All alliances undergo periods of friction in which the tone in the relationship is bad: the U.S.-British, U.S.-Israeli, and U.S.-Japanese relationships have all had their bad moments. What matters in the end is whether agreements can still be reached in those difficult times and whether the alliance partners can still work together. By this metric, historians of the future are likely to record the past several years as one of the toughest but

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most successful tests of the U.S.-ROK alliance's strength and resilience. Some of the most important results relate to the alliance's core constitution

and mechanics. These revisions enable the alliance to continue its core mission while remaking its suitability for the future.

AN EFFICIENT ALLIANCE

Across the range of criteria that determines the functional success of a military alliance, the U.S.-ROK alliance has done well. Efficient alliances do not just provide for a state's security, but do so in a relatively cost effective (both politically and economically) manner than would otherwise be the case (i.e., versus the self-help option). In this vein, an alliance's success is measured by the extent to which it: (1) serves as a facilitator of power accretion and projection; (2) operates as a unified command; (3) enables common tactics and doctrine through joint training; (4) promotes a division of security roles; (5) facilitates cooperation in production and development of military equipment; and (6) elicits political support among domestic constituencies.

The U.S.-ROK alliance enabled the stationing of 37,000 American troops directly at the point of conflict on the peninsula, providing the South with an unequivocal symbol of Washington's defense commitment and deterring the North with its tripwire presence. The alliance has also constituted an integral part of a larger security triangle in Northeast Asia with the U.S.-Japan alliance. Despite the historical antagonisms between Japan and Korea, the United States has encouraged the cohesion of this triangle and treated the two alliances as strategically complementary. The presence of U.S. ground forces in South Korea was as much an extended frontline of defense for Tokyo as it was for Seoul. The American 7th Fleet and Marine units in Japan provided rear-guard support for the ROK. This relationship was spelled out in 1969 with the Nixon-Sato Korea clause, in which Japan acknowledged that Korean security was crucial to Japan and therefore would allow the United States unlimited access to bases in Okinawa to defend the South.

In exercises as well as actual maneuvers during the Cold War, Japan and Korea essentially comprised one integrated unit in U.S. defense planning. U.S.-ROK military exercises regularly employed bases in Japan for logistic support; U.S. tactical air wing deployments rotated frequently between Japan and Korea; and U.S. air and naval surveillance of the North operated out of bases in Japan. In addition, Seoul and Tokyo conducted periodic exchanges of defense officials, developed bilateral fora for discussion of security policies, and engaged in partial sharing of intelligence and technology.⁵

Throughout the Cold War, the U.S. and South Korean militaries represented the classic example of an alliance operating under a joint, unitary command (the Combined Forces Command, or CFC) with a common doctrine and clear division of combat roles practiced through frequent and extensive joint training. Although there have been some negative civil-military externalities associated with the stationing of U.S. forces in Korea, overall host-country support for the alliance remains reasonably strong.

REPOSTURING FOR THE FUTURE

Despite the U.S.-ROK alliance's efficiency, its Cold War-era constitution was in dire need of revision, as aspects of both the regional and global environment changed in the post-Cold War era. For the United States, Korea presented an anomaly in terms of overall global force posture. It was a heavy, ground-based presence built to deal only with a potential North Korean attack. In this sense, the presence there did not fit with overall U.S. aspirations for its military deployments to be capable of deploying regionally and in global contingencies. At the same time, the U.S. military's large physical footprint in Korea—most conspicuously at the 8th Army headquarters in central Seoul—became increasingly anachronistic in a country that was democratic, educated,



U.S. service members stationed throughout South Korea attend a town hall meeting with Marine Gen. Peter Pace, chairman of the Joint Chiefs of Staff, in the Black Cat hangar at Osan Air Base, South Korea, Aug. 16, 2007. Defense Dept. photo by U.S. Air Force Staff Sgt. D. Myles Cullen

and affluent, a far cry from the war-torn country that first hosted the American presence after the Korean War. A wakeup call came in the winter of 2002, when a U.S. military court's acquittal of two soldiers involved in the killing of two Korean schoolgirls during a training accident led to widespread protests in Korea.

These trends impelled significant changes in the location of American billets in South Korea. Since 2002, the two governments have agreed on a major base realignment and restructuring agreement constituting the most far-reaching changes in U.S. presence on the peninsula since the end of the Korean War. Measures include the removal of U.S. forces from the Korean Demilitarized Zone (DMZ), the move of U.S. Army headquarters (Yongsan garrison) out of the center of Seoul, and the eventual return of more than 60 bases and camps to the ROK. These base moves fit with larger U.S. military transformational needs, centering more air and naval capabilities out of Pyongtaek and Osan, but they maintain the same level of credible U.S. defense commitments to Seoul.

⁵ For elaboration on these points, see Victor Cha, *Alignment Despite Antagonism: The United States-Korea-Japan Security Triangle* (Stanford, CA: Stanford University Press, 1999) ch. 2–3.

Moreover, the reduction of the large U.S. military footprint in the center of Seoul—the equivalent of putting a foreign military installation the size of Central Park in New York City—serves to reduce civil-military tensions in the alliance.

Another watershed agreement was reached on the return of wartime OPCON to the ROK by 2012. U.S. control over ROK military forces through the United States' role as head of the United Nations Command (UNC) before 1978 and thereafter as head of the CFC was originally provided by President Syngman Rhee during the Korean War. The original OPCON agreement was a bilateral

“...this transition to two independent military commands must be taken without damaging the credibility of the United States' defense commitment to the ROK.”

arrangement which enabled Korean leaders to allow ROK forces to participate in wartime under U.S. command.⁶ To this day, it remains in the minds of many Koreans as one of the most extraordinary concessions of sovereignty in modern international relations, and has been a source of anti-Americanism among younger Koreans who feel offended by this quasi-colonial arrangement.

When Roh took office, he spoke publicly of the wartime OPCON transition as “regaining

sovereignty” from the Americans, which played to certain segments of the Korean population but underplayed the complexity of the issue. War plans, specific roles and missions, and contingency plans were built upon a single integrated command for decades. Moving to a new arrangement of two independent military commands operating under some agreed-upon guidelines is a major step that requires upgrading of ROK capabilities including weapons systems, planning and reorganization of forces. Moreover, this transition to two independent military commands must be taken without damaging the credibility of the United States' defense commitment to the ROK. The 2012 timetable for returning wartime OPCON was therefore a source of concern for some Korean conservatives who believed that the Roh government was pressing for a rapid turnover for ideological reasons and without adequate consideration of the external security environment and the readiness of ROK forces.

The United States has since reaffirmed to Roh's conservative successor, President Lee Myung-bak, that the 2012 timeline needs to be adhered to in order to ensure adequate transition planning on both sides. It will be critical for future U.S. administrations to ensure that the transition process takes full account of the external security threat and that the two U.S. and ROK commanders are satisfied that the two militaries are ready for the transition. In the end, the transfer of OPCON to a more than capable ROK military will go a long way toward ridding the alliance of another source of anti-Americanism in Korea.

UPGRADING THE ALLIANCE

At 3:30 am on the morning of Roh's June 2005 visit to the White House, I was awakened by a phone call from the Situation Room. I was patched through to U.S. Department of Defense (DoD)

⁶ Bruce Bechtol, “Change of US-ROK Wartime Operational Command,” Brookings Institution (14 September 2006), at http://www.brookings.edu/articles/2006/0914southkorea_richard-c--bush-iii.aspx. Operational control over ROK forces in peacetime was transferred to the ROK in 1994.

officials who had just received word from United States Forces South Korea (USFK) that an elderly Korean woman pushing a food cart had been hit and killed by a U.S. military vehicle. An action plan was instantly put into place in which DoD and U.S. embassy officials in Seoul provided redress to the aggrieved family members while we awoke our South Korean National Security Council (NSC) counterparts in Washington to alert them of the death and our actions. Both sides sought to address the situation in a prompt and proper manner in order to avoid the mistakes of 2002, when two Korean schoolgirls were killed during a training incident. When Bush greeted Roh in the Oval Office later that morning, his first words were an apology for the death of the Korean woman. As tragic as the event was, it did not become politicized as a rallying cry for anti-American demonstrations seen in 2002.

This level of coordination and cooperation reflected a significant upgrade in the institutions and communication channels that have undergirded the alliance over the past several years. Traditionally, the alliance has been dominated by DoD and military channels of communication, the most prominent of which was the long-established Security Consultative Mechanism (SCM) dating back to March 1968.⁷ Although this was the key institution upon which the alliance was built and upon which successful deterrence of North Korean aggression rested, there was a perceived need to deepen the institutional foundations of the alliance as its scope grew beyond a military alliance. On the diplomatic front, the Bush White House oversaw the creation of an informal but highly effective channel between the two NSCs. The primary forms of communication were phone calls between the national security advisors or deputy national

security advisors and periodic visits to Washington and Seoul at the deputy national security advisor level. This channel was used to convey policy priorities but also to clear the air whenever statements on either side were picked up by the press as signs of alliance discontent. In addition to managing

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mini-crises such as the one on the morning of the 2005 summit, this channel was instrumental, for example, in clarifying misunderstandings created by Roh’s public comments in March 2005 about Korea’s role as a “balancer” between the United States and China.⁸ This channel also was critical in coordinating policy with Seoul (and Tokyo) in the aftermath of the North Korean missile tests in July 2006 and nuclear test in October 2006. Real-time communications among point people in Washington, Seoul, and Tokyo ensured that initial statements and messages regarding details of the test were perfectly coordinated and uniform. In the following days and weeks, daily communication helped to precipitate a strong UN Security Council resolution.

⁷ The first SCM meeting took place in March 1968 between the defense ministries to coordinate policy in response to North Korea’s seizure of the *USS Pueblo*, and became a regular consultation thereafter.

⁸ Roh stated in an address to the Korean Military Academy that Seoul should act as a neutral party between its American ally and Chinese neighbor. “Korea to Play Balancer Role in Northeast Asia: Roh,” *Korea Herald*, at http://www.korea.net/News/news/NewsView.asp?serial_no=20050322018&part=102&SearchDay=.

In addition to the NSC channel, a formal bilateral institution known as the Strategic Consultation for Allied Partnership (SCAP) was approved by Bush in November 2005 and inaugurated by Secretary of State Condoleezza Rice in early 2006. This dialogue is chaired by the secretary of state and foreign minister, and is held at the working level by the deputy secretary or undersecretary for political affairs. The agenda for this institution

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has been and should remain wide ranging, reflecting the broadened scope of the alliance’s activities around the world.

The NSC channel and the SCAP helped to expand the scope of the U.S.-ROK alliance beyond the peninsula to areas of mutual global concern. Akin to the “global alliance” concept for Japan, the ROK proved to be an important coalition partner in Iraq, providing the third-largest contingent of ground troops in the country, which performed everything from humanitarian operations to protective missions for U.S. Agency for International Development and UN offices and training and equipping of other coalition forces (e.g., those of Mongolia). The ROK also provided logistics

support and a field hospital in Afghanistan. In Lebanon, it contributed some 350 troops for peacekeeping operations. Because Seoul saw many of these overseas deployments as politically sensitive, decisions were usually made within the Blue House rather than at the defense ministry. This concern led the U.S. command in Iraq to filter requests for the ROK through the NSC channel to ensure strong ROK participation.

These alliance accomplishments are impressive when one considers the starting point. Anyone who had bet in 2002 that the United States and the ROK would have been working together in Afghanistan and Iraq and completing base moves would be a rich person today. Institutional cooperation between the two governments was key to these accomplishments, but sustained efforts by particular individuals have mattered greatly. The key players in the force reposturing effort were Assistant Secretary of Defense Richard Lawless and his senior country director Michael Finnegan. The initiatives to grow the alliance institutionally started with key individuals in Bush’s first term such as Deputy Secretary of State Richard Armitage and Michael Green at the NSC. In the second term, two quiet but important trips to the region by Deputy National Security Advisor J.D. Crouch were critical to advancing the global agenda for the alliance. More importantly, these upgrades of the alliance provide a strong foundation upon which the next U.S. administration can build the relationship, once again, beyond expectations.

Part 2: What Are The Future Challenges?

More work can clearly be done on both sides to advance U.S.-ROK relations and to build the alliance for the future. Carrying out the basing moves and the realignment agreements are clearly an important task for the new U.S. administration. Nevertheless, they are operational issues that do

not provide a strategic roadmap for the future of the U.S.-ROK alliance. Three important challenges are on the horizon in the near future: free trade, populism, and education.

FREE TRADE

The first challenge is to finish the KORUS FTA. Signed on June 30, 2007, KORUS is the most commercially significant FTA in more than two decades. Korea is the United States' seventh-largest trading partner, and the United States is Korea's second largest market. KORUS constitutes the largest bilateral FTA negotiated by the United States, and the second-largest FTA next to the North American Free Trade Agreement (NAFTA). The agreement has clear economic benefits for both sides. Nearly 95 percent of bilateral trade in consumer and industrial products will become duty free within three years of the agreement. For the United States, the agreement will provide for the immediate removal of ROK tariffs on 64 percent or \$1.91 billion of American farm exports, including beef, wheat, corn for feed, and cotton, as well as a broad range of high-value agricultural products from almonds to bourbon to frozen french fries and pet food.

The agreement includes a broad range of provisions aimed at removing the formidable non-tariff barriers erected to protect Korea's auto market from U.S. cars and addressing the acute asymmetry in auto sales between the two markets. The FTA establishes a stable legal framework and protections for the roughly \$19 billion of U.S. foreign direct investment that enters Korea's manufacturing, banking, and trade sectors each year.⁹ Despite significant political challenges in South Korea to the FTA, including the virtual shutdown of the Lee government following an agreement to allow U.S. beef imports into Korea, the deal has been



Inside the new Incheon International Airport.

championed and is soon due for a ratification vote in the National Assembly.

The economic benefits of the FTA's ratification are clear, but perhaps more importantly, the agreement represents the elevation of the U.S.-ROK relationship to a different and higher plane of interaction. It represents a deepening of the relationship beyond its traditional predominantly military aspects and a broadening of exchanges representative of a mature and close consultative partnership. Koreans are always looking for ways to improve bilateral ties and increase trust in the relationship; there could be no more important way of doing this than through the FTA. The U.S. Congress' inability to pass this agreement would be seen as an undeniable setback in the evolution and growth of the alliance.¹⁰ Granted, it would not end the alliance, as there is still too much that is shared in terms of values and interests. Seoul, however, would respond to this disappointment by continuing to aggressively seek FTAs with China, the EU, and Latin America, and U.S. companies would operate at a disadvantage in this important market.

⁹ Office of the United States Trade Representative, "Free Trade with Korea: Brief Summary of the Agreement" (2 April 2007), at http://www.ustr.gov/assets/Document_Library/Fact_Sheets/2007/asset_upload_file355_11035.pdf.

¹⁰ The FTA requires approval of the implementing legislation by both houses of Congress (unlike ratification, which only requires Senate approval).

Moreover, people underestimate how important KORUS is to the vision of a larger free trade area in the Asia Pacific. With the breakdown of multilateral trade fora such as the Doha Round, one scenario for advancing free trade is the cobbling together of bilateral FTAs into a multilateral arrangement. In this regard, the KORUS FTA is seen as a high-quality agreement that could offer a model for other major economic agreements,

“No FTA is perfect, and KORUS may have flaws that need to be reviewed, but ratification of this agreement needs to be treated not just as an alliance issue but also as a larger strategic issue...”

unlike the superficial FTAs negotiated by China. When the United States announced the launch of free-trade negotiations with the ROK, countries such as Japan watched politely but dismissively; after the agreement was negotiated, Tokyo demonstrated quiet but palpable interest in starting pre-talks on free trade.

The implications of non-ratification could extend more broadly to the U.S. position in Asia. Protectionist rhetoric out of Congress over the last two years is at a high not seen since the Smoot-Hawley tariff, and Asians are nervously awaiting its implications. America's support of free trade is undeniably one of the components of its leadership

and preeminent position in Asia. A new U.S. administration that opposed free trade and did not act on the KORUS FTA, America's largest bilateral FTA, would be recorded in history as being the first administration that effectively walked away from free trade, and with this, substantially weakened its long-term leadership position in Asia. No FTA is perfect, and KORUS may have flaws that need to be reviewed, but ratification of this agreement needs to be treated not just as an alliance issue but also as a larger strategic issue for the promotion of free trade in Asia and for the long-term U.S. position in Asia.

MANAGING POPULISM

The second challenge for the alliance relates to managing populist fervor in Korea. Although it is a consolidated democracy by most metrics, the ROK's intense nationalism, very active non-governmental organizations (NGOs), and tightly interconnected society lead to occasional flare-ups of populist anger and protest that can be very destructive to the alliance's reservoir of goodwill. In the early spring of 2008, for example, the newly elected Lee government was paralyzed by demonstrations throughout the country. The streets of Seoul were blocked by candlelight vigils in the city center. The opposition party refused to attend the opening session of the National Assembly in which the newly elected president would traditionally give a State of the Union speech. Joining the civil society NGOs in the protests were labor unions that undertook a work stoppage that cost the Korean government tens of millions of dollars in lost productivity. The ostensible reason for the demonstrations was Lee's perceived rash decision to accede to the reopening of the Korean market to U.S. beef imports. Protestors saw this as a high-handed decision by a “CEO president” who was out of touch with common Koreans' concerns about the safety of American beef and who sought only to improve his relationship with Bush prior to his



South Korean citizens in downtown Seoul protest against U.S. beef imports in one of many protest rallies during the summer of 2008. (Associated Press)

trip to Camp David (the first such trip by a Korean president to the Maryland retreat in the history of the alliance).

These beef demonstrations demonstrated the unpredictable nature of populist movements in Korea. Just when things looked as though they were back on an even keel and the memories of the 2002 anti-American demonstrations in Korea had started to fade, these protests recalled all of the perennial difficulties in the alliance relationship. The beef demonstrations do represent a challenge to the alliance for the new administration in Washington. Yet, these all-paralyzing protests were not about American beef, which is safe by international standards. (Indeed, U.S. beef took some 39 percent of the Korean domestic market within one week of its return to grocery store shelves). Instead, they represent a fundamental new problem for Korea's populist democracy—that is, the capacity of Korea's political left to operate effectively within established democratic institutions.

With Lee's election in December 2007, the progressive left in Korean politics found itself out of power both in the executive and in the legislature

branches of government for the first time in more than a decade, dating back to the presidencies of Kim Dae Jung and Roh, when the "3-8-6 Generation" of former student dissidents held the reins of power.¹¹ This decade of rule came to an abrupt end when the conservative Lee won in 2007 by the widest margin of any Korean president since the establishment of democracy in 1987. Following Lee's election, the April 2008 National Assembly elections put the conservative Grand National Party back into power with an almost two-thirds' majority.

In the history of Korean democracy, this was a novel situation: the political left that had fought for democratization took to the streets to voice opposition to the new conservative government (using American beef as the entry point) rather than operating through the very democratic institutions they fought so hard to establish. Whether or not the decision to take the protests to the streets was merely an instinctive reaction from the left and civil society groups, what was most disturbing was opposition party legislators joining the street protests rather than trying to operate through the legislature. This was an undeniable failure of Korean democracy, hopefully only a momentary one sparked by the unprecedented nature of the political situation. Continued attempts from the streets to stymie the incumbent government in Seoul have real costs for the ROK and for the alliance. The nearly four months of protests in 2008 that paralyzed the government have been estimated to cost the economy \$2.5 billion, according to a Korea Economic Research Institute study.¹² Rectifying this situation is outside the purview of the alliance. Nonetheless, how the Koreans are able to find ways for the political opposition and ruling parties to work through their political differences through established institutions rather than

¹¹ "3-8-6 Generation" refers to the Koreans that were in their thirties when the term was coined, born in the 1960s, and attended university in the 1980s, and that were at the center of the fight for democracy in Korea, and in some cases, against the United States for the perceived support of military dictatorships in Seoul.

¹² "Beef protests cost economy \$2.52b," *Korea Herald* (10 July 2008).

populist politics is an important variable in the alliance's resiliency.

REFORMING EDUCATION

A third challenge and an important domestic determinant of the future relationship that receives scant attention in the policy studies community is the reform of the education system in Korea. The combination of a poor public school system and a strong leftist teachers' union creates an ill-informed jingoism among Korean youth that helps to fuel the runaway populism sometimes found in Korea. In the autumn of 2008, Lee, like his three predecessors, tried to address long-term education

“The aggregate effect is that successive generations of school children grow up with potentially very biased views of the United States from the 1970s and 1980s ingrained in them at a very impressionable age.”

reform. He called for providing public school curricula in the English language, instituting school rankings and a teacher evaluation system, and seeking initiatives to reduce the financial burden of runaway spending on private tuition, among other measures. These efforts at education reform could have direct and long-term effects on the alliance.

The secondary-school education system in Korea is broken. Parents pay billions of dollars to educate

their children in high-priced *hagwons* (tutorials) that provide specialized training outside of regular school hours. A Bank of Korea report found that household spending on education totaled an obscene \$13.72 billion in the first half of 2008, representing a 9.1 percent increase over 2007.¹³ Korean families spend an average \$600 per month for private education, totaling some \$30 billion or 4 percent of annual gross national product. The daily commute on buses to and from these educational institutions from 3pm to 11pm every evening is a standard part of the lives of Korean children.

The result of this dynamic is that the actual school day is of little interest both to the students and to the teachers. Teachers, many of whom hail from the powerful (and leftist) teachers' union, use their time to “educate” students about their days “fighting” American support of Korean military dictators, the 1980 Kwangju massacre, and Japanese colonialism, among other choice topics. These highly organized and politically powerful unions account for between 10 and 33 percent of the faculty in public schools. The aggregate effect is that successive generations of school children grow up with potentially very biased views of the United States from the 1970s and 1980s ingrained in them at a very impressionable age. This does not mean that anti-Americanism is increasing among younger generations, but that existing strands of it get perpetuated even as the U.S.-ROK relationship evolves far beyond that past. Liberal governments from 1997 to 2007 offered the best opportunity to contend with the powerful teachers' union, but they were equally unsuccessful in gaining traction on the issue. This is an issue outside the purview of U.S. responsibilities, but it is important to the “software” of the alliance relationship and the sense of goodwill among younger generations.

The visa waiver program and the Work, English Study, and Travel (WEST) program are two

¹³ “South Korea's education spending growth hits five-year high,” *Asia Pulse* (8 September 2008).

initiatives undertaken by the United States that should be promoted by the new administration. South Koreans' longtime quest for accession to the U.S. visa waiver program became a presidential initiative from the Bush-Roh 2005 Gyeongju Joint Declaration and was achieved in November 2008. In conjunction with the visa waiver, the new WEST program will soon allow 5,000 students to study and work for 18 months at a time in the United States. A memorandum of understanding was signed between the two governments in September 2008, the implementation of which will fall to the next U.S. government.

Programs such as WEST and the visa waiver, in addition to the long-established Fulbright scholarships, cannot be overestimated in terms of the role they play in increasing people-to-people exchanges between Koreans and Americans. Younger people are more likely to take advantage of these programs and thereby gain firsthand knowledge of the United States, which should redound positively for the alliance. In short, the average Korean student's experience with the United States used to be a combination of hearing negative stories in public school about America, and for those who still sought to travel to the United States, being forced to stand in a visa line for hours outside the American embassy. With options such as the visa waiver and WEST, the experiences of the next generation of Koreans will hopefully not be as negative, which can contribute to greater goodwill in the alliance.

Part 3: As The North Goes, So Goes The Alliance

"You know, I am not North Korea's lawyer, but you must understand how they see the world" was the preface often provided by Blue House officials as they launched into spirited explanations for why

the DPRK undertook a nuclear test in October 2006 and why the United States must not overreact and seek continued engagement with the regime. For many Americans, the sight of anyone trying to defend the North after such an act of international defiance was ludicrous, and for a treaty ally to do so was unacceptable. The problem for the U.S.-ROK alliance was not a lack of communication regarding North Korea, as the Americans understood very well the contorted logic and excuses that often seemed to apply only to North Korea, but that fundamental gaps sometimes emerged within the alliance about the threats posed by the regime.

Policy on North Korea is perhaps the most important challenge for future alliance interaction. During the Cold War, there was very little daylight between the two allies on North Korea. Both adhered to a fairly rigid policy of containment and non-dialogue vis-à-vis the threat from Pyongyang.¹⁴ Policy gaps on North Korea started to emerge with the process of democratization in Korea and with the end of the Cold War. Democratization effectively politically legitimized calls for less containment and more engagement with the DPRK. Prior to democratization, anyone who expressed such a viewpoint under the military dictatorships was immediately considered "pro-communist" and therefore treasonous. As democratization expanded the range of politically legitimate views on North Korea in the South, the collapse of the Soviet Union opened the range of possible policies that the United States might pursue with the DPRK beyond one-dimensional Cold War-era containment. A watershed moment came with the June 2000 summit between Kim and DPRK leader Kim Jong-il in which the full spectrum of views on engagement and containment were cemented in the Korean polity.

¹⁴ The détente years (1971-1974) saw a small gap in policies. As the Nixon administration increased contacts with communist China and the Soviet Union, there were also small indications of an American willingness to engage in contacts with the North. The Park Chung Hee regime responded by opening secret contacts with Pyongyang through its intelligence agency, leading to a surprise announcement of a joint communiqué on July 4, 1972.



North Korean and South Korean soldiers face each other across the DMZ.

This spectrum of views has impacted the U.S.-ROK alliance through two basic dynamics. First, tensions arise between Seoul and Washington when the United States is perceived to be too solicitous to the North while the ROK is advocating a tougher line. This was the predominant dynamic during the Clinton-Kim years when the United States and the DPRK were engaged in bilateral nuclear negotiations that made the South Koreans paranoid about alliance abandonment. Bob Gallucci, the lead U.S. negotiator for the 1994 Agreed Framework, once quipped that after a long day of meetings with the North Koreans he would meet with the South Koreans to debrief them and would be met with the cynical question, “So, what did you give away today?” Second, alliance tension also rises when the United States is perceived as taking a harder line while the ROK pushes for greater engagement with the North. Many will recall that the first term of the Bush administration with the Kim and Roh governments reflected this dynamic juxtaposing Bush’s “axis of evil” speech and the ROK’s “Sunshine Policy.”

POTENTIAL ALLIANCE GAPS

Three key issues account for the possibility of disagreement between the two allies: denuclearization, inter-Korean cooperation, and human

rights. Washington has always prioritized denuclearization, to the criticism of some past ROK governments that have not seen this as the primary threat. On inter-Korean cooperation, the United States has generally sought South Korean support in conditioning economic assistance to the North on its cooperation in the denuclearization process, whereas some ROK governments have preferred to advance inter-Korean economic cooperation separately (e.g. to help develop the DPRK economy and prepare for a “soft landing” should unification ever come). The third issue is human rights violations by the DPRK regime, which Washington has tended to emphasize while the ROK has not.

Denuclearization

The U.S. has worked with the DPRK, China, Japan, Russia, and South Korea to create a denuclearization roadmap, known as the September 2005 Joint Statement of the Six-Party Talks. The first implementation step was taken with the July 2007 shutdown of the Yongbyon nuclear facility, where the DPRK made plutonium for nuclear bombs, and the reintroduction of the International Atomic Energy Association for the first time in five years. In accordance with the February 2007 initial actions agreement and the October 2007 “second phase” agreement, the six parties sought to achieve a full declaration (including highly enriched uranium, plutonium, and nuclear devices) and permanent disablement of all DPRK nuclear facilities and activities by the end of 2007. Despite delays, on June 26, 2008, North Korea destroyed the cooling tower at the Yongbyon reactor and provided a nuclear declaration, effectively taking the world further in the denuclearization of the DPRK than ever before.

The Clinton administration ended its two terms in office having achieved a freeze-for-compensation formula with international monitoring of Yongbyon in exchange for supplies of heavy fuel oil. The Bush administration leaves to the Obama administration a status quo that has

advanced beyond a freeze of the DPRK nuclear program to a permanent disablement of the plutonium-based facilities at Yongbyon. Unresolved issues still remain, including the North's undeclared nuclear sites and its uranium-based and proliferation activities. The road to this outcome, which was far from smooth, included the DPRK's accumulation of a larger stockpile of plutonium and a test of a nuclear device in October 2006.

As long as the next American president pursues diplomacy (positive and, if necessary, coercive) through the Six-Party Talks to denuclearize North Korea, this will help to minimize the room for differences with Seoul. A good indicator of this was Seoul's positive response to the Bush administration's October 2008 decision to remove North Korea from the terrorism blacklist in exchange for Pyongyang's agreement on a verification protocol for its June 2008 nuclear declaration. Many in Washington characterized Bush's decision to prematurely delist a country he once put in the axis of evil as a Hail Mary pass by an administration desperate for good news. The optics were undeniably bad, as the delisting came after North Korean missile tests, the ejection of international inspectors from previously locked-down nuclear facilities, and good doses of fiery North Korean rhetoric against Seoul. The ROK, however, viewed it as a positive step that put in place a verification scheme that can facilitate the continued disabling and degrading of the North's nuclear capabilities. The conclusion of an agreement may have the counter-intuitive effect of deprioritizing the issue for the next U.S. administration, but the overriding merit according to many South Koreans is that it averted a crisis while moving forward on denuclearization.

In the end, Washington and Seoul's capacity to stay on the same page regarding North Korea and the Six-Party Talks will depend on their relative patience in managing the dilemma of DPRK unreasonableness. Washington and Seoul must engage in a Six-Party process in which every

agreement is negotiated with painstaking care; parties should hammer out specific quid pro quos, timelines, and the synchronization of steps, with concomitant rewards and penalties. Yet, sooner or later, Pyongyang will demand more than it was promised or will do less than it should. Although

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everyone will accept that North Korea is being unreasonable, they must also realize that a failure of the agreement could mean the failure of the talks and the precipitation of another crisis.

At the core of the fall 2008 impasse, for example, was the North's spurious claim that its June nuclear declaration was sufficient for it to be taken off of the U.S. terrorism blacklist and that verification of the declaration was not part of the deal. As a former deputy negotiator for the U.S. delegation to the Six-Party Talks, I can attest that the North Koreans fully understood our need for verification as far back as the September 2005 joint statement (the roadmap agreement) and the February 2007 “first phase” and October 2007 “second phase”

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implementation agreements, as did Seoul and the other participants. Yet, although all expressed outrage at Pyongyang’s petulance, the parties, including South Korea, end up pressing the United States—knowing full well that the North was at fault and was traversing the bounds of fairness and good faith but certain that the only chance of progress lay in American reasonableness. Generally, the result is that any additional American flexibility is widely perceived in the region as evidence of American leadership but is viewed in Washington as some combination of desperation and weakness. How well Seoul and Washington manage this balance will be important.

Inter-Korean Cooperation

As noted above, Washington’s preference is for Seoul to coordinate its inter-Korean economic cooperation with progress in Six Party-Talks. Without this condition, the provision of goods to the North reduces all incentives for Pyongyang to cooperate in the denuclearization talks. The South Korean rationale for such conditionality in inter-Korean assistance is not simply kowtowing to U.S. needs, but judging that it is not in the ROK’s national interest to seek reconciliation with

a North Korea that retains nuclear weapons. It is incumbent upon the ROK to portray the issue publicly in such a manner. If it does not, the risk is a popular view in Seoul (particularly among radicals) that the United States is standing in the way of Korean reconciliation.

One development that will improve U.S.-ROK policy coordination on North Korea is the diminished role of the South Korean unification ministry in Six-Party policy. With the advent of the Sunshine Policy under President Kim Young-sam and Roh, Seoul placed a priority on inter-Korean reconciliation, effectively delinking this process from the Six-Party Talks. The unification ministry was given a large budget for inter-Korean cooperation and was able to spend it without much oversight from either the economic ministries or the foreign ministry. The result was that the unification ministry gained a great deal of power within the ROK government, often operating at odds with the larger policy objectives of the Six-Party partners. Holding the purse strings and operating with top cover from the Blue House to improve inter-Korean relations, the unification ministry often engaged unconditionally with the North and disrupted the foreign ministry’s ability to align the ROK’s inter-Korean cooperation policies with the pace of the Six-Party Talks. There were moments when the Roh government did condition inter-Korean assistance on North Korea’s positive behavior in the Six-Party Talks (e.g., after the October 2006 nuclear test), and this was effective in getting the North to agree to the February 2007 agreement. Yet, this was not the norm.

Under Lee, the unification ministry has been substantially stripped of its power. Nearly 40 percent of the unification ministry’s personnel have been cut and most of its once-large budget has been redistributed to the economic ministries. The economic ministries have chafed at being obligated to implement many of the financially irrational projects for North Korea as dictated by the Blue



South Korean President Roh Moo-hyun and Kim Jong-il during their historic meeting in 2007.

House and unification ministry officials. In the aftermath of the December 2007 election, these economic ministries worked hard to persuade the business-minded president-elect and his transition team to rationalize economic policy toward North Korea, and were fairly successful in this effort. Moreover, the foreign ministry, along with the Blue House, has also taken back the unification ministry's role in chairing the interagency coordination meetings in which policy is hammered out (akin to the American Principals Committee meetings).

What this means for the alliance is that U.S. and ROK coordination on Six-Party policy should be a lot smoother than it has been in the past. The unification ministry's reduced power removes a specific bureaucratic obstacle to U.S.-ROK policy coordination, reflecting the larger ideological shift from Roh to Lee.

Human Rights

Human rights are one aspect of the DPRK problem on which the United States and the ROK have hardly been on the same page. During the Kim Young-sam presidency, the ROK took a fairly tough line on human rights abuses by the DPRK, demanding among other things that Pyongyang

return South Korean prisoners of war. Kim also criticized the Clinton administration for moving forward with its nuclear and political talks with Pyongyang in spite of ROK concerns. Some ten years later, George W. Bush made North Korean human rights abuses a major part of his policy, appointing the first-ever special envoy for DPRK human rights abuses (Jay Lefkowitz); overseeing the creation of programs for the first-ever resettlement of DPRK refugees in the United States; and inviting North Korean defectors into the Oval Office.

Having seen President Bush interact with these individuals, I believe that his concerns for the people of North Korea were truly heartfelt. In terms of alliance relations, however, Bush's emphasis on human rights did not sit well with the Kim Dae Jung or Roh Moo-hyun governments, which perceived many of these U.S. actions as code for a neoconservative desire to collapse the regime. Seoul categorically refused to make critical statements about DPRK human rights abuses, refused to vote for UN resolutions, and only with great difficulty agreed to language in U.S.-ROK joint statements discussing the dire conditions of the North Korean people.

The Obama administration and the Lee government have the opportunity to reboot and realign their relative positions on human rights. Bush and Lee, both deeply religious men, took a step in this direction, agreeing to include a specific reference to DPRK human rights problems in their 2008 joint statement. Additionally, the ROK under Lee has voted for the annual UN resolution on North Korean human rights abuses (whereas previous ROK governments did not). Nonetheless, there is clearly room for more coordination. Seoul could appoint its own special envoy for DPRK human rights, who could host the first international conference on the issue. Whatever the specific measures, the benchmark for United States and the ROK should be to move beyond an agreement

in words to achieving measurable steps that improve the lives of the North Korean people.

GUIDING PRINCIPLES FOR THE FUTURE

The next American president must approach the Six-Party negotiations not as a wide-eyed optimist, but with a systematic strategy designed to test and push the North to nuclear dismantlement. It is entirely plausible that Pyongyang will attempt new provocations, both to test the new American president and to gain attention from a new administration distracted by Afghanistan, Iraq, Pakistan,

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and the financial crisis. In this regard, policy gaps between the United States and South Korea are certainly possible. A new U.S. administration, needing to prove its bona fides, may be less tolerant of the inevitable North Korean antics because it perceives them as tests of an untested administration. Meanwhile, a domestically weak Lee government may crave more U.S. reasonableness and patience in response to North Korean testing in order to avert a crisis on the peninsula.

However fluid the environment, Seoul and Washington need to adhere to some basic and core principles to minimize their differences. First, the United States must demonstrate that it remains committed to a peaceful diplomatic solution. Despite all of the speculation that the hardliners in either a Republican or Democratic administration may consider coercive options and/or regime change, and notwithstanding the obligatory proclamations by any responsible leader that all options, including military, must be on the table, peaceful diplomacy is the only practical solution. Even during the George W. Bush administrations, at no time did any high-level White House official advocate or present in Six-Party capitals the option of regime change, contrary to the pundits' views.

The second principle is that the North Korean nuclear problem must be dealt with through a multilateral approach. After the breakdown of the 1994 U.S.-DPRK nuclear agreement, the view was that a return to diplomacy must integrally involve key regional players that have material influence on the DPRK, especially China. The United States cannot afford exclusive bilateral negotiations with the DPRK in which China would free ride on U.S. efforts to solve the problem but refuse to support any pressure while providing backchannel aid to Pyongyang to avoid regime collapse. China's continued hosting of the Six-Party Talks forces it to take ownership of the problem as Chinese face becomes integrally intertwined with preventing a nuclear North Korea.

At each critical point in the crisis, U.S.-Chinese cooperation has been important to achieving the desired outcome. This was the case with regard to China's unprecedented support for UN Security Council Resolutions 1695 and 1718 in response to the DPRK's missile and nuclear tests in 2006. Moreover, China has pressed the DPRK in material ways that will never show up in trade figures but that have had a real impact. Pyongyang's palpable

distrust of Beijing is perhaps the most credible indicator of this new dynamic. A relationship once described “as close as lips and teeth” is no longer the case. Any future administration would be wise to continue to press and shape China into playing this role vis-à-vis the Six-Party Talks and North Korea.

The third enunciated principle behind U.S. policy should be to thoroughly test the DPRK’s denuclearization intentions. Whatever negotiation tactics a new administration might use, they should remain consistent with the principle of systematically deciphering DPRK motivations. The guiding tenet should be to test whether the DPRK is serious or just trying to socialize everyone to accepting the North as a nuclear weapons power. Some would argue that testing the DPRK is a bad principle because it soon becomes impossible to distinguish between diplomacy designed to test Pyongyang’s intentions and unbridled appeasement to DPRK demands. For example, when the United States gradually edged into more exclusive bilateral negotiations with the DPRK toward the end of the Bush administration, critics asked whether this new format was designed to test DPRK intentions or merely caving to North Korean demands by a weak U.S. administration.

How far should the next administration go to test the DPRK? As is often the case in the policy world, the president and his national security team must make this judgment call as events evolve. The importance of the testing principle is that it demonstrates U.S. political commitment and patience. What Asia has always asked of the United States is to show true political will to deal with this isolated country. Doing this affords Washington much goodwill and political capital in Asia. Moreover, adhering to the principle of testing the DPRK in negotiations inoculates the United States from being perceived as the problem and shines the spotlight for a breakdown in the Six-Party Talks

on the DPRK. The only conceivable circumstance under which China or South Korea (which still have the most material influence on the North) would consent to full sanctions against the DPRK is after Six-Party and U.S. testing of the North had failed. In this regard, even so-called hawks in the next administration should see a continuation of the Six-Party process as the vehicle that best advances U.S. interests and best positions the United States and the ROK for the success of the denuclearization project.

“Whatever negotiation tactics a new administration might use, they should remain consistent with the principle of systematically deciphering DPRK motivations.”

In sum, the new U.S. administration should not be a wide-eyed optimist on North Korea. Instead, it will need to pursue a systematic diplomatic strategy designed to test the DPRK. If Pyongyang proves to be serious, the Six-Party partners will press the negotiation harder, moving to the final phase of nuclear dismantlement. If Pyongyang does not fulfill its end of the agreement, it will be clear to all where the blame sits for the breakdown of the agreement. This clarity will make it easier to build a multilateral coalition for a tougher course of action as needed.

PREPARING FOR CHANGE

A pressing task for the U.S.-ROK alliance is to prepare for change in North Korea. An altering of the political status quo north of the DMZ could potentially be one of the most significant events in postwar East Asian international relations. A leadership vacuum in North Korea could have ramifications for Chinese and Japanese security. It would impact U.S.-Chinese and Korean-Chinese relations. If political leadership change in Pyongyang led to a collapse of political order, the

“An altering of the political status quo north of the DMZ could potentially be one of the most significant events in postwar East Asian international relations.”

potential for “loose nukes” or other military scenarios could create a crisis of proportions not seen since the Korean War.

Those who have studied the peninsula might entertain such concerns with a jaded sense of passivism. After all, when Kim Il Sung died suddenly in July 1994, there was no collapse of the regime. Ongoing nuclear negotiations with the United States were completed a mere three months later. The country went through a period of famine in the 1990s—the only industrialized society in recent history to have suffered one due to economic mismanagement—and survived. And Kim Jong-il, despite his many eccentricities and health problems, still appears to be in control.

Yet, a confluence of forces leads one to believe that the DPRK regime will come under severe stress in the near future. The first factor has to do with the rumors circulating about Kim Jong-il’s health in 2008. Although it is difficult to confirm any of these rumors, it is fairly clear that the 66-year-old dictator’s physical wellbeing has reached a tipping point. Having undergone at least one heart procedure in 2007 and likely another in 2008 based on foreign press reports, the Dear Leader’s time in office appears limited. If not incapacitated already, another stroke could be debilitating, if not fatal. Major heart or brain surgery, moreover, would carry a high mortality risk. Unlike the last leadership transition, there is no clear line of succession to any of his three sons.

The diplomacy related to Six-Party Talks has reached a potential tipping point. Both good and bad scenarios coming out of the current Six-Party Talks will invariably put stress on Pyongyang. The bad scenario is fairly straight forward. If Pyongyang balks at fulfilling its end of the Six-Party agreement, this will likely be followed by tighter sanctions, activation of UN Security Council Resolution 1718, and other types of financial measures. The underlying rationale would be that after a nearly two-decade record of negotiations requiring rather high levels of U.S. flexibility and political will, Pyongyang would have proved its unwillingness to denuclearize. This would not be a partisan assessment, but would be based on a documented record of U.S. efforts going back to the very able efforts of the Clinton administration, which achieved a verifiable freeze on the Yongbyon facility. This records carries through to the end of the Bush administration, which first saw the status quo undone in 2002 after revelations of Pyongyang’s involvement in nuclear activities in violation of the 1994 Agreed Framework and the North-South denuclearization declaration, but then managed to push the negotiations beyond a freeze to disablement of the main nuclear facility

at Yongbyon (with some obvious bumps in the road). The fault for the failed negotiations would therefore lie at the feet of Pyongyang, and no one else, which should make regional partners consider an alternate tougher course of action.

On the other hand, if things go well in the diplomacy, this could also put stress on the regime. Pyongyang's accession to verification of its nuclear programs could conceivably be followed by greater economic and political interaction with the outside world, which might be more contact than the brittle regime can handle. Completion of the second phase (i.e., declaration and disablement) of the Six-Party agreement and the start of the third phase or endgame (i.e., dismantlement) would likely carry with it new channels of economic assistance and interaction with international financial institutions. This type of assistance can help the North Korean people, but not without higher levels of transparency that may ultimately prove more threatening than helpful to the regime. This opening up would confront the regime with its core dilemma: it needs to open up to survive, but this process of opening up could unravel the regime's political control.

The U.S.-ROK alliance needs to begin quiet but serious discussions about how to prepare for political change in North Korea. Although there are well-laid operational plans to deal with a second North Korean invasion, to date there is only a "concept plan" to contend with a regime collapse or implosion. During the Roh government, coordination between the two allies on these plans was stopped by Seoul. Roh's concern at the time was that such planning could be interpreted by the North as an active plan to collapse the regime, which would negatively impact Seoul's much-desired North-South engagement and could impact Pyongyang's cooperation in Six-Party Talks.

Such planning needs to be restarted in earnest and in depth. A whole host of questions about metrics and the division of responsibilities would have to be on the table. How does one determine whether the loss of political control in the North is severe enough to warrant intervention by outside powers? Upon what authority should such an intervention take place: the U.S.-ROK alliance, the Six-Party Talks, the UN? If it is to occur under the U.S.-ROK alliance, how would that authority account for Chinese intervention? What would be the division of labor in an intervention? Presumably, the ROK would want to handle the restoration of civil order, the United States would be in charge of securing the nuclear weapons and missiles, and the Chinese would be interested in securing the northern border. Yet, there are an infinite number of details, and coordination on each role and transparency about what actions each side would take is absolutely crucial well before a contingency.

The primary forum for this coordination should begin with the U.S.-ROK alliance. Once agreement is reached, the circle should expand to a trilateral allied consultation involving Japan, South Korea, and the United States. Following this, coordination should begin among China, South Korea, and the United States. The commodity sought through such U.S.-ROK-Chinese planning discussions is not trust (an over-used term in Asian diplomacy); it is transparency. Transparency—knowing what the other side is doing in a contingency and why they are doing it—is the most valuable commodity in a crisis. South Korea might balk at involving so many parties in what Koreans believe to be their national destiny. Yet, a Northern collapse is simply too significant an event not to warrant international attention, and South Korea would be best advised to actively engage in such multilateral planning in order to shape such a plan to its own interests and expertise.

One can appreciate the political sensitivity of such discussions. Planning in the event of a collapse in the North could easily be misinterpreted as planning to collapse the North. Such talks need to take place quietly, and perhaps in unofficial settings in order to allow for maximum discussion with minimum press attention. Whatever “plan” that emerges could easily be rendered moot on the first day of the crisis, but the process of planning helps to create dialogue and some sense

“A united Korean peninsula that is free, democratic, and without nuclear weapons would remove a proximate area of security tension and become a potential new engine for economic growth.”

of familiarity with each other’s intentions and priorities. The value of such transparency cannot be overestimated.

Koreans have long believed their national division is a historical aberration, and they have long sought unification, albeit at some distant point in the future. Yet, their wishes may be fulfilled sooner than they think. A united Korean peninsula that is free, democratic, and without nuclear weapons would remove a proximate area of security tension and become a potential new engine for economic growth. Shaping the path toward this

outcome through multilateral planning among China, Korea, and the United States would be wise and expedient.

Strategic Roadmap For The Future

Although the Obama and Lee administrations will have to define their own operational goals for the evolution of the U.S.-ROK alliance, the following recommendations can be seen as a strategic roadmap that outlines suggested priority issues for crafters of the alliance in the coming years.

Focus on results, not tone: Focus on the results rather than the tone of the U.S.-ROK alliance. The process of the alliance is sometimes ugly, but the results in terms of Asian and global cooperation are almost always positive.

Be intrinsic, not strategic: View the U.S.-ROK alliance not just as defense against North Korea but as a vibrant democratic partnership in Asia and a contributor to the counterterrorism, clean energy, and development agenda worldwide.

Run, don’t coast: Continue to push the alliance’s scope to the regional and global level, rather than keeping it at the peninsular level. The alliance has the capabilities and the political will, based on common democratic values, to operate everywhere from Central Asia to the Middle East.

Tend the garden at home: Even as the alliance is pushed, the redesign of the military elements of the alliance must be completed and remain sensitive to runaway populism.

Finish the KORUS FTA: Expectations are high that the FTA represents a new phase in the alliance’s history. Its failure may damage the alliance as well as views of American leadership in Asia.

Test North Korea: Design a negotiation that pushes the North to denuclearization while demonstrating U.S. political commitment to the process. That is the best way to build a multilateral coalition for punishment if the negotiation fails.

Keep an eye on the prize: Remember that the ultimate prize is not denuclearization, but rather managing an eventual “inheritance” process where a united Korea, free and democratic, is an engine of peace and economic growth in Asia and a global partner of the United States in world affairs.

Conclusion

Despite recurring fears to the contrary, the U.S.-ROK alliance remains one of America’s most stable and valuable alliances. By all measures, the alliance has proved its efficiency and durability. A look at the history of the alliance demonstrates its remarkable ability to surpass expectations. What began as a security guarantee among highly unequal parties has now evolved into a mature partnership between two strong and secure democracies. When considering the future of the alliance, it is instructive to remember how far the alliance has come.

Of course, the alliance, like all partnerships, will face challenges ahead. The difficulty of managing the peninsular question and reversing North Korea’s nuclear ambitions will continue to be a central focus of the alliance and a potential problem spot. Past management of this challenge—especially on the issues of denuclearization strategies, inter-Korean cooperation, and human rights in the DPRK—has indicated the potential for gaps in alliance coordination. Other potential problems spots include growing populism in South Korea and political obstacles to ratification of the ground-breaking KORUS FTA.

Perhaps the greatest and most necessary challenge facing the alliance is the need to craft a strategic roadmap for the future. Over the past several years, the substance of the alliance has expanded and deepened. The signature of a FTA, Korea’s assistance in Afghanistan and Iraq, and promising movement toward a 2012 OPCON deadline suggest the alliance is pushing outward into new areas of cooperation. Yet, alliance managers have not articulated a strategy to move forward with a new phase

of partnership. In order to sustain public support for the alliance and build momentum toward the establishment of a broader partnership, alliance managers must clearly articulate the intrinsic, rather than merely strategic, value of the alliance. The United States and South Korea must demonstrate the alliance’s value in representing shared interests and values rather than merely serving as a buffer against North Korean aggression.

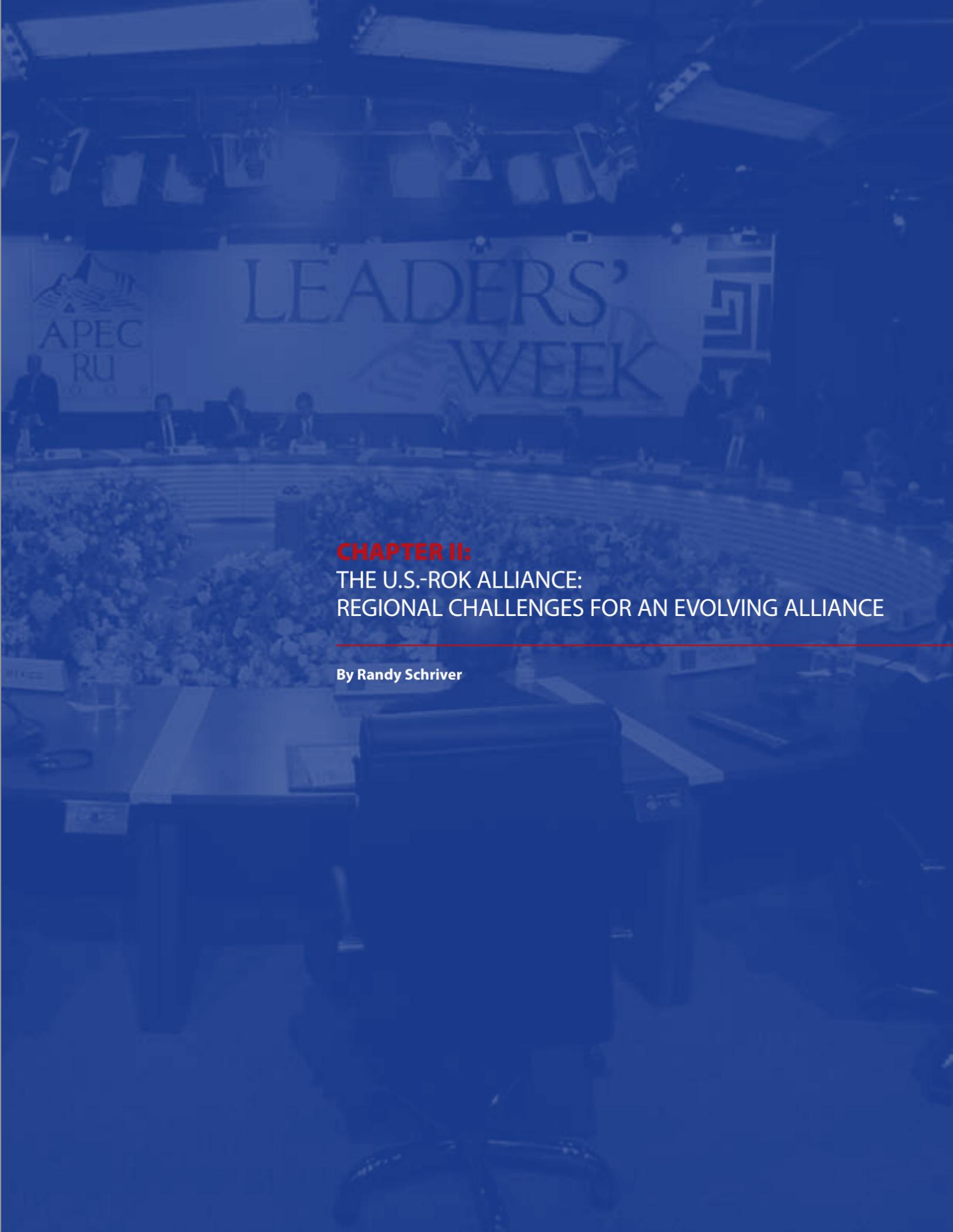
To achieve this goal, alliance managers should bear in mind several principles. First, the intrinsic substance of the alliance lies in its ability to stand

“What began as a security guarantee among highly unequal parties has now evolved into a mature partnership between two strong and secure democracies.”

for common values, rather than *against* the DPRK. Failure to emphasize this principle will hinder alliance cooperation beyond the unification of the peninsula. Second, alliance managers must proactively seek new areas of cooperation rather than passively waiting for new opportunities to present themselves. Finally, the alliance must continue to meet its immediate mission of addressing the peninsular challenge. The United States should continue to demonstrate its commitment to a democratic solution to the division of the peninsula as well as a multilateral solution to the DPRK’s nuclear ambitions. In keeping with the forward vision of the alliance, however, the United States

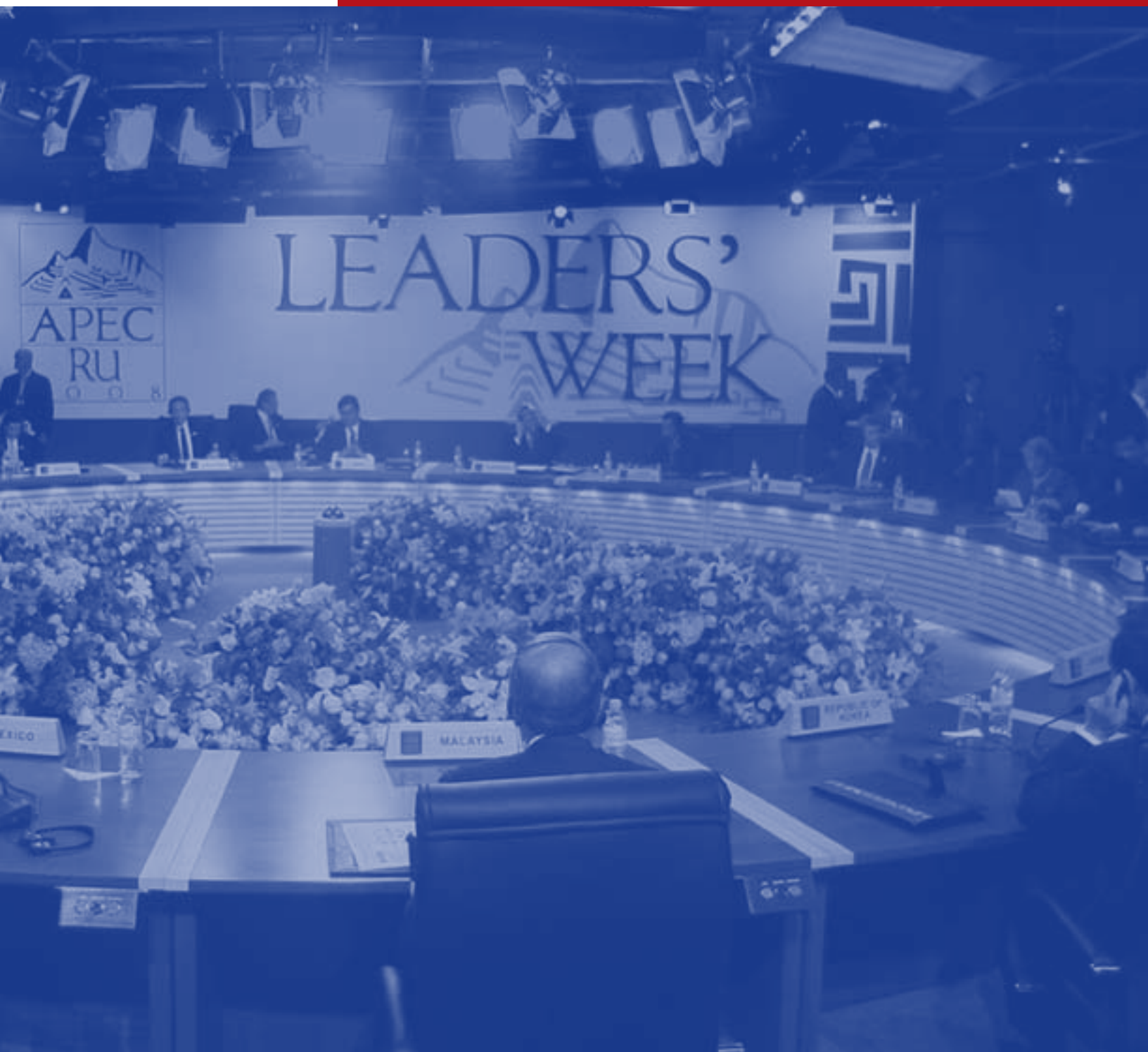
and South Korea must prepare for future changes in the DPRK and plan for the potential collapse of the North Korean regime.

When measured longitudinally rather than cross-sectionally, the U.S.-ROK alliance stands as one of America's greatest success stories. Achieving the tasks ahead will not be simple, but history has proven that the alliance is strong enough to handle any challenges that it may face. Continued expansion of the alliance vision will ensure that this partnership remains a vital source of strength and security for the United States and South Korea as well as the broader Asian region.



CHAPTER II:
THE U.S.-ROK ALLIANCE:
REGIONAL CHALLENGES FOR AN EVOLVING ALLIANCE

By Randy Schriver



"It is quite reasonable to suggest going forward that a strong set of alliance relationships is the key to protecting virtually every priority objective for the United States in the Asia-Pacific region."

THE U.S.-ROK ALLIANCE: REGIONAL CHALLENGES FOR AN EVOLVING ALLIANCE

By Randy Schriver

When President Barack Obama and his administration are seated in Washington in January 2009, the foreign policy agenda will be daunting. The Obama administration inherits unfinished wars in Afghanistan and Iraq; a global financial crisis; and rising tensions with a range of countries that literally span the globe, from Iran to Russia to Venezuela and others. On top of these problems, the world will look to the United States for its leadership in dealing with a number of transnational issues, such as energy security and conservation, climate change and environmental protection, food security, global health, development and governance, improvement in human rights practices, terrorism, WMD proliferation, and more.

The challenges found in the Asia-Pacific region alone could fill the president's foreign policy agenda. The Obama administration will confront a region in which the global financial crisis is impacting Asia's economies, China's emergence continues on an uncertain path, territorial disputes remain unresolved even as new security challenges develop, major concerns about proliferation continue, and serious questions about regional architecture persist.

Although there will be demands on the new administration's attention outside of Asia, senior leaders in Washington will be compelled to spend more time dealing with the challenges of the Asia-Pacific region. Quite simply, the center of gravity in the world is shifting toward Asia. By almost any objective measure—size of populations, dynamism of economies, consumption of energy, amount of greenhouse gases emitted, or strength of militaries—the Asia Pacific increasingly represents the center of human activity.

Given these aforementioned dynamics—the range and magnitude of global challenges, the range and magnitude of Asian challenges, and the very fact that the United States itself is burdened with an overwhelming number of foreign

policy issues — America's allies become all the more important. It is questionable whether the United States can effectively promote its security interests without active allied support in the best of times. Given the various current challenges, Washington is especially unlikely to enjoy success without robust engagement by and with its allies. It is quite reasonable to suggest going forward that a strong set of alliance relationships is the key to protecting virtually every priority objective for the United States in the Asia-Pacific region.

“Given heightened tensions on the peninsula from the early 1990s to the present, the alliance has been understandably myopic in orientation.”

Understanding the importance of its alliances to U.S. interests in Asia also suggests to an incoming administration the need to ensure that U.S. alliances have modernized and are appropriately oriented toward 21st-century challenges. A quick survey of the United States' five bilateral treaty alliances shows that each faces key constraints on its ability to help the United States address regional challenges and opportunities. Japan sustains self-imposed constitutional restrictions on the nature of its military activities; Australia is constrained by its size and reach (a country of only 20 million people has to be selective with respect to regional activities); and the Philippines and Thailand both face political and economic instabilities that are significant obstacles to making greater

contributions to regional activities. South Korea is therefore a natural place to look for a strong partner in the management of regional challenges and opportunities.

Yet, questions linger about how well positioned the U.S.-ROK alliance is to handle regional issues outside of the peninsula itself. Given heightened tensions on the peninsula from the early 1990s to the present, the alliance has been understandably myopic in orientation. Although there are major exceptions to the rule — most notably South Korea's major deployment of forces to Iraq after the U.S. invasion in 2003 — for the most part, intra-peninsular concerns have dominated the alliance's agenda to date. Increasingly, however, government officials in Washington and Seoul have openly discussed the concept of reorienting the alliance to adopt a regional (if not global) outlook and posture.

This chapter addresses two major topics in sequential fashion. The first part conveys a sense of what major challenges and opportunities in Asia Pacific will exist during the tenure of the new U.S. administration. The second provides an assessment of how such challenges will help, hinder, or not at all impact the ability of alliance managers in Washington and Seoul to orient the U.S.-ROK alliance for more regional purposes.

Asia's Evolving Strategic Landscape

There is little doubt that the future of global economic, strategic, and human activity lies in Asia. In a December 2004 report called “Mapping the Global Future,” the National Intelligence Council (NIC) attempted to illustrate the breakdown of the world population in 2020 by “telescoping” the world's projected 7.8 billion people down to a representative group of 100.¹ Of these 100 people, 56 would be from Asia (with 19 from China and 17 from India). The next most-represented region would be Africa (with only 16 people), followed by

¹ Report of the National Intelligence Council's 2020 Project. “Mapping the Global Future.” Available Online: http://www.dni.gov/nic/NIC_globaltrend2020.html.

the Western Hemisphere with 13 (but only four from the United States). Seven people would be from Eastern Europe and the former Soviet Union, five would be from Western Europe, and only three would be from the Middle East. Thus, in terms of population alone, Asia is positioned to dominate patterns of global human activity. Data on economic and military activity only serve to confirm the importance of the Asia Pacific in contemporary global politics.

For much of the Bush administration, however, American policymakers' time and attention were dominated by the Middle East and the global war on terror. U.S. engagement and involvement in the Asia-Pacific region have historically been episodic at best, but the country's strategic focus has been diverted for the last four years in particular. There is, as a result, a sense that American presence and leadership have been lacking. When Secretary of State Condoleezza Rice skipped the annual Association of Southeast Asian Nations (ASEAN) meeting in 2005, international media portrayed it as a U.S. "snub" of the Southeast Asian countries. Asian leaders and ordinary citizens alike notice when senior U.S. leaders cannot be bothered to show up for meetings or make visits. Not surprisingly, global polls such as the BBC World Service survey have shown a decline in the perception of the United States' role in the world during this period.²

Moreover, the seeming lack of attention to Asia has raised the possibility that other emerging powers such as China may step in to fill the power vacuum left by the United States. When China and its neighboring countries took the initiative to launch the East Asia Summit in 2005, it initially appeared as if the United States had been excluded. The suspicion was only eased after the participation of U.S. allies and friends such as Australia, India, and Japan was confirmed. What

this episode demonstrates is that American interlocutors in Asia realize when the U.S. agenda lacks an appreciation for their various interests and fails to demonstrate the creative responses that Asia's evolving strategic landscape requires.

The United States is a permanent resident of the Asia Pacific, and the new administration must give due attention and priority to this region as it looks

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to the future. Excluding the future of North Korea and unanswered questions about the future of the Korean peninsula (addressed in the previous section), at least seven major issues in Asia that continue to unfold in dynamic ways deserve significant attention from the United States and like-minded countries.

The first issue relates to the emergence of China and the many uncertainties associated with its trajectory. The second relates to the emergence of other powers with significant regional influence, namely Japan (as it continues to take steps to become a more "normal" country) and India (as it implements the "look East" policy). The third relates to how countries can address the twin challenges of energy security and climate change—issues that generate particularly acute questions in Asia given the potential for tension

² BBC World Service, "World View of US Role Goes from Bad to Worse" (23 January 2008), at http://news.bbc.co.uk/2/shared/bsp/hi/pdfs/23_01_07_us_poll.pdf.

over resources, maritime security implications, and the perceived tradeoffs between economic modernization and more aggressive environmental protections. The fourth issue relates to the potential for WMD proliferation from and among Asian countries, and the potential nexus of WMD proliferation networks and terrorism networks operating in Asia. The fifth relates to the future of the trading system in Asia and the potential for trade liberalization through bilateral initiatives (e.g., the KORUS FTA), multilateral initiatives (extension of the Transpacific P-4 initiative), or region-wide efforts. The sixth concerns management of Asia's historic flashpoints (the Taiwan Straits and disputed claims in the South China Sea and elsewhere). Finally, the seventh issue relates to approaches to creating a durable regional architecture. Subsequent sections will provide an assessment of each of the seven issues mentioned above.

THE EMERGENCE OF CHINA

Despite the near-hyperbolic rhetoric in recent years surrounding the rise of China, it remains unforeseeable at this point whether China will continue on a path of dramatic rise, experience catastrophic

economic failure or social breakdown, or hover somewhere in between. No matter the precise direction of China's trajectory, outcomes in China will undeniably have a profound impact on U.S. interests and those of U.S. allies. In fact, the defining strategic challenge of the current age is likely to be how well the world addresses the emergence of China.

A profound transformation has occurred in Chinese foreign policy. Taylor Fravel and Evan Medeiros noted in *Foreign Affairs* in 2003 that Chinese scholars today write less about a Chinese foreign policy motivated by "150 years of shame and humiliation" and more frequently about the need to adopt a "great-power mentality." This transformation in self perception is informing a more robust and creative Chinese diplomacy. China is growing not only in terms of its comprehensive national power but also in its willingness and ability to promote its interests through the exploitation of that power. There is little doubt that China is more active, engaged, and influential in many parts of the world than it has ever been before.



Members of a Chinese military honor guard march during a welcome ceremony for Chairman of the Joint Chiefs of Staff Marine Gen. Peter Pace at the Ministry of Defense in Beijing, China.

Both Chinese involvement and U.S. engagement of the People's Republic of China (PRC) appear to lack a clear strategic framework. In contrast to China's increased presence worldwide, Chinese global and regional strategy cannot be observed or quantified with specificity. This may be the result of intentional Chinese obfuscation or a reflection of the fact that China lacks a clear strategy. Nonetheless, China is enthused with the notion of acquiring more power and influence, even if it does not have a fully formed view of toward what end its influence may ultimately be used. The United States must develop policies in Asia that account for the growth of Chinese involvement while considering the range of purposes for which that power might be employed. Bilateral relations between U.S. and Chinese leaders have exploded in terms of the breadth of their agenda and the frequency of senior-level contact. Yet, U.S. engagement of China lacks a strategic framework, and as a result, the United States has competing and sometimes contradictory objectives at work in its various activities related to China, often generating anxiety among its allies and partners.

Although the U.S.-Chinese relationship will surely remain a complex one, the United States needs a sober-minded and comprehensive approach to the regional and global challenges that China's rise presents. Welcoming China's active participation in regional and global matters both in word and in deed is critical for making the right impact on Chinese leaders. This should not diminish the message that the United States and allies still seek to shape the security and economic environment in Asia and are prepared to deal with China if it chooses an adversarial path.

Currently, the ongoing and ambitious nature of China's military modernization program is one of the greatest concerns to the United States and its allies in the region. DoD has observed that China's modernization efforts extend well beyond the immediate Taiwan contingency and have sought

to acquire capabilities to account for U.S. involvement in conflict (e.g., China's recent anti-satellite missile test). The United States must work with its allies and others to structure an agenda that promotes genuine risk reduction.

“Bilateral relations between U.S. and Chinese leaders have exploded in terms of the breadth of their agenda and the frequency of senior-level contact.”

China's increasing importance should also not divert anyone from delivering a consistent message on human rights and religious freedom. As Chinese influence grows, the tendency of many countries will be to curtail criticism of China's internal practices, especially because PRC diplomacy often conveys to interlocutors that “non-interference” in Chinese affairs is the price of admission for a quality relationship. Quite to the contrary, China's support for regimes found in countries such as Burma, Iran, Sudan, Venezuela, and Zimbabwe places China not only on the wrong side of history but also raises the prospects for a tense relationship with Washington and other democracies. The best hope for a constructive Chinese role in regional and global matters still rests in the possibility of a reformed China that takes into account the needs of China's own citizens as well as the interests of its neighbors. Although the United States and its allies may have opportunities to work with China where interests converge, policies should be firmly rooted in the

understanding that China has yet to prove itself in the international arena as a “responsible stakeholder.” Efforts to promote human rights and religious freedom in China as well as in Chinese foreign policy practices should intensify as the PRC grows, not weaken.

At the same time, the United States and its allies must demonstrate an understanding for what China faces at home. China’s national leaders are constantly consumed with large internal challenges. The government experienced a difficult and challenging summer including the management of Sichuan earthquake relief, unrest in Tibet, preparations for the Olympics, and significant political developments in Taiwan. These issues arose in addition to challenges of an already extraordinary magnitude—environmental problems, energy

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security, wealth disparity between coastal urban China and interior rural China, and rising food and energy prices.

Conventional wisdom suggests that Beijing’s fundamental legitimacy rests on sustaining the confidence of Chinese citizens in the competence of the government to maintain continued economic growth and social stability. Since the beginning of reform in 1976, the government’s

legitimacy and popular support have rested less and less in communist ideology. The Fourth Generation of Chinese leaders was not selected through popular election, nor through heredity or privilege, but rose through the ranks based on merit and devoted service to the Chinese Communist Party (CCP) and the nation. President Hu Jintao, Premier Wen Jiabao, members of the Standing Committee of the Politburo, members of the State Council, and ministers of leading government agencies all operate with an implicit understanding that there is a fundamental fragility to sustained CCP and government control. (To put a finer point on the concept, Chinese leaders have struck a grand bargain with the people of China: “We deliver close to 10 percent economic growth per year, and you don’t challenge our political authority.”) Basic preservation of their positions requires competent execution of their duties and a genuine effort to address China’s myriad strategic challenges. Setbacks bring unattractive policy options to the fore, such as a heavier hand in controlling the populace.

The close relationship between the health of the Chinese economy and the stability of CCP rule explain in large part why Chinese leaders are nervous about the prospects of a prolonged global economic downturn. The nexus between economic performance, politics, and internal stability bears close scrutiny over the next several months and probably years. China’s initial confidence that it was well positioned to weather the global financial crisis has been replaced by a state of high anxiety. Public unrest can manifest into erratic behavior by party and government leaders who will be loathe to accept any blame for China’s problems themselves.

The United States can benefit greatly from South Korea’s cooperation in managing the rise of China in strategic and economic terms. South Korea has much at stake in China’s continued success. The two nations are highly integrated—China is South

Korea's top trading partner, with bilateral trade amounting to \$160 billion in 2007.³ Moreover, approximately 800,000 South Koreans live in China, in addition to the PRC's almost two million ethnic Koreans, who reside in the industrial northeast area bordering the Korean peninsula.⁴ Additionally, South Korea's role as a neighbor to China and a host of the U.S. military makes it a key factor in the dynamics of U.S.-Chinese security relations. President Lee Myung-bak demonstrated South Korea's eagerness to work with China when he visited China in the spring of 2008, closely following his visits to the United States and Japan.

THE RISE OF OTHER POWERS: JAPAN AND INDIA

The Asia-Pacific region is also witnessing the emergence of Japan. Regardless of the particulars of the domestic Japanese debate over Article 9 of the Constitution, Japan is already acting with increased confidence and a greater level of comfort in assuming new roles and missions, and is exploring the scope of what might constitute a renewed leadership position in Asia. Recent political turmoil and economic difficulties may have slowed the trend toward "normalcy," but Japan's trajectory over time is clear.

Japan's future direction presents opportunities for the United States, as well as for other Asian democracies. Japan and the United States are the two largest economies in the world, the two most generous providers of foreign assistance, two great democracies, and two capable militaries. High expectations for the partnership and the alliance are appropriate, and Washington can continue to ask Japan to move toward full partnership on all matters. Although the United States must be sensitive to Japanese domestic politics and the need to move at a deliberate pace, it is in the U.S. interest to welcome and encourage an alliance partner with

greater latitude to engage where shared security interests may be impacted.

There may be risks associated with these developments as well. Throughout their long respective histories, there has virtually always been clarity regarding the power relationship between China and Japan. At times China has been dominant, and on other occasions, Japan has been stronger. It is rare that the two countries see one another as, and in fact are, equal powers. In terms of economic might, military capability, and diplomatic influence, China and Japan appear poised to share equal status in the near term, which may not be a recipe for long-term stability.

"In the long term, trilateral cooperation among Japan, South Korea, and the United States carries great potential for all concerned."

In the long term, trilateral cooperation among Japan, South Korea, and the United States carries great potential for all concerned. South Korea has a complicated relationship with Japan, with remaining historical and territorial issues to overcome, and Washington cannot solve the differences between Tokyo and Seoul from a distance. Yet, the United States can lead efforts to restart a meaningful trilateral coordination process between

³ "Hu Calls on China, South Korea to Strengthen Economic Co-op," *China Daily* (26 August 2008). Available Online: http://www.chinadaily.com.cn/china/2008-08/26/content_6971727.htm.

⁴ "ROK Seeking to Upgrade Ties with Neighbor," *China Daily* (27 May 2008).

the three nations to address a number of pressing regional issues. The most obvious issue set to focus on initially relates to North Korea, including North Korean missile and proliferation programs, conventional military threat reduction, inter-Korean dialogue, illegal and illicit activities, political and economic reform, and human rights considerations. Over time, however, the three parties may become more ambitious in their agendas by adopting a more regional and far-reaching orientation.

“Although dwarfed by trade with China, South Korea’s economic relations with India have increased exponentially since the early 1990s...”

In addition to Japan’s reemergence, the region is also seeing signs of the “Asianization” of India. By sheer virtue of the size of its population, India has always possessed the potential to be a large player in Asia. Yet, India has only recently shifted its policies to end its self-imposed economic isolation. Given India’s lingering feud with its neighbor to the west, Pakistan, and chronic instability in the Central Asian region, India is increasingly drawn to Asia and vice versa. Moreover, as India’s economy develops, the sheer weight of Asia’s economic opportunity is likely to draw New Delhi toward closer engagement.

Potential competition with China for resources and influence, however, cannot be discounted.

(After all, when it first tested a nuclear weapon, New Delhi cited the potential threat from China rather than from its longtime rival Pakistan.) In addition to their contested land border, China and India demonstrate the potential for significant military (especially naval) and economic competition, as the two major developing powers occupying the same regional environment. Moreover, the fact that China and India both conceptualize themselves as Asian regional powers may foster rivalry rather than stability as both increase their international involvement and power projection.

Yet, the primary interests of each—continued economic growth and a secure regional environment—are served by cooperation, not conflict. This interest is shared by the United States and South Korea, powers that, despite being based farther eastward, have significant interests in advancing India’s economic engagement on terms that are conducive to regional stability. Although dwarfed by trade with China, South Korea’s economic relations with India have increased exponentially since the early 1990s, and the two countries have expressed an interest in further developing their economic cooperation. The United States should incorporate discussion of economic and security relations with India into the fabric of the U.S.-ROK alliance, as it involves a core interest and has a significant potential for benefit on both sides of the alliance.

ENERGY SECURITY AND CLIMATE CHANGE

Energy consumption in the Asia Pacific is expected to rise with the growth of the population and the economy. Between 2005 and 2030, total world energy consumption is expected to rise more than 50 percent, by which time China and India’s share is projected to account for 25 percent of the world’s total energy consumption.⁵ Furthermore, the expected increase in the prices of oil and natural gas makes coal an economical fuel of choice for

⁵ Energy Information Agency, “International Energy Outlook 2008: Chapter One” (June 2008), at <http://www.eia.doe.gov/oiaf/ieo/world.html>.



China's Three Gorges Dam, the world's largest hydroelectric power station.

developing countries in Asia, posing a challenge to controlling greenhouse gas emissions.⁶

Asia represents the best and the worst of sustainable development, and as such, the environmental policies developed there are likely to have a disproportionate impact on the health of the global environment. The Asia-Pacific region contains six of the world's ten largest consumers of energy, as well as six of the world's ten largest emitters of greenhouse gases. Japan is the world leader in the efficient use of energy, and Taiwan ranks as the number one recycler in the world. Yet, China alone contains 16 of the world's 20 most polluted cities and is among the least energy-efficient nations, and China and the United States share the dubious distinction of being the two largest contributors to greenhouse gases.

The interdependent natures of environmental challenges means that the United States must work with other developed nations in Asia to create momentum behind sensible policies supporting sustainable development. Of course, the United States must first put its own house in order

and regain other nations' trust on its willingness to do its part to solve environmental problems. There is no doubt, however, that all the nations of Asia must be a part of the solution. No efforts to reduce global emissions of greenhouse gases or air pollution can occur in consequential quantities unless both the United States and China play significant roles.

It is also important that competition over energy sources does not manifest into an energy-related incident or even a military crisis. Although much attention has been paid to the role of Africa and the Middle East in assessing the relationship between energy availability and future conflict scenarios, Asia too is marked by the presence of disputed areas with the potential to supply energy to whoever controls them. It is conceivable, therefore, that ongoing territorial disputes over energy-rich areas could lead to conflict. Tensions between China and Japan have cooled temporarily, but major issues remain unresolved with respect to disputes over underwater oil reserves. Within the U.S. alliances, dialogue on energy security issues

⁶ *Ibid.*

*“Extending beyond
the realm of alliance
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and producers.”*

should be elevated as a higher-priority agenda item in order to mitigate the risk of energy-related tensions developing without a clear plan for how to manage and resolve them.

This is particularly true of the U.S.-ROK alliance. As two of the main energy importers/consumers in the Asia-Pacific region — along with China, India, and Japan — the United States and South Korea’s energy interests are largely complementary and would benefit from more detailed discussion. Pollution from China commonly crosses the Yellow Sea to South Korea, and under some wind conditions it reaches as far as the western coast of the United States. Thus, both nations share an interest in crafting regional policies that will improve their air and water quality in the short and long term. Given regional concerns over energy security, it would also benefit both sides to discuss their assessments of projected trends in Asian energy consumption and to consider what potential effect changes in world supplies of energy outside the region might have on regional energy dynamics.

Extending beyond the realm of alliance relationships, the United States could also establish a

permanent energy security dialogue among the major Asia-Pacific energy consumers and producers. The emphasis on energy security at the second East Asian Summit, including a four-part declaration of measures designed to address energy efficiency, shows that this is an area in which the United States must assert a leadership role or risk losing its opportunity to shape future trends. For this reason, existing regional or multilateral organizations or initiatives including or supported by the ROK and the United States — such as the Extractive Industries Transparency Initiative or the 2008 summit meeting of the G8 energy ministers with those of China, India, and South Korea — can serve as fora in which to build and promote a common American and South Korean agenda on energy security.

Another potentially fruitful avenue for multilateral energy cooperation involving South Korea and the United States is the strengthening of the Asia-Pacific Partnership on Clean Development and Climate (APP), a seven-nation partnership that constitutes more than one-half of the world’s energy consumption and a significant fraction of its non-oil energy resources. The APP’s emphasis on the diffusion of energy-efficient technologies and practices is especially appropriate for Asia given the region’s wide variation in energy and environmental practices and its especially pressing need to reconcile economic growth with increasingly acute concerns over environmental protection. Through the APP as well as their bilateral relations, the United States and South Korea should cooperate with each other and with other advanced industrial nations to provide these technologies to countries that currently lack them. In addition, they should find ways to transmit knowledge of best environmental practices and standards to developing economies to help them create the conditions for long-term sustainable development and economic growth without imposing a high environmental and health cost on other countries in the region.

PROLIFERATION AND MARITIME SECURITY

The potential sources of WMD proliferation and delivery systems are well known, and debate continues over the appropriate steps to curb their activities. Although the most urgent nonproliferation challenge in the Asia Pacific is undoubtedly the ongoing negotiations over North Korea's nuclear programs, a number of issues outside of the Six-Party Talks will affect the long-term prospects for managing the risks of proliferation in the Asia Pacific.

The Bush administration has proudly trumpeted the Proliferation Security Initiative (PSI) as the showpiece of its counterproliferation efforts. Although the administration does indeed deserve credit for creative thinking on these matters and for its proactive efforts, legitimate questions remain on exactly how effective PSI has been in operational terms. South Korea has declined to join PSI, largely out of concern that this will be interpreted as a hostile gesture that puts inter-Korean relations and nonproliferation negotiations at risk.

The United States should review the status of PSI in Asia and place it appropriately within the broader context of efforts to strengthen the breadth and depth of its counterproliferation policies. PSI is quite likely the best starting point, but more should be done to increase the U.S. military's latitude to interdict when necessary under the auspices of PSI. Therefore, effective attempts to counter weapons proliferation in Asia may well require strong assertion of U.S. power, but cooperative partnerships with others in the region, especially South Korea, will be equally important. As one of the major hosts of U.S. forces in the region, South Korea is likely to be critical in augmenting interdiction as well as other counterproliferation capabilities. As the Asia Pacific is very much a maritime domain, DoD should intensify its



A South Korean navy sailor signals to a U.S. Navy Seahawk helicopter to land on the flight deck of the South Korean amphibious assault ship ROKS Dokdo during the training to increase U.S.-Korean amphibious operational readiness. U.S. Navy photo by Mass Communication Specialist 3rd Class Christian Lemus

efforts to work with allies, ad hoc coalition partners, and friendly countries to extend “Maritime Domain Awareness.”

Additionally, more needs to be done with law enforcement to crack down on the illegal and illicit activities that so often fund or facilitate proliferation. As developments in the Six-Party Talks have indicated, tracking North Korean illicit activities carries benefits both in terms of interfering with potentially pernicious smuggling capabilities and in creating negotiating leverage over the DPRK, but care must be taken to reconcile law enforcement and nonproliferation objectives in a consistent fashion.

In addition, the Asia-Pacific region carries the threat of radical Islam in Southeast and Southwest Asia. Given South Korea's role as a member of the coalition forces in Iraq and as home to significant numbers of U.S. military serving overseas, Washington and Seoul share an interest in close counterterrorism collaboration, including domestic preparedness, emergency management, and

“As the tenth-largest world economy and America’s seventh-largest trading partner, South Korea naturally plays a large role in U.S. visions of the future direction of Asian economic development.”

collaboration on tracing terrorist financing. Indeed, South Korea’s National Intelligence Service announced in September 2008 that it had arrested at least 20 people for suspected connections to terrorism, including for collecting information on U.S. forces stationed in the ROK.⁷ Moreover, a Chicago Council on Foreign Relations study found that the two nations share a perception of a heightened threat from terrorism, indicating public support for counterterrorism cooperation within the alliance framework.⁸ Beyond the bilateral level, the United States and South Korea have both signed the Southeast Asian Anti-Terrorism Cooperation Pact, providing a multilateral forum in which to collaborate with other Asian nations to address regional threats.

TRADE AND ECONOMICS

Asia may not move expeditiously to a common market, but the United States certainly does not want to be absent from the discussion as Asian nations negotiate with one another

about the future basis for trade liberalization. Given the dynamism of Asian economies, particularly in comparison to other regions of the world, the United States has a strong interest in the promotion of free trade and continued economic growth in Asia. As the tenth-largest world economy and America’s seventh-largest trading partner, South Korea naturally plays a large role in U.S. visions of the future direction of Asian economic development.

The basis for future improvement in U.S.-ROK bilateral trade and investment cooperation is the KORUS FTA; negotiations began in 2006 and concluded in April 2007. KORUS is the largest FTA ever signed by South Korea and was hailed by the U.S. trade representative as “the most commercially significant free trade agreement” signed by the United States in 20 years—the first FTA with an Asian nation and the largest since NAFTA in 1993.⁹ Once implemented, the agreement is projected to raise bilateral trade flows by just under 25 percent. Yet, despite the significance of this FTA for both parties, the agreement has yet to be ratified by the U.S. Congress or the National Assembly of South Korea. The first step to solidifying U.S.-ROK trade relations, therefore, is to ratify the KORUS FTA, regardless of domestic objections within the United States from automobile manufacturers and protectionist sentiments. Similarly, the United States should pursue new FTAs that would ultimately benefit American businesses and consumers, including with New Zealand, Taiwan, and even Japan.

These bilateral deals should take place within the context of increasing multilateral economic cooperation as well. Trade liberalization should be

⁷ “South Korea Spy Agency Arrests Terror Suspects,” *International Herald Tribune* (21 September 2008), at <http://www.iht.com/articles/ap/2008/09/21/asia/AS-SKorea-Terror-Arrests.php>.

⁸ “Chicago Council on Foreign Relations, “Global Views 2004: Comparing South Korean and American Public Opinion and Foreign Policy report” (2004), at http://www.c CFR.org/UserFiles/File/POS_Topline%20Reports/POS%202004/2004%20US_Korea%20Comparative%20Global_Views.pdf.

⁹ “South Korea /US FTA Jumps Major Hurdles, Faces Others,” *International Herald Tribune* (3 April 2007), at <http://www.iht.com/articles/2007/04/03/news/oxan.0403.php>. See also Office of the U.S. Trade Representative, “United States and the Republic of Korea Sign Landmark Free Trade Agreement” (30 June 2007), at http://ustr.gov/Document_Library/Press_Releases/2007/June/United_States_the_Republic_of_Korea_Sign_Lmark_Free_Trade_Agreement.html.

promoted in Asia-Pacific forums involving South Korea and the United States, such as Asia-Pacific Economic Cooperation (APEC) and in the Asia sub-groups of the World Trade Organization. Although China and India have emerged as obstacles in global and regional trade liberalization, South Korea and the United States could strategize together on how to best achieve their concurrence with the U.S.-ROK agenda—which in reality, can greatly contribute to their own economic growth and modernization. As two of the world's ten largest economies, South Korea and the United States possess significant leverage and can offer substantial incentives to promote free trade in the Asia-Pacific region; their resources and influence will be more effective if exercised jointly.

FLASHPOINTS

In addition to the risk of instability on the Korean peninsula stemming from succession conflict, economic crisis or collapse, or military conflict, the Asia-Pacific region contains other flashpoints for possible military conflict: the Taiwan Straits, the Spratly and Paracel Islands in the South China Sea, the Diaoyutai/Senkaku Islands in the East China Sea, and Dokdo/Takeshima Island in the Sea of Japan. The contested sovereignty of these islands touches not only on long-standing historical rivalries among the countries of East Asia, but also on more forward-looking issues such as maritime security and energy security.

Of these, the potential for major conflict is most acute in the Taiwan Straits, where the PRC perceives that its sovereignty is at stake and the United States must maintain the credibility of its commitment to allies. An annual DoD report notes that the PRC's military buildup with regard to Taiwan is particularly troubling, especially the stationing of approximately 1,000 short-range ballistic missiles opposite the island and the development of area denial capabilities. China objects to U.S. arms sales to Taiwan, most recently the announcement of a \$6.5 billion arms package announced



The Liancourt Rocks, also known as the Dokdo/Takeshima Islands, whose sovereignty is hotly contested by South Korea and Japan.

in October 2008. With the recent election of Ma Ying-jeou to the Taiwanese presidency, tensions seem to have cooled, but future crises cannot be ruled out. Should a crisis erupt, it would inevitably involve the United States. Although South Korea's role in this contingency has not been publicly well defined, it would undoubtedly have a profound influence on South Korean security and on the presence of U.S. forces there.

The potential for conflict outside the Taiwan scenario is aptly demonstrated by the recent incident between Japanese and Taiwanese vessels at the Diaoyutai/Senkaku Islands, which are claimed by China, Japan, and Taiwan. In the South China Sea, the Spratly and Paracel Islands have also drawn attention in the past decade as a potential source for oil and natural gas, not to mention the area's importance in terms of strategic sea lane access and abundant fishing grounds. To the extent that the resolution of these issues (or lack thereof) affects the use and development of regional institutions, regional stability and economic growth, planning for energy security, or management of relations with other rising powers, the U.S.-ROK alliance will benefit from approaches to these conflicts that, if not identical, work together to achieve as many common interests as possible.

More directly pertinent to South Korea, however, is the fact that both Korea and Japan lay claim to the islands in the East Sea/Sea of Japan that the Koreans call Dokdo and the Japanese Takeshima (a more neutral term is the “Liancourt Rocks”). In addition to nationalist debates about the historical claims to sovereignty over these islets, the Exclusive Economic Zone around the rocks is home to rich fishing resources and possible natural gas—resources that make the islets valuable to both parties, even though they are barely habitable. The Dokdo/Takeshima issue, which caused protests in Seoul in the spring of 2005, resurfaced in the summer of 2008 when a topographical board in the United States changed its designation of the islands’ status from South Korean to “undecided.” After protest from the ROK, the White House decided to change it back, but stressed that the United States is neutral in these claims and believes that South Korea and Japan must resolve the issue diplomatically.¹⁰

“A key issue for the United States and South Korea moving forward, therefore, is to understand the expectations that each country has of the other in various crisis or low-level conflict scenarios...”

A key issue for the United States and South Korea moving forward, therefore, is to understand the expectations that each country has of the other in

various crisis or low-level conflict scenarios that could emerge from the continued presence of these flashpoints in the Asia Pacific. Moreover, these flashpoint areas should be factored into U.S.-ROK alliance discussions on other topics as they are relevant (for example, in discussions on energy security). The alliance partners should discuss ways in which each party may contribute to the resolution of these debates, but also develop an understanding of each other’s plans should the situation deteriorate unexpectedly.

REGIONAL ARCHITECTURE

There is no shortage today of ideas about how Asia could potentially advance toward greater regionalism either through the creation of new types of institutions or through the further empowerment of existing organizations. Yet, the United States has been largely absent from the current dialogue as others explore the ways in which Asian nations might organize to address future challenges in a multilateral setting. Worse still, this agenda on the development of a regional architecture is largely driven by countries that may not necessarily share American values or support U.S. interests.

One such idea involves the Six-Party Talks, created in 2003 as a multilateral approach to ending North Korea’s nuclear program. Within this framework, China, Japan, North Korea, Russia, South Korea, and the United States have negotiated for years in an attempt to get Pyongyang to abandon its nuclear ambitions. Although this forum has produced some agreement, final resolution of the nuclear issue has yet to be reached. Nonetheless, some experts have argued that this forum should be developed into a permanent framework for addressing a broader range of political and security matters involving the countries of Northeast Asia. Other fora exist in which these concerns can be more effectively addressed, however, and the only certain outcome of transforming the Six-Party

¹⁰ Reuters, “U.S. Backs Away from S. Korea/Japan Island Dispute” (30 July 2008), at <http://www.reuters.com/article/worldNews/idUSN3029250220080730>.

Talks into an architecture for security and cooperation would be to reward North Korea for its misdeeds by giving it equal standing among the other parties. Instead, efforts should be made to integrate North Korea into existing Asian organizations and initiatives.

More broadly, there may not be any true urgency to develop a more defined and formal security architecture for Asia writ large, or for any of the Asian sub-regions. Such frameworks may arise eventually and for good reason, but to attempt to transform existing fora that were created to resolve specific differences, such as the Six-Party Talks, runs a high risk of forcing regional dynamics to flow through unnatural arrangements that are unlikely to serve the broader interests of the parties involved. Security relationships in Asia should be allowed to evolve from the basis of shared interests and common values, not from the narrow pursuit of a specific security concern or short-term matters of organizational and logistical expediency.

Remaining passive and reactive only heightens the possibility that organizations will form and agendas will be pursued that are inimical to long-term American interests. The United States has alternatives that are a significant improvement on its current, relatively passive approach. The United States should have its own notion of an architecture that will ultimately empower like-minded countries to the fullest extent possible. Within this category, a wide variety of possible formulations may serve to promote U.S. interests. For one, American leaders could hold discussions among the United States and all of its treaty allies in Asia, plus Singapore. Alternatively, the United States could endeavor to strengthen existing organizations in which it has a seat at the table, such as APEC. Still another suggestion is to create a forum of like-minded democracies in Asia. Although China may express concerns that these gatherings are designed to plan against them, this concern can be mitigated by addressing a broad range of issues

on the agenda that touch only tangentially on China (such as counterterrorism cooperation, collaboration on maritime security, efforts to counter narco-trafficking and organized crime, planning for natural disaster relief, etc).

The best structure for security in Asia is one that is open and inclusive. An exclusive or overly rigid framework that emphasizes a zero-sum approach or establishes a separate, exclusive order for certain countries within the region is not conducive to broader goals of security and cooperation in a globalized and rapidly evolving world. The likely means for achieving a useful security structure for Asia in the near term relies on sustained

“Security relationships in Asia should be allowed to evolve from the basis of shared interests and common values, not from the narrow pursuit of a specific security concern...”

U.S. strength and leadership, as well as proactive participation in regional affairs from Asia’s other successful democracies. A scenario in which Australia, India, Japan, South Korea, and others lead by example, pursuing their development and security based on alliances with the United States and shared democratic values, is the most effective way to realize an agenda for Asia that emphasizes free markets, continued prosperity based on the rule of law, and increasing political freedom.

For the United States and South Korea, this means working together not only to strengthen the bilateral alliance as a bulwark of security in Asia, but also to collaborate in developing and expanding ties throughout Asia on the basis of shared democratic values and free-market principles. The United States should continue to pursue avenues of cooperation with its long-time allies and partners, but it should also do the difficult work of building relationships with newer friends. The strengthening of existing partnerships and the creation of new ones can reinforce each other, leading to increased security and economic benefits on all sides.

Recent Evolution Of The U.S.-ROK Alliance

The Asia Pacific is a vast and complex region that carries within it a number of uncertainties and challenges that the incoming administration needs to put near the top of its to-do list. Many of these global and regional challenges can be best met if the United States obtains the cooperation of South Korea, along with other Asian allies and partners. With that in mind, a brief review of the current state of the alliance, especially as it touches on efforts to address the regional issues outlined above, is in order.

Throughout the Bush administration, the U.S.-ROK alliance was often unfairly characterized as a problematic relationship, even though Seoul has proven time and again on core issues of U.S. concern that it is an able and reliable alliance partner. South Koreans can rightly ask about their treatment in return. With a lot of help from the U.S. Congress, the Bush administration has fumbled the KORUS FTA, as ratification of an agreement with obvious economic benefits for both sides is now in jeopardy. It also recently moved to derecognize Korea's claim on the Dokdo/Takeshima Islands, a contentious issue between South Korea and Japan (although after South Korea protested, the renaming has been postponed).



Chairman of the Joint Chiefs of Staff U.S. Navy Adm. Michael G. Mullen and Korean Chairman of the Joint Chiefs of Staff Gen. Kim Kwan-Jin, salute during a full honors ceremony in Seoul, Republic of Korea, Nov. 6, 2007.

Probably worst of all, Washington has been guilty of downplaying or even not acknowledging South Korea's genuine efforts to contribute to U.S. national security goals. Despite the fact that South Korea has the third-largest coalition presence in Iraq, President George W. Bush has rarely mentioned it as a major participant. Most infamously, he failed to mention South Korea in a state of the union speech in which he mentioned other contributors to Iraq who were far less generous in their force deployments. Furthermore, Washington has made clear through its actions—if not by its words from time to time—that the United States considers China to be its primary interlocutor in developing a strategy to deal with North Korea—and not the treaty ally who has much more at stake in terms of its own security. More recent, the decision to shift to direct negotiations with Pyongyang over nuclear issues has raised concerns in Seoul that regional issues with direct relevance to South Korean national security are being decided over its head with little consultation.

At the same time, the last several years have witnessed important developments in the U.S.-ROK alliance. During the past eight years of the Bush administration, the United States and South Korea

have agreed to make several major changes to the status of United States Forces Korea (USFK), whose sole and main responsibility has been to deter and defend South Korea from potential aggression from the North. In 2004, the United States agreed to withdraw 12,500 of the 37,000 U.S. troops stationed in South Korea by the end of 2008, while agreeing to provide \$11 billion to enhance the deterrence and defense capabilities of the remaining U.S. forces and the ROK military. The United States also agreed to return the Yongsan base in Seoul to South Korea and to eventually relocate all U.S. forces, including the 2nd Infantry Division along the DMZ, to south of the Han River, a shift with the potential to significantly reduce tensions with local South Korean citizens. In 2007, the two countries also agreed to transfer wartime OPCON of South Korean troops to South Korea by April 2012.

A confluence of factors led to these decisions. Among the main reasons were the U.S. global defense posture review, U.S. troop needs elsewhere in the world as a result of the global war on terror, and the ROK military's increased capability to defend South Korea. Yet, the decision was also made as a partial result of political considerations that had caused tension prior to and during the negotiation process. First, the United States observed strong anti-American sentiment in South Korea, particularly during the 1980's, which saw the rise of the "3-8-6 Generation." This generation, which tended to strongly support former president Roh Moo-hyun, also held less favorable impressions of the United States based on a confluence of factors: diminished memory of the Korean War and American contributions to South Korean security during the height of the Cold War, resentment of the perceived lack of U.S. support for the South Korean democratization movement, and a significantly lower perception of the threat emanating from North Korea. Tensions also emerged over the presence and conduct of U.S. forces in Korea. In 2002, two junior high school girls were run over

and killed by a USFK armored vehicle, precipitating protests across the country and accelerating the decision to relocate the Yongsan base. At the same time, however, South Korea reportedly had mixed reactions to the United States' acceptance of its requests to transfer wartime OPCON back to the South Korean military, and in the end the timing of the transfer was extended from the original date of 2009 to 2012.

“...progress in the U.S. military realignment on the Korean peninsula indicates a gradual and appropriate adaptation of the U.S.-ROK alliance to the needs of the post-Cold War era.”

Overall, however, progress in the U.S. military realignment on the Korean peninsula indicates a gradual and appropriate adaptation of the U.S.-ROK alliance to the needs of the post-Cold War era. Moreover, the tide has shifted according to the changing currents of South Korean politics. Although Roh's continued promulgation of the "Sunshine Policy" of engagement with the DPRK created tension with Washington, alliance problems seem to have been partially ameliorated following the December 2007 election of the more conservative Lee Myung-bak to the South Korean presidency. Unfortunately, in May 2008 Lee faced opposition over plans to ease restrictions on the import of American beef, which escalated to large anti-government protests in South Korea and a call for his impeachment. This episode illustrated

a deeply ingrained anti-American sentiment that is particularly strong among the new generation of South Koreans who occupy the progressive side of the country's political spectrum.

In the past year, the Bush administration has also taken some steps to repair some of the damage done by past inattentiveness to the Asia Pacific and the U.S.-ROK alliance. During South Korean President Lee Myung-bak's visit to Camp David in April to meet with Bush—the first time a South Korean leader had been invited there—Bush spoke positively of the alliance's future direction. Several months later, in June, former Secretary of State Condoleezza Rice and Foreign Minister Yu Myung-hwan met and discussed their respective views on the future of the U.S.-ROK relationship in a positive and constructive way. During the press conference, Rice described the U.S.-ROK alliance as a strong and close alliance that has “helped to sustain the peace and prosperity in this region” and is “being put to use globally.”¹¹ Other U.S. government officials, most notably former and current U.S. ambassadors to South Korea, have made similar comments about the alliance in the past year.

This rhetorical change to stress the importance of the alliance has been followed by practical measures to increase cooperation in some of the areas explored above. Indeed, the new administration in South Korea seems to show an unusual willingness to work with the United States to address two key challenges: energy and environmental issues and the question of an Asian regional architecture. Lee has been quite proactive in offering leadership in dealing with these two key global issues.

Recently, Lee commented on the need to create new international organizations to better cope with the financial crisis and other global issues

such as climate change and potential energy crises, and suggested that South Korea host the headquarters of such new organizations. Lee's government has also presented low-emission green growth as South Korea's future vision.¹² South Korea has also applied for observer status at the Arctic Council, a multilateral organization for environmental preservation, natural resource development, and protection of indigenous Arctic tribes. South Korea hopes to be part of the discussion among the Arctic nations on preservation and development of the area while brainstorming policies on its development of marine transportation through the Arctic.¹³ Recent events in the U.S.-ROK alliance thus already demonstrate a nascent willingness to cooperate to create flexible, appropriate institutions for solving one of the region's most pressing challenges.

This cooperation has been reflected in the bilateral relationship as well. After the meeting between Rice and Yu, both sides agreed to promote bilateral cooperation in the areas of “energy, security, climate change and the development of renewable energy and relevant technologies.”¹⁴ Similar conversations took place between Lee and Bush during their first summit at Camp David in April 2008. The two leaders agreed to work on the issue of global climate change through joint efforts in the Major Economies Meetings and the APP. Furthermore, they agreed to promote cooperation in the fields of civil space exploration, space science, and peaceful use of nuclear energy.¹⁵ The next administration should continue the current momentum to partner with the South Korean leadership on the development of mutually beneficial energy and environmental policies bilaterally and within the regional frameworks discussed above.

¹¹ U.S. Department of State, “Remarks with South Korean Foreign Minister Yu Myung-hwan” (28 June 2008), at <http://www.state.gov/secretary/rm/2008/06/106360.htm>.

¹² “Lee Offers New International Agencies on Global Crises,” *Korea Times* (15 October 2008), at http://www.koreatimes.co.kr/www/news/nation/2008/10/113_32706.html.

¹³ “Korea Wants to Join in Arctic Projects,” *Korea Times* (24 August 2008), at http://www.koreatimes.co.kr/www/news/special/special_view.asp?newsIdx=29902&categoryCode=176.

¹⁴ U.S. Department of State, “Remarks with South Korean Foreign Minister Yu Myung-Hwan,” (June 28, 2008), at <http://www.state.gov/secretary/rm/2008/06/106360.htm>.

¹⁵ “Allies to Cooperate in Space Exploration,” *Korea Times* (6 August 2008), at http://www.koreatimes.co.kr/www/news/nation/2008/08/116_28911.html.

Environmental considerations and creative thinking on Asian institutional design, however, do not appear to be the only areas in which the alliance may be poised to make progress in the coming months. With regard to trade relations, Rice and Yu agreed in June to “strengthen the institutional framework for the development of a future reoriented alliance” by working to ratify the KORUS FTA and to implement Korean participation in the U.S. visa waiver program before the end of 2008.¹⁶ To this end, the two governments also agreed to cooperate on resolving the U.S. beef import issue, one of the key issues blocking FTA ratification on the South Korean side. In addition, the two governments agreed to “actively seek ways to promote people-to-people exchanges, including expanding work, English study, and travel programs to U.S. for Korean students.”¹⁷ These cultural and academic ties not only bring with them the promise of further development of economic solidarity, but may hopefully be one step toward assuaging some of the anti-American sentiment present among South Korea’s younger generations.

In addition, the alliance has begun to reflect a renewed awareness of Japanese interests and a potential willingness to factor these into the emerging structure of the revitalized U.S.-ROK alliance. In the meetings between Rice and Yu, the American and the South Korean parties have demonstrated some sensitivity to Japan’s position in the progression of the Six-Party Talks, particularly its concern over the need to resolve the issue of Japanese citizens abducted by North Korea. Yu urged North Korea to “demonstrate more sincerity with regard to Japan-North Korea bilateral issues,” and indicated that he hopes Japan might be able to “participate in economic and energy assistance [to the DPRK] without delay.”¹⁸

Meanwhile, Rice confirmed that she has assured the Japanese government that the United States will continue to take the abduction issue seriously and work quickly to help Japan resolve it.¹⁹ The

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recent emphasis on Japan’s concerns holds out the possibility of successful trilateral coordination on the North Korean issue and potentially beyond it to address long-term regional issues of strategic and economic significance.

The alliance also appears poised to play a key role in U.S. efforts to manage some of the region’s most critical security challenges, including those linked to proliferation and to the management of China’s rising power. Former U.S. Ambassador to South Korea Alexander Vershbow recently pointed to South Korea’s ability to address human rights violations not only in North Korea but also in

¹⁶ U.S. Department of State, “Remarks with South Korean Foreign Minister Yu Myung-hwan,” (28 June 2008), at <http://www.state.gov/secretary/rm/2008/06/106360.htm>.

¹⁷ *Ibid.*

¹⁸ *Ibid.*

¹⁹ *Ibid.*

other places such as Burma and China.²⁰ Given the importance of South Korean trade relations with these Asian countries, a united U.S.-ROK front is likely to increase the impact of efforts to improve the governance and domestic freedoms of these countries. And, as a continuing host of U.S. military forces, South Korea's decisions about the location and structure of USFK will undoubtedly play a role in influencing Chinese perceptions of American and regional intentions toward it.

With regard to proliferation, although the bulk of U.S.-ROK collaboration is—for obvious reasons—directed at peninsular concerns, it is worth noting South Korea's recent cooperation in law enforcement efforts against criminal networks that span the region, as evidenced by Busan authorities' recent seizure of high-quality counterfeit bills smuggled by ethnic Korean Chinese citizens.²¹ More explicit integration of these efforts into existing counterterrorism cooperation should be a priority of the incoming U.S. administration. Nor are the security dimensions of the U.S.-ROK alliance limited to the Asia-Pacific region. South Korea has deployed about 660 troops in Iraq for reconstruction and has sent six experts to join the Regional Reconstruction Team in Iraq since February 2007. The United States also has expectations for South Korea to play an even bigger role in international affairs and assist in reconstruction efforts in the Middle East.

In the past year, more than ever, ROK and U.S. officials have been vocal in expressing their respective desires to diversify areas of cooperation in the alliance, particularly to address global challenges. Vershbow listed potential growth areas such as

climate change, energy and food security, ODA for developing countries, eradication of diseases, and relief aid for natural disasters.²² He stated, "Korea should see itself as one of the countries that can be a leader in forging a compromise that produces a badly needed boost to the developing world."²³ Seoul also provided approximately \$260 million between 2003 and 2007 as ODA to the Middle East.²⁴ The multilateral collaboration between the United States and South Korea could therefore be extended to include greater collaboration in international economic institutions beyond the issue of trade liberalization.

Toward Fulfillment of a Greater Potential

South Korea is a fairly young democracy, only having restored direct presidential elections in 1987. It is also a relatively new member of the international community—it joined the UN in 1991, normalized diplomatic relations with Russia and China in 1991 and 1992 respectively, and became a member of the Organization for Economic Cooperation and Development in 1992. The emergence of South Korea as one of the world's prosperous and free nations should only contribute to the strengthening of its relationship with the United States.

Some foreign policy experts, however, have cautioned against becoming overly optimistic about South Korea's enthusiasm for transforming the U.S.-ROK alliance into one that will play a regional or global role. Geographically, South Korea lies between a continent and an ocean, raising questions as to whether it will identify itself as a continental power (along the lines of China or Russia) or as a maritime power (such as Japan and the United States) in forming its regional and

²⁰ Joo-Hee Lee, "Korea-U.S. Alliance to Tackle Global Challenges: Vershbow," *Korea Herald*, (4 September 2008).

²¹ "South Korea Seizes Almost 10,000 Fake US 'Supernotes,'" *Khaleej Times Online* (11 November 2008), at http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/international/2008/November/international_November721.xml§ion=international.

²² Joo-Hee Lee, "Korea-U.S. Alliance to Tackle Global Challenges: Vershbow," *The Korea Herald*, (4 September, 2008).

²³ Ibid.

²⁴ Se-Jong Kim, "Vershbow Calls for More Attention to Human Rights," *Korea Times* (3 September 2008). Available Online: http://www.koreatimes.co.kr/www/news/nation/2008/09/116_30528.html.

global strategies. Whereas continental powers tend to focus on border protection and a strong army, maritime powers emphasize the importance of air and sea openness and security, recognize the need for and advantages of interdependence, and tend to develop strong navies and higher levels of regional involvement. Still other observers have argued that because of the Korean peninsula's history of foreign invasions (not only by Japan, but also by China and Russia), South Korea has grown to become an independent-minded nation that does not wish to align itself with either of these potential models. In the future, it will be important to the success of discussions on multiple issues that the United States display a mindfulness of that history and an appropriate respect for South Korea's ability to chart its own future course.

Nevertheless, South Korea has grown into becoming the United States' seventh-largest trading partner and the thirteenth-largest economy in the world over the past decades.²⁵ Given the importance of the Asia-Pacific region to the United States and the mounting challenges facing the globe, it is becoming increasingly important and necessary for the United States to fortify and transform the U.S.-ROK alliance into one that is not constrained to protecting the peace and security of the Korean peninsula and that can address the full range and scope of post-Cold War challenges.

The United States must enhance the areas of cooperation with its allies and partners where interests converge, and in South Korea's case, areas of mutual interest and potential for cooperation are plentiful. Returning to the rather daunting list of regional challenges explored above, there is ample incentive and opportunity for the U.S.-ROK alliance to be reoriented into a regional alliance to serve multiple purposes: addressing energy and environmental challenges, stimulating trade flows

and economic growth, successfully integrating a more powerful and active India and Japan into the Asian security and economic framework, managing the rise of China, addressing non-traditional security challenges in the region, and building new regional architecture.

“The United States must enhance the areas of cooperation with its allies and partners where interests converge, and in South Korea’s case, areas of mutual interest and potential for cooperation are plentiful.”

There is a greater potential yet to be realized if the United States and South Korea can adjust the orientation of the U.S.-ROK alliance from one narrowly constrained to the peninsula toward a more regional and global posture. There is growing evidence both that South Korea wants to assume more regional leadership and a global role and that the United States welcomes such developments in South Korean thinking. The next administration should direct a review of U.S. Korea policy with the specific aims of broadening U.S. objectives with respect to North Korea, reorienting U.S. policy to prioritize the views and interests of its long-standing allies, and strengthening and modernizing the

²⁵ *Ibid.*

U.S.-ROK alliance by extending the United States' vision in the direction of a truly global partnership that incorporates the factors addressed above.

It is very likely that events in the Asia-Pacific region—more than any other region in the world, for good or for ill—will have the greatest impact on the next presidency's foreign policy. Securing and advancing a broad array of national interests in Asia, as well as promoting regional stability and prosperity, will increasingly require sophisticated policymaking and the active engagement of the most senior leaders in Washington. The next administration must ensure that the United States' agenda reflects an appreciation of the various interests of its Asian friends and allies and demonstrates creative responses to the region's evolving strategic landscape. Investments in improving the U.S.-ROK alliance must find a place in the new administration's already crowded agenda. Unfortunately, this task will require the rarest commodity in Washington: the time and attention of the U.S. government's senior officials. Yet, to do otherwise would be to expose America to the risks of unanticipated strategic challenges in a crucial region, and would mean foregoing the potential that the U.S.-ROK alliance clearly demonstrates.



CHAPTER III:
GOING GLOBAL:
THE FUTURE OF THE U.S.-SOUTH KOREA ALLIANCE

By Kurt M. Campbell, Lindsey Ford, Nirav Patel, Vikram J. Singh



"America's ability to maintain stability and project power in the Asia Pacific has long depended on its hub-and-spoke system of bilateral alliances. South Korea has been a valuable component of this system, serving as a regional hub of U.S. power, and projecting "spokes" of U.S. influence across the region."

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INTRODUCTION

“The United States has appreciated South Korean contributions in East Timor, Iraq, Lebanon and elsewhere. Still, South Korea’s efforts have not reached those of a full partner like the United Kingdom, which has an active duty military force one-third the size of South Korea’s. South Korea needs to examine this issue more closely as it plans its role in the future of the alliance.”¹

The U.S.-ROK alliance has been a key component of America’s bilateral alliance system in Asia for almost 60 years. Korea has been a close friend and valued partner during difficult circumstances, even when personal relations between U.S. and ROK leaders were at a low point. Moreover, the alliance has always exceeded expectations and provided invaluable help to the United States—even when it was politically challenging. Yet, despite this evidence and a general consensus about the alliance’s utility versus a nuclear-armed North Korea, an unhealthy feeling of strategic drift has increasingly beleaguered the alliance. For the past two decades, questions about the continued relevance of the alliance and America’s commitment to South Korea have colored perceptions about the alliance’s staying power in Washington and Seoul. To a large extent, this sense of strategic drift can be attributed to the failure of policymakers in both countries to define a strategic rationale for alliance-based cooperation outside of the Korean peninsula.

Absent a broad strategic reassessment, the United States will face tremendous challenges in maintaining support for this vital alliance. It was with this difficulty in mind that President George W. Bush and President Lee Myung-bak declared their support for a more global role for the alliance. The Bush administration’s decision to elevate the U.S.-ROK alliance to the level of a global strategic

¹ Bruce W. Bennett, “A New National Strategy for Korea: North Korea Threats Require Deterrence, Reconciliation,” *Korea Herald* (13 March 2008), at <http://www.rand.org/commentary/2008/03/13/KH.html>.

partnership provides a constructive inheritance for the new U.S. administration, but to simply articulate the vision of a global alliance is inadequate. The challenge for policymakers now is to detail the necessary structures and platforms to implement that commitment.

“The goal for alliance managers in South Korea and the United States will be to conjoin American and South Korean interests in order to transform these tactical steps into a strategic vision.”

BEYOND THE HUB AND SPOKE: THE SEARCH FOR A NEW MODEL

America's ability to maintain stability and project power in the Asia Pacific has long depended on its hub-and-spoke system of bilateral alliances. South Korea has been a valuable component of this system, serving as a regional hub of U.S. power, and projecting “spokes” of U.S. influence across the region. It has become more and more obvious, however, that the sum of South Korea's influence and interests can no longer be viewed merely in a regional context. The ROK is actively establishing new economic and diplomatic relationships with countries across the globe. Similarly, the South Korean military is already engaging in complex out-of-area operations. President Lee has embraced and expanded these global aspirations, embarking on a process to establish a “green Korea” and transform the country into a world leader on climate change.²

From President Roh Moo-hyun's decision to send more than 3,000 Korean troops to Iraq to extending logistical support for military operations in Afghanistan to cutting interest rates in order to ease the global illiquidity crisis and countering Somali sea piracy, South Korea is slowly developing capabilities that will enhance its own force projection and complement American strategic objectives around the world. The ROK's “spokes” are increasingly traversing outside of Asia proper, creating new mini-hubs around the world. Yet, most of these steps have occurred outside of, and independent from, the U.S.-ROK alliance. The goal for alliance managers in South Korea and the United States will be to conjoin American and South Korean interests in order to transform these tactical steps into a strategic vision. Although they often talk about shared values and a shared strategic vision, both South Korean and U.S. officials have been reluctant to take the requisite concrete steps to transform the alliance into a true global partnership. Given the clear advantages of a transformed alliance structure, what explains this hesitation?

For the United States, the answer is simple: it is preoccupied. America is fighting major military campaigns in Afghanistan and Iraq, struggling to manage the growing likelihood of a major economic recession, and looking to rebuild its global stature. Many national security strategists have suggested that these challenges are the initial signs of a decline in American global leadership and power. Even optimists who firmly believe in the inherent strength and enduring nature of the American system agree that the new U.S. president has to focus on rebuilding, not expanding, America's power. Far from seeing opportunities with South Korea, U.S. leaders see challenges on trade issues and obstacles to consensus due to the ROK's volatile domestic politics and longstanding concerns about Japan. Major shifts in military

² Ser Myo-ja, “Lee plans for an eco-friendly future,” *JoongAng Daily* (23 August 2008), at <http://joongangdaily.joins.com/article/view.asp?aid=2894505>.

posture are seen as keeping the alliance active and strong, but rather peninsular in outlook. As a new president steps in to take charge of challenges ranging from traditional security concerns such as proliferation to non-traditional challenges ranging from cyber security to climate change, he is unlikely to see South Korea as top-tier partner. This would be a mistake.

In order to address global challenges, the next president will have to rebalance America's global engagement by prioritizing and conducting triage on global obligations that are draining U.S. treasure and blood at unsustainable rates. Key to this balancing act will be America's allies and friends. Beyond helping to defray costs and support regional stability, alliances can help America deal with the multifaceted threat profiles of the 21st century. The strategic partnership that Bush and Lee articulated in their historic meeting at Camp David in April 2008 could be the foundation for ensuring that South Korea does its part to support common strategic objectives. Washington should look to Seoul for cooperation on a wide variety of issues ranging from counterproliferation to development assistance to climate change. This will not be an easy sell as Seoul struggles with its own internal challenges. Nonetheless, it will be critical for Washington to take a proactive role in helping Seoul make this important transition from a regional to a global player.

I ♥ ROK: Moving Beyond A "Branding" Strategy

Perhaps the most important initial component of a global vision for the U.S.-ROK alliance will be South Korea's ability to articulate a strategic vision for its role in the world. South Korea has already been expanding its global reach in various policy arenas. To date, however, these efforts are tactical steps in search of a cohesive vision. What



'Dynamic Korea' is the national brand name representing Korea..

is lacking in South Korea's foreign policymaking is a broad strategic consciousness. Policymakers have invested tremendous amounts of intellectual capital and resources in an effort to define a new vision that is capable of ensuring the alliance's long-term vitality. South Korea has attempted to address this problem by engaging in an aggressive public relations campaign to craft a "global brand" for the country. The government has gone to great expense to hire the best public relations firms in the world, but it still struggles with creating an image that encapsulates the vision of a global South Korea. Advertisements describe Korea using any number of positive adjectives—such as sparkling, dynamic, and happy—but the country's branding dilemma is far too profound for a flash media advertisement to solve.³

The primary hurdle to South Korea's ability to outline a strategic vision is that it continues to define its identity in terms of what the country is *not*—the ROK is *not* North Korea, *not* another Japan, and *not* its former dictatorial and dependent self—rather than articulating what the country *will be*. As Victor D. Cha, former NSC director for South Korea and a Georgetown University professor, notes, "During the past administrations, however loudly Korea talked about its global role, South Korea's parochial colors always showed through the minute the discussion move[d] to North Korea."⁴ Bumper sticker slogans such as "Global Korea" are not substitutes for strategic vision. South Korea needs to take more proactive steps to decouple North Korea from its foreign policy goals and define itself on the world stage.

³ Dae Ryun Chang, "Korea's Path to Brand Creation," *Far Eastern Economic Review* (July/August 2007).

⁴ Victor Cha, "Korea's New Global Role," *Korea Herald* (10 March 2008).

“In the course of this process, it will be important for Seoul to remember that Washington has limited bandwidth.”

South Korean policymakers and strategists need to begin by considering the tectonic shifts that are reconfiguring the geopolitical order and ask how South Korea can help manage and provide leadership in a new international environment. Richard Haass’s “non-polar” framework for global politics provides perhaps the most fitting model for South Korea’s new global engagement. In this vision of international security, central governments espouse a more nuanced vision of national defense, aligning themselves to 21st-century power dynamics and incorporating both governmental and nongovernmental forces to project power and influence.⁵ Using this approach, South Korea should balance with rather than against non-state actors, and both engage and hedge against adversity in the region, while putting greater emphasis on increased cooperation (both diplomatic and economic) with China and other regional powers.⁶

President Lee Myung-bak has tried to create the political and bureaucratic space necessary for Korea to undertake such a transition, but in the face of non-stop popular pressure (over everything from American beef to disputes with Japan over the Dokdo/Takeshima Islands), his ideas will languish and momentum for alliance transformation

will likely decrease. Questions relating to Korea’s role in the world have taken on an almost Kierkegaardian dynamic, with some Koreans mired in self doubt and others ready to take a leap of faith in their national capabilities. The split is evident in almost any significant debate in South Korea from how to handle the financial crisis to the wisdom of transferring wartime OPCON of the military from U.S. to ROK forces.

With uncertainty facing Lee at every turn and the end of Bush’s presidency, following through on the joint strategic vision for the partnership will require concerted efforts from Washington and Seoul. In the course of this process, it will be important for Seoul to remember that Washington has limited bandwidth. As the United States continues to grapple with its engagements in Afghanistan and Iraq, it will require more active partnership and greater leadership from its allies. History has shown us—as Cha articulates in this compendium—that the ROK always exceeds American expectations about its capabilities. It is in America’s and South Korea’s national interests to ensure that the alliance progresses from one that is focused solely on peninsular issues to one that has a more global strategic aperture, and from one with narrow strategic utility to one of intrinsic strategic value to both parties. This paper will attempt to identify how best to shape the U.S.-ROK alliance to deal with global challenges.

Shaping The Alliance For A Global Role

RE-SHAPING THE HARDWARE OF THE ALLIANCE

The nature of the future operating environment that the U.S.-ROK alliance will face looks very different from the strategic environment of the early Cold War. The future environment will include traditional and non-traditional challenges that the current alliance structure is not adequately

⁵ For a rigorous treatment of “non-polarity” see Richard Haass, “The Age of Nonpolarity: What Will Follow U.S. Dominance,” *Foreign Affairs* (May/June 2008).

See also Michèle A. Flournoy, Shawn Brimley, and Vikram J. Singh, *Making America Grand Again* (Washington, D.C.: CNAS, June 2008).

⁶ This concept is extrapolated from Kurt M. Campbell, Nirav Patel, and Vikram J. Singh, *The Power of Balance: America in Asia* (Washington, D.C.: CNAS, June 2008).



Chairman of the Joint Chiefs of Staff Navy Adm. Michael G. Mullen greets soldiers after a tour of the Demilitarized Zone separating North and South Korea, Nov. 5, 2007. Mullen is on a five-day tour of Korea and Japan attending meetings discussing the progress of transferring wartime operational control of Korean troops to Seoul.

Defense Dept. photo by U.S. Navy Petty Officer 1st Class Chad McNeeley

prepared to address.⁷ Perhaps the most determinative challenge for the future success of the alliance will be the ability to reshape its military component to better prepare for global challenges and contingencies. Both the United States and South Korea have recognized the significance of this challenge and have made initial steps to adapt the military partnership to new realities.

South Korea's acceptance of the need for "strategic flexibility" in USFK in order to address extra-peninsular military challenges was a crucial first step. Likewise, South Korea's recent military modernization effort and acquisition patterns show Seoul's intention to embrace a more global role. Nonetheless, any effort to reshape the hardware of the U.S.-ROK alliance still faces significant hurdles. First, the United States and South Korea need to discuss and coordinate their vision of

the force structure reforms and acquisitions that will be necessary to reshape the alliance. Second, both countries will have to generate the necessary domestic support for a more global alliance. To do so, the United States will have to address domestic concerns in Korea about the changing nature of the alliance and its long-term implications for the peninsula. Additionally, the South Korean military will need to expand its participation in joint and multilateral operations.

Reforming the Force

In order to prepare the U.S.-ROK alliance for 21st-century warfare, global contingency operations, and critical efforts to mitigate and prevent threats, U.S. and Korean forces must be reshaped. Efforts are underway in both countries, but South Korea lags far behind countries such as the United States and the United Kingdom. Having prepared for a conventional conflict with the North, South Korean forces remain far better suited to traditional combat than wars such as those in Afghanistan, Iraq, or even Lebanon, where ROK soldiers are serving as UN peacekeepers. For the ROK, determining and then organizing, training, and equipping for the right balance between conventional and unconventional combat remains a key challenge.

In order to address various shortcomings, in 2005 South Korea launched the Defense Reform Project 2020 (DRP). The scope of the DRP, however, is more limited and focused than U.S. defense transformation efforts.⁸ The North Korean threat continues to be the most pressing and significant concern for South Korea's military, and the DRP's focus therefore remains on modernization to better prepare South Korea for a potential conflict with the North.⁹ Given North Korea's increasing reliance on asymmetrical capabilities,

⁷ Randy Schriver's preceding piece in this volume provides a comprehensive overview of the regional security environment. [see chapter two, page 33]

⁸ Change-hee Nam, "Realigning the U.S. Forces and South Korea's Defense Reform 2020," *Korean Journal of Defense Analysis* vol. XIX, no. 1 (Spring 2007), at <http://www.kida.re.kr/data/2007/06/18/07.PDF>.

⁹ *Ibid.*

it has become increasingly unlikely that a potential contingency with the North would resemble a conventional operation for its entire duration. As a result, the primary goal of the reform project is to reshape Korean forces from a “troop-intensive, quantity-centric military to a technology-intensive and information-centric military.”¹⁰

“Kim Jong-il’s recent health problems and instability in North Korea have revived concerns that the alliance may be forced to contend with the collapse of the North Korean government and the potential for insurgencies and/or civil war.”

The planned reforms will reduce Korean ground forces from 680,000 to 500,000 troops; from 10 to 6 Army corps; and from 47 to 20 ground divisions.¹¹ In addition to reducing the overall number of ground troops, the reforms also aim to develop more agile and modular troop structures.

Counterbalancing this reduction in troops will be the acquisition of new high-tech platforms for integrated strike and counterstrike capabilities, as well as surveillance systems (four E-737 Airborne Warning and Control Systems and four Global Hawk unmanned aerial vehicles (UAVs)), and long-range strike assets (such as 20 additional F-15 Ks, Aegis equipped destroyers, Type 214 submarines, and Patriot missiles).¹² Less clear in the DRP are provisions for dealing with possible asymmetric challenges emerging from a clash with the North, including irregular warfare by North Korean forces.

Although South Korea’s defense reforms will improve its ability to handle a potential conflict with the North, these changes also provide several additional benefits that will be essential to sustain the vitality of ROK forces and the alliance in the coming years. First, force modernization will be necessary in order for the United States and South Korea to deal with the possibility of conducting large-scale stability operations on the peninsula. Kim Jong-il’s recent health problems and instability in North Korea have revived concerns that the alliance may be forced to contend with the collapse of the North Korean government and the potential for insurgencies and/or civil war. Any attempts to unify the peninsula will likely require long-term stability operations and necessitate an increased South Korean ability to address such challenges.¹³ Additionally, a recent U.S. report suggests that unification of the peninsula is likely within the next 25 years, making it necessary to consider post-unification goals for South Korea’s military and for the alliance.¹⁴

¹⁰ Lee Sang-Hee, “Making Defence Policy In Uncertain Times” (31 May 2008), at <http://www.iiss.org/conferences/the-shangri-la-dialogue/shangri-la-dialogue-2008/plenary-session-speeches-2008/third-plenary-session-making-defence-policy-in-uncertain-times/third-plenary-session-lee-sang-hee/>.

¹¹ Numbers referenced from Bruce Klinger, “c,” *Heritage Foundation Backgrounder* no. 2155 (30 June 2008), at http://www.heritage.org/research/asiaandthepacific/upload/bg_2155.pdf.

¹² *Ibid.*

¹³ Dov S. Zackheim, “U.S. Military Transformation and the Lessons for South Korea on its Path Toward Defense Reform 2020,” *Korean Journal of Defense Analysis* vol. XIX, no. 4 (Winter 2007), at http://www.kida.re.kr/eng/publication/pdf/07_04_01.pdf.

¹⁴ U.S. National Intelligence Council, “Global Trends 2025: A Transformed World,” p. 62, at http://www.dni.gov/nic/PDF_2025/2025_Global_Trends_Final_Report.pdf.

South Korea's development of more agile, network-centric capabilities will significantly improve its ability to participate in out-of-area operations, including supporting stability operations or peacekeeping operations. The ongoing transformation of U.S. and Korean forces therefore provides an opportunity to strengthen and expand alliance cooperation in global contingencies. Such a shift will help demonstrate the continued strategic utility of the alliance and generate much-needed support among policymakers in both countries.

The key to developing a more agile, flexible military force is the acquisition of robust and interoperable platforms. This will require that Korean forces possess high-end conventional platforms that can be used in high-intensity kinetic operations, such as the Joint Strike Fighter, as well as improved assets (and doctrine, training, and organization) for less-kinetic requirements such as humanitarian and disaster relief operations. USFK can play a valuable advisory role in shaping South Korea's decisions in this area. Close consultation with defense officials, both civilian and military, is important to ensuring that the Korean military makes acquisition choices that complement the alliances' warfighting capability.

A key component of this consultation should be recommendations on how the Korean government can diversify its acquisition and procurement process. Over-optimizing in one area, such as fifth-generation fighter technology, can have adverse strategic implications down the line. Out-of-area operations require complex logistics planning and coordination as well as strategic and tactical lift. Korea's Ministry of National Defense must ensure that it balances its capabilities in order to best support the requirements made clear by recent U.S.-led complex contingency operations. Likewise, if the United States expects its allies

to play a larger role in supporting global operations, DoD needs to improve technology sharing and identify ways to export key assets that can make partnerships more useful. South Korea's modernization efforts must include capabilities

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that are useful both for peninsular operations and for out-of-area operations. For example, intelligence, surveillance and reconnaissance missions using UAVs can be useful along the North Korean coastline as well as for intelligence support for peacekeeping or stability operations anywhere in the world.¹⁵ As the United States and South Korea consider the future of the alliance, it is necessary to discuss the acquisition of similar flexible assets that can serve a dual role.

Key Opportunities

South Korea has undertaken modernization efforts throughout its different services, but current developments in its naval sector appear particularly promising for future alliance cooperation. Given that 97 percent of Korea's trade is conducted by sea,¹⁶ including all of its oil and gas imports, naval modernization is an obvious strategic priority. The

¹⁵ Stratfor, “U.S., South Korea: Seoul and the Global Hawk” (21 October 2008), at http://www.stratfor.com/analysis/20081020_u_s_south_korea_seoul_and_global_hawk.

¹⁶ Alexander Vershbow, “Upgrading the ROK-U.S. Alliance: A New Strategic Partnership Based on Common Values and Global Interests,” (12 June 2008), at http://seoul.usembassy.gov/113_061208.html.

development of a blue-water navy addresses key strategic interests for the ROK, plays to the relative advantages of its highly advanced shipbuilding industry, and also suggests a useful area for expanded participation in global operations. South Korea's growing naval capabilities will enable it to provide support for anti-terrorism and counter-proliferation efforts in the Indian Ocean and the Straits of Malacca, as well as engage in multilateral peacekeeping and humanitarian operations. According to President Lee, in order to demonstrate South Korea's "enhanced international status, the South Korean Navy should further reinforce its role in international efforts to remove common threats to the world."¹⁷ South Korea's current willingness to send a destroyer, accompanied by ROK Navy Seals and an underwater demolition team, to the Indian Ocean to participate in anti-piracy efforts highlights the advantages of its new naval aspirations.¹⁸

Two particular advances in South Korea's naval capabilities demonstrate the expanded potential for alliance cooperation in maritime operations. Korea's recent creation of a landing platform experimental warship, the Dokdo class, is an enormous step forward in its global capabilities, enabling it to direct over-the-horizon amphibious assaults and rapidly deploy 700 marines from sea.¹⁹ The Dokdo ships are considered the cornerstone of South Korea's efforts to develop "strategic mobile squadrons" capable of handling complex out-of-area contingencies. The command systems on the Dokdo ships allow them to serve as base command vessels for the larger mobile squadrons, which will comprise KDX-III Aegis-equipped destroyers; 4,300-ton KDX-11 destroyers;



U.S. Navy sailors from USS Juneau off load two seven-ton trucks during a joint training exercise with the South Korean navy. U.S. Navy photo by Petty Officer 2nd Class David Didier

1,800-ton Type 214 submarines; anti-submarine Lynx helicopters; and other support vessels.²⁰ The 14,000-ton Dokdo ships are the largest helicopter transport ships in Asia, making them invaluable to humanitarian operations.²¹ As currently equipped, the Dokdo ships can carry seven helicopters and two amphibious landing craft. ROK amphibious mobile squadrons could be employed to great effect for humanitarian missions or in support of international peacekeeping. The ships could also be retrofitted to accommodate short takeoff and landing and vertical takeoff and landing (VTOL) aircraft, which would increase their utility in conventional combat (although the ROK has no current plans for such a change).²²

South Korea is also in the process of manufacturing new Aegis-equipped KDX-III destroyers. Two of these destroyers have been launched to date, and there are plans to launch an additional KDX-III

¹⁷ Jung Sung-ki, "S. Korean Navy to Expand Blue-Water Ops," *Defense News* (20 October 2008), at <http://www.defensenews.com/story.php?i=3778078>.

¹⁸ Donald Kirk, "South Korea Aims Broadside at Pirates," *Asia Times Online* (20 November 2008), at <http://www.atimes.com/atimes/Korea/JK20Dg01.html>.

¹⁹ "LP-X Dokdo (Landing Platform Experimental) Amphibious Ship," GlobalSecurity.Org, at <http://www.globalsecurity.org/military/world/rok/lp-x.htm>.

²⁰ Jung Sung-ki, "South Korea Eyes Expeditionary Force," *Defense News* (14 January 2008), at <http://www.defensenews.com/story.php?i=3307279>.

²¹ *Ibid.*

²² *Ibid.*

destroyer by 2012.²³ South Korea's development of the Aegis destroyers makes it only the fifth nation to possess Aegis technology, which enhances interoperability between U.S. and South Korean forces. The capabilities of the KDX-III destroyers have been further augmented by new ROK and U.S. technologies that provide the ships with the most advanced radar and surface-to-air capabilities available.²⁴ Moreover, the KDX-III destroyers serve regional and global strategic interests. South Korea's acquisition of the Aegis technology not only better equips it to defend against possible DPRK missile attacks, but also significantly advances South Korea's blue-water capabilities. As the ROK continues to develop its blue-water capabilities, alliance managers should seek out opportunities to incorporate South Korea's new naval prowess into the alliance structure, both through the development of new technologies and through joint operations.

Challenges Ahead

The DRP is an important first step in developing the essential capabilities for expanded alliance cooperation, but South Korea faces significant challenges to the implementation of this plan. The spending increases necessary to maintain the planned pace of modernization appear increasingly unlikely in light of the current financial crisis. Even prior to the onset of the global financial crisis, some senior U.S. officials had expressed concern that the plan was underfunded and lagging in implementation.²⁵ U.S. defense analysts also suggested that initial budget estimates failed to account for inflation, cost growth, and personnel costs.²⁶ The financial crisis, which has had a particularly large impact on the South Korean economy, will only exacerbate this problem.

“As the ROK continues to develop its blue-water capabilities, alliance managers should seek out opportunities to incorporate South Korea’s new naval prowess into the alliance structure...”

The challenges of the global financial crisis are not unique to South Korea, however. Defense leaders in the United States, both civilian and military, will also be challenged by downward pressure on the defense budget. Decreased funding resources further emphasize the imperative of close consultation between alliance managers in the United States and the ROK. Put simply, U.S. and allied acquisitions must be synchronized to ensure the greatest bang for the collective bucks. Consultation will allow Korea to better prioritize reform projects and acquisitions in order to maximize benefits for the alliance. For example, if increased aircraft-carrier capabilities are judged to be important to U.S. and allied force projection, Washington could encourage Seoul to retrofit its Dokdo ships to accommodate VTOL aircraft rather than joining in the Asian aircraft carrier race. This option would provide a cost-effective means of creating a “semi-aircraft carrier” that would allow South Korea to provide assistance in more global contingencies.

²³ *Ibid.*, “South Korea Launches 2nd Aegis Destroyer,” *Defense News* (14 November 2008), at <http://www.defensenews.com/story.php?i=3821769>.

²⁴ *Ibid.*, “South Korea’s Navy Cruises Toward Oceangoing Force,” *Korea Times* (28 May 2007), at https://www.koreatimes.co.kr/www/news/special/2008/12/180_3687.html.

²⁵ B.B. Bell, “Statement Before the Senate Armed Services Committee” (24 April 2007), p. 13, at http://www.globalsecurity.org/military/library/congress/2007_hr/070424-bell.pdf.

²⁶ Zakheim, “U.S. Military Transformation and the Lessons for South Korea on its Path Toward Defense Reform 2020,” p. 23.

The United States should take the lead in increasing consultations on this front. These consultations will play a key role in maintaining support for Korea's DRP, and successful implementation of the DRP will be instrumental to expanding the range of possible alliance operations. In turn, South Korea's visible participation and leadership in multilateral operations, such as Afghanistan, and in humanitarian operations, such as the 2004 tsunami cleanup, will go a long way in demonstrating to the American public the continued salience and value of the alliance.

“...legislation easing the domestic constraints of cooperation would make it possible for South Korea to repackage itself as the ‘go to’ partner in East Asia for support operations.”

Domestic Political Hurdles

South Korea will face several challenges in creating a military that is more prepared for global contingency operations, but perhaps one of the most significant hurdles is domestic political opposition to the ROK's involvement in overseas operations. South Korea's troop contribution to Iraq was critical to the coalition, but the decision was met with tremendous political opposition in Seoul. Even for conservative leaders such as Lee, the experience has likely poisoned near-term efforts to provide direct military support for American-led operations.

Rather than allowing potential military engagements to be held hostage to domestic politics, South Korean bureaucrats should move proactively to engage in discussions with the National Assembly about the creation of a special war powers authority for the president.²⁷ Such a law could be similar to Japan's special measures law for refueling operations in the Indian Ocean, providing the president with the necessary authority to extend military support for limited periods of time without parliamentary approval. South Korea is in a unique position to make such an arrangement possible. The current administration is more supportive of a close U.S.-South Korean alliance and a global role for the country. Additionally, unlike Japan, South Korea is not constrained by its constitution. A standing war powers authority would greatly streamline the decision making process and would allow South Korea to commit military assets under the umbrella of the U.S.-ROK alliance or other arrangements for various types of missions. Moreover, legislation easing the domestic constraints of cooperation would make it possible for South Korea to repackage itself as the “go to” partner in East Asia for support operations.

Another significant domestic hurdle that the alliance will have to overcome is the fear of alliance abandonment in South Korea, particularly by conservative supporters of the current regime. The changing nature of the U.S. military engagement in South Korea, including drawdowns in troop levels, force relocations, and the goal of transferring wartime OPCON of the Korean forces back to the ROK by 2012, has sparked deep fears of abandonment in South Korea's Ministry of National Defense (MND). Many South Korean officers, as well as many members of the South Korean public, view the reduction in American forces from 38,000 troops in 2005 to 28,500 in 2008 as a precursor

²⁷ Cha, “Korea's New Global Role,” *Korea Herald* (10 March 2008).

to the eventual withdrawal of all American forces from the ROK.²⁸ The U.S. push in 2006 for “strategic flexibility” of USFK only increased concerns that more U.S. troops were likely to be withdrawn from the peninsula. Even though these fears are overstated, the pace and significance of the current changes in the U.S. military presence on the peninsula continue to stoke concerns. U.S. civilian and military leaders have worked diligently to dispel these fears. Such efforts will continue to be necessary for the next administration and should not be overlooked.

The Lee administration’s recent decision to revise the goals of the DRP highlights the pervasiveness of continued anxiety within the South Korean leadership. In an effort to increase the ability of ROK forces to deal with the North Korean threat, MND presented a revised plan that significantly reduces the planned cuts in South Korean ground forces. Unlike the more global ambitions of the initial reforms, the revised document identifies North Korea as the most imminent concern for ROK forces and states that Korea will rely on U.S. assets to address regional and global threats. Additionally, the revised plan will shift the modernization focus away from naval and air assets back to ground forces.²⁹

The administration’s decision to revisit the DRP emphasizes that, in spite of U.S. assurances to the contrary, many Korean leaders remain doubtful of the country’s readiness for greater military self-sufficiency and global leadership. If South Korea wants to develop its reputation as a global leader, however, it must shift its focus beyond the peninsula. South Korea must recognize that a broader security mandate does not require abandoning or weakening the peninsula’s security. The potential for North Korean aggression will remain the most imminent threat, but the burden

of global leadership requires states to grapple with simultaneous security challenges. Moreover, the immediacy of proximate threats should not be allowed to overshadow the importance of rising global challenges. Non-traditional security threats are increasing in scope and significance in the Asia Pacific, and South Korea’s global and even regional leadership will be inherently limited unless it develops a security strategy that can address the broader range of security threats that it now faces.

One of the primary South Korean concerns about the changing U.S. military engagement is the decision to dismantle the CFC. Under the current plan, the CFC will be decoupled into two independent commands: the Korean Joint Military

“South Korea must recognize that a broader security mandate does not require abandoning or weakening the peninsula’s security.”

Command (KJMC) and the U.S. Korea Command (KORCOM). Although both commands will be separate, the Alliance Military Coordination Center (AMCC) — essentially a scaled back version of the CFC — will, in theory, continue to play a coordinating role. In addition to the establishment of individual military commands, the CFC dismantlement will also involve a significant geographic dislocation of U.S. forces. While the KJMC and the small AMCC will be located in Seoul, U.S. KORCOM will be relocated to the south of the

²⁸ Numbers referenced from Klinger, “Transforming the U.S.-South Korean Alliance.”

²⁹ Jung, “South Korea Strengthens Army Buildup,” *Korea Times* (22 December 2008), at http://www.koreatimes.co.kr/www/news/nation/2008/12/113_36577.html.

country in Pyeongtaek and several U.S. military functions might also be shifted to Hawaii.

The OPCON 2012 decision was politically popular in Korea, but the choice to dismantle the CFC has met with tremendous opposition both from military and civilian leaders in the MND and from some senior strategists in Washington. According to one high-ranking South Korean military officer, the CFC is key to sustaining joint ROK-U.S. training and interaction.³⁰ Bruce Klinger, a Korea expert at the Heritage Foundation, goes further: “The loss of a unified command runs the risk of severely curtailing the ability of the [United States] and South Korea to fight in a coordinated manner. It also threatens the sense of purpose and justification for U.S. forces in Korea ... In the absence of a clearly articulated mission after the transfer, questions about USFK’s role could lead to calls for an even greater U.S. drawdown.”³¹ General Walter L. Sharp, commander of USFK, remains committed to proceeding with the existing plan, as are many senior DoD civilian officials.³²

Although U.S. and Korean forces will undoubtedly continue to conduct joint training exercises, and the AMCC will provide some sort of coordination structure, the goal of developing a truly global role for the U.S.-ROK alliance will be more difficult to achieve without an integrated command structure. Perhaps most importantly, the dismantlement of the unified command undermines the joint service culture and close interpersonal relationships between American and South Korean troops that have been forged over the past 50 years.³³ The current CFC structure allows for approximately 800 Korean and U.S. military personnel to interact on a daily basis. This regular interaction is a critical but often overlooked component of fostering strong military ties and interoperability of forces.

Some have suggested that the United Nations Command (UNC), which is also under the command of the U.S. general in charge of USFK, could assume some CFC functions. Yet, the true goal of the OPCON transfer is to develop a robust supported-supporting relationship between the two militaries. A more effective choice would be to upgrade the functionality and importance of the current AMCC model to ensure adequate coordination between the two commands and their service members and to preserve some of the unique benefits that have come from generations of close interaction in a shared command. A more substantial AMCC that does not rely primarily on small numbers of liaison officers would allay serious concerns from South Korean officers and at the same time ensure strategic flexibility for U.S. forces. If the alliance is to gain global operational capability, American and South Korean operators should try to maintain the uniquely close collaborative practices developed for meeting peninsular challenges.

Regardless of the eventual structure of the command model, U.S. military and civilian leaders must do a better job of engaging in open and frank dialogue about their long-term strategic intentions with their South Korean counterparts. Absent trust and clear communications, a transformation of the relationship into a global alliance will be difficult. As USFK proceeds with the relocation and realignment of its force structure in South Korea, the United States must continue to listen closely to the South Korean leadership’s concerns and proceed in a manner that will reaffirm and strengthen the military ties that have been established over the past 50 years.

³⁰ Korean Ministry of National Defense, briefing with the author, Seoul (22 October 2008).

³¹ Klinger, “Transforming the U.S.-South Korea Alliance,” p. 3.

³² U.S. Department of Defense, “News Briefing with General Sharp from the Pentagon,” (8 October 2008), at <http://www.defenselink.mil/transcripts/transcript.aspx?transcriptid=4299>.

³³ Senior Korean military officer, briefing with author, Seoul (22 October 2008).

UPGRADING ALLIANCE “SOFTWARE”

A key component of South Korea’s ability to establish a reputation as a global player will be its efforts to expand its soft-power capabilities. In recent years, Korea has embarked on its own version of a global “charm offensive” — establishing new diplomatic missions, seeking out bilateral trade agreements, and strategically expanding its development assistance in key regions. As a result, South Korea has increased its international presence with state and non-state representation in many places where a U.S. influence is strongly contested. The new U.S. administration faces a difficult task in rebuilding America’s international standing and goodwill around the world, and South Korea’s new global role will prove increasingly valuable in this effort. The presence of a key U.S. ally and sometimes surrogate in weak, unstable nations provides America with a low-cost means of reinforcing its efforts to help these states develop the capacity to govern and manage internal challenges.

Korea’s growing soft power can be valuable for the United States, but neither country has yet articulated a clear strategic vision through which this assistance might be integrated into the alliance framework. In fact, there has been strong resistance from many senior leaders in Seoul and Washington to expand the mandate of the alliance to include issues that fall outside the scope of the mutual defense treaty. These arguments represent an antiquated understanding of geopolitical trends. In order for the alliance to protect American national security interests, it should be shaped with a forward-looking vision toward the global security threats of the 21st century. An aspect of the 2002 U.S. National Security Strategy unlikely to change in the coming years is the declaration that defense, diplomacy, and development should be equal pillars of U.S. national security. The new U.S. administration will try to embrace

“Regardless of the eventual structure of the command model, U.S. military and civilian leaders must do a better job of engaging in open and frank dialogue about their long-term strategic intentions with their South Korean counterparts.”

that principal in earnest and will hope to have its allies do the same.

South Korea’s increased global role can assist the alliance in two ways. First, South Korea’s soft-power engagements help promote human development and good governance, both of which are key goals of U.S. foreign policy and necessary for increased stability in volatile parts of the world. For example, Korea recently signed a comprehensive economic and partnership agreement (CEPA) with India. India has notoriously strong tariffs and protectionist policies, but Korean negotiators were able to leverage their recent history of economic modernization and development to convince Indian officials to allow greater penetration for Korean goods. The deal resulted in India making concessions on customs procedures, liberalization of service-based agreements, and product-specific marking rules. The Indian-Korean CEPA not only benefits the two nations — to the tune of \$3 billion — but it also forces India to take steps to further reform illiberal aspects of its economy.³⁴

³⁴“Outcome of the 11th Korea-India CEPA negotiation,” Korea.net (5 August 2008), at http://www.korea.net/News/News/NewsView.asp?serial_no=20080804013.

America's core democratic allies serve as force multipliers in many ways, especially in the trade, development, and human rights arenas. The CEPA is just another example of how the U.S.-ROK hub-and-spoke alliance has spawned new mini-hubs around the world that are capable of furthering American values and interests. It is a capability that the new president would do well to leverage.

“America’s core democratic allies serve as force multipliers in many ways, especially in the trade, development, and human rights arenas.”

Second, Korea's overseas engagements can promote U.S. geopolitical interests in key countries and regions of shared strategic interest. South Korea's role in supporting America's efforts in Afghanistan, Iraq, and Pakistan provide an excellent example of the force-multiplying value of the assistance of U.S. allies. South Korea's development assistance to Pakistan has totaled almost \$20 million since 1991.³⁵ Even though this figure is small compared to American and European efforts, it reflects a South Korean desire to strengthen Islamabad's ability to govern. These finances were critical to the development of five new schools in the hinterlands of Pakistan and in the construction of new buildings for the Mansehra Trade

Technical College, which was destroyed by the devastating 2005 earthquake.³⁶ Additionally, South Korea has undertaken similar efforts in Afghanistan totaling approximately \$50 million in loans and foreign assistance since 1991.³⁷ These resources have been directed to the development of technical schools, computer centers, vocational training programs, and a variety of infrastructure projects.³⁸ Alternative learning forums to Taliban-supported institutions will be critical to the effort to transform Afghanistan and Pakistan into stable nation-states over the long term.

Aside from significant troop contributions for military operations in Iraq, South Korea has also contributed substantial assets to reconstruction operations. In 2006, approximately 74 percent, or about \$48 million, of Seoul's Activities in Emergency Relief and Reconstruction assistance went to Iraq.³⁹ This assistance—although it could be higher given the size of South Korea's economy—is not politically popular among South Koreans but remains a key agenda item for the central government. Reconstruction efforts include training and educating the Iraqi people on everything from security to agriculture to civics as well as direct assistance for constructing schools, bridges, and hospitals. Furthermore, Iraq is South Korea's number one recipient of healthcare and human development assistance programs.⁴⁰

America will not be able to neutralize terrorists in Afghanistan, Iraq, or Pakistan by itself or through purely kinetic operations. Key to America's success in stabilizing both nations will be assistance from allies and nations around the world. Stronger coordination between Seoul and Washington on reconstruction assistance will be a key element of

³⁵ Ministry of Foreign Affairs and Trade, Republic of Korea (MOFAT), “Official Development Assistance to Pakistan,” at <http://www.odakorea.go.kr/eng/operations/Asia/Pakistan.php>.

³⁶ *Ibid.*

³⁷ *Ibid.*, “Official Development Assistance to Afghanistan,” at <http://www.odakorea.go.kr/eng/operations/Asia/Afghanistan.php>.

³⁸ *Ibid.*

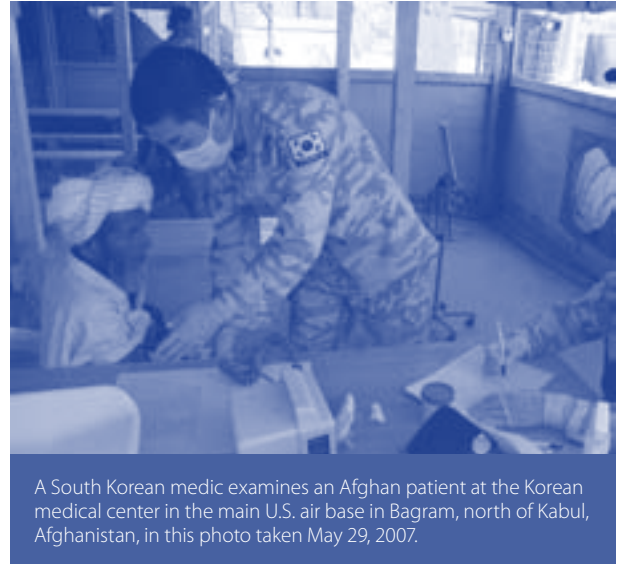
³⁹ Korea International Cooperation Agency (KOICA), “Statistics on Disaster Relief and Reconstruction,” at <http://www.koica.go.kr/english/aid/disaster/index.html>.

⁴⁰ *Ibid.*, “Statistics on Health,” at <http://www.koica.go.kr/english/aid/health/index.html>.

success. Even though aid coordination between South Korea and America remains limited, Seoul's assistance is a growing and positive indication of a gradual strategic alignment to manage and deal with non-traditional security challenges. America should therefore encourage South Korea to make use of its increased global presence and take a larger leadership role in such efforts. South Korea's existing work to expand its global reach suggests three key areas that could be usefully incorporated into a new soft-power vision for the U.S.-ROK alliance: development assistance, trade agreements, and civil society partnerships.

Development Assistance Programs

South Korea has increased its official development assistance by almost 100 percent since 1998, although its contributions (like those of the United States) still remain far below the UN baseline for ODA as a portion of gross national income.⁴¹ The primary consumers of Seoul's ODA are found in Asia, with the Middle East, Africa, and Latin America following.⁴² South Korea's expanded assistance strategy has largely been driven by strategic imperatives—primarily the need for access to energy and other natural resources. For example, in an effort to secure economic access in Africa, President Roh initiated the South Korea Initiative for African Development in 2006, which included a pledge to increase ODA directed to Africa to \$100 million by 2008.⁴³ South Korea has also increased ODA to Latin America in tandem with its efforts to secure additional bilateral trade agreements in the region.



A South Korean medic examines an Afghan patient at the Korean medical center in the main U.S. air base in Bagram, north of Kabul, Afghanistan, in this photo taken May 29, 2007.

The election of Ban Ki-Moon as UN secretary general has further encouraged South Korea to expand its role as a source of development assistance. During the run-up to his election, South Korea embarked on a global campaign to secure votes by increasing development assistance and foreign loans to the non-permanent members of the UN Security Council.⁴⁴ For example, Seoul promised an \$18 million education grant to Tanzania—an amount that was almost \$14 million more than the sum total it had provided to the country from 1991 to 2003.⁴⁵ Kia Motors opened up a \$1 billion production facility in Slovakia, and President Roh and Ban Ki-Moon visited Greece to sign a major maritime, trade, and tourism agreement.⁴⁶ Moreover, Seoul also suggested that it would increase its commitment of troops to peacekeeping operations in southern Lebanon.⁴⁷

⁴¹ MOFAT, "Official Development Assistance by Year," at <http://www.odakorea.go.kr/eng/operations/year.php>.

⁴² *Ibid.*, "Official Development Assistance by Region," at <http://www.odakorea.go.kr/eng/operations/region.php>.

⁴³ "Korea, Nigeria to Cooperate on Energy," KEEI News (9 March 2006), at http://www.keei.re.kr/web_keei/en_news.nsf/mainV/E1FD5677E272A75F4925713E0028AAF4?OpenDocument.

⁴⁴ Steven Edwards, "Ban Ki-Moon in Line to Succeed Kofi Annan at UN: South Korea Reportedly Boosting Aid to Nations Involved in the Nomination Process," *National Post* (Toronto) (3 October 2006).

⁴⁵ *Ibid.*

⁴⁶ *Ibid.*

⁴⁷ *Ibid.*

South Korea's numerous development assistance projects have become a part of Korea's new tool kit for global engagement. Washington should be encouraged by Seoul's increased use of development assistance. Unlike China, South Korea ties its ODA to performance and governance goals—an approach promoted by the United States. As the United States attempts to rebalance its global position, it should view this assistance as a welcome cost-sharing mechanism that expands the reach of the U.S.-ROK alliance and promotes the shared values of both nations.

*“Recognizing the need
to secure its access to
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Korea has in recent years
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and economic hub in
Northeast Asia.”*

Yet, in order to harness the value of South Korea's development assistance for the alliance, both countries must seek a more strategic alignment and coordination of their assistance efforts. For example, better coordination between South Korea and international groups to build new schools and infrastructure in Afghanistan and Pakistan would greatly benefit counter-radicalization programs

and would also enhance American efforts to stabilize both countries. To this end, South Korea should consider joining the U.S.-Japan Strategic Development Alliance (USJDA), which streamlines national and alliance priorities for strategic gains.⁴⁸ This would not only enhance development assistance but also prevent redundant spending by encouraging close coordination between aid counterparts. Moreover, expanding the USJDA to include South Korea would strengthen trilateral relations between the three countries, serving as another useful confidence-building measure between the often contentious Northeast Asian neighbors. Washington and Seoul should also prioritize the creation of a high-level strategic dialogue on development assistance, which, according to the Korean Ministry of Foreign Affairs and Trade (MOFAT), would “enhance [Korea's] alliance with the United States.”⁴⁹ This coordination would be a key step to integrating Korean and U.S. foreign assistance programs and would provide the alliance with an expanded sense of purpose.

Trade and Economics

The proliferation of Korean-led FTAs is another strong indication that Korea is taking a more proactive role in global affairs. South Korea's economy is highly dependent on trade, both on exports from its heavy industry and manufacturing sectors and on imports for its energy needs. Recognizing the need to secure its access to key markets, South Korea has in recent years embarked on a global campaign to establish itself as the foremost trade and economic hub in Northeast Asia.⁵⁰ South Korea has strategically targeted many of its efforts toward resource-rich areas, offering to help build important economic and social infrastructure for these countries as a component of its new trade relationships. In Latin America, South Korea was one of the first Asian nations to sign

⁴⁸ Recommendation found in Cha, “Korea's New Global Role.”

⁴⁹ As reported in “Seoul Contemplates ODA Talks with U.S.,” *Korea Herald* (6 March 2008).

⁵⁰ Stratfor, “Global Market Brief,” at http://www.stratfor.com/global_market_brief_free_trade_key_south_korean_aspirations.

on as a permanent observer to the Organization of American States, and in 1997 it established the South Korea-Latin America Business Forum.⁵¹ Additionally, South Korea's first FTA was signed with a Latin American country, Chile. It has since worked to craft agreements with Mexico and Peru. Korea has pursued similar goals in Africa, beginning with President Roh's 2006 visit, which was the first visit to Africa by a South Korean head of state in 25 years. Roh's visit resulted in deals with Nigeria for the development of large deepwater oil fields, information technology exchange programs with Egypt, and the exploration of ways to promote relations between the ROK and the Islamic world in a meeting with Secretary General Amr Moussa of the Arab League.⁵² More recently, Korea has expressed a desire to develop an FTA with the Southern African Customs Union (a five-member union that includes Botswana, Lesotho, South Africa, and Swaziland).⁵³

Korea clearly benefits from the expansion of its economic interactions around the world. This increased Korean activity also has a positive second-order effect on American interests. As one high-ranking MOFAT official described it, South Korea-led FTAs expand the fundamentals of economic liberalism and help compete (and hedge) against the proliferation of illiberal Chinese-led FTAs.⁵⁴ South Korea's growing economic presence has allowed it to emerge as an important democratic counterweight to China's influence in regions such as Africa and Latin America. The value of South-South trade is only expected to increase in the coming years, and the importance of an alternative source of Asian economic leadership should not be underestimated. Many scholars

and policymakers have expressed concern that China's model of state-controlled capitalism has been gaining in appeal in the global South, often at the expense of America's model of free-market capitalism. As long as Korean FTAs provide tangible benefits, they will provide a useful counterpoint to China's efforts by promoting free and open markets. Additionally, the contrast between South Korea's and China's FTAs can serve to remind developing nations that China's promises lack substance and fail to serve the long-term interests of poor, underdeveloped nations and their citizens.

Civil Society Partnerships

Although state diplomacy will be an important component of South Korea's foreign policy, the country also has a vibrant non-state sector that makes it uniquely positioned among U.S. allies in Asia to promote the types of public-private partnerships that represent a 21st-century vision for global engagement. Seoul is the most wired and broadband-penetrated city in the world. There is a growing recognition in South Korea that its high-tech society is important not just for commerce, but also for alleviating poverty and promoting economic development around the world.

In recent years, South Korea has taken advantage of its relative strength in the high-tech sphere to expand its provision of technological assistance. South Korea's development agency, Korea International Cooperation Agency (KOICA), has partnered with high-tech companies to provide technical assistance and training throughout the developing world.⁵⁵ In fact, such assistance now accounts for about 13 percent of the entire KOICA operating budget—a trend that is likely

⁵¹ "The 11th Korea-Latin America Business Forum," Korea.net (8 October 2007), at http://www.korea.net/News/News/newsView.asp?serial_no=20071013006&part=101&SearchDay=2007.10.08&source=Ministry%20of%20Foreign%20Affairs%20&%20Trade.

⁵² Ryu Jin, "Roh Returns from Africa Trip," *Korea Times* (14 March 2008).

⁵³ "Korea Mulls FTA with Southern African Countries," Korea.net (8 January 2008), at http://www.korea.net/News/issues/issueDetailView.asp?board_no=18778&menu_code=A.

⁵⁴ Senior MOFAT official, interview with author, Seoul (21 October 2008).

⁵⁵ See Wonkyung Rhee, "Pay it Forward? Digital Divide in Asia and the Changing Role of South Korea" (28 August 2008), at http://www.allacademic.com/meta/p_mla_apa_research_citation/2/8/0/1/6/p280160_index.html.



Seoul is the world's most wired city and a leader in providing Information and Communication Technologies (ICT) assistance to the developing world.

to intensify in the future.⁵⁶ For the Korean government, information and communications technology development “promotes[s] the administrative efficiency and transparency of developing partner governments. Since narrowing the digital divide in a knowledge-based society expedites poverty alleviation and promotes sustainable economic development, KOICA has made continuous efforts to reduce the digital divide and facilitate economic development.”⁵⁷

EXPANDING THE VISION: TRANSNATIONAL SECURITY THREATS

The future threats to the United States and South Korea (or a future unified Korea) will likely be transnational and complex. They will rarely emanate from a state or group of states alone, and may not be connected to any nation state. Three national security challenges should rise to the forefront of alliance concern: climate change, energy security, and nonproliferation. Even while threats from the DPRK persist, meeting this new tripartite

threat should be an imperative for the U.S.-ROK alliance. Taken individually, each of these challenges presents a daunting danger to the security of individual states and the international system. When viewed as an interconnected whole, they form perhaps the most significant and difficult threat to the international system in the coming years. Nowhere are these challenges more evident and more dangerous than in East Asia.

The South Korean government is fully aware of the difficulties that it faces in each of these areas, as well as the complicated interconnections between them. From the proliferation activities of a nuclear North Korea to the problem of extreme energy dependence to the threat posed by rising sea levels, South Korea has no choice but to seek solutions to these challenges. President Lee has endeavored to step out as a regional and global leader on the issue of climate change, most recently advocating for the creation of an East Asia Climate Partnership.⁵⁸ On the issue of energy security, South Korea has also sought out cooperative solutions, arguing for the creation of an “energy silk road” to connect and address the energy needs of the broader Asian region.⁵⁹ Just as South Korea cannot face any of these challenges alone, the United States is realizing the extent of its dependence on its allies and friends when facing transnational challenges. South Korea’s initial steps provide a useful foundation upon which further alliance cooperation can be developed.

Climate Change and Energy Security

South Korea faces an energy security triple dilemma: it lacks natural resources, it is highly dependent on oil and fossil fuels, and the sources of its energy imports are highly concentrated

⁵⁶ Heejin Lee, et al., “Analyzing South Korea’s ICT For Development Aid Programme,” *Electronic Journal on Information Systems in Developing Countries* vol. 35, no. 2 (2008): 2; KOICA, “Statistics on ICT Assistance,” at <http://www.koica.go.kr/english/aid/ict/index.html>.

⁵⁷ KOICA, “Statistics on ICT Assistance,” at <http://www.koica.go.kr/english/aid/ict/index.html>.

⁵⁸ “President Lee Proposes Establishment of an East Asia Climate Partnership,” *Korea.net* (9 July 2008), at http://www.korea.net/news/issues/issueDetailView.asp?board_no=19359.

⁵⁹ Jung, “Seoul Envisions ‘Energy Silk Road’ of Asia,” *Korea Times* (20 March 2008), at http://www.koreatimes.co.kr/www/news/nation/2008/03/113_21079.html.

in one region of the world—the Middle East.⁶⁰ Although its energy usage is dwarfed by the growing needs of China and India, South Korea's energy consumption has been increasing by an average 6.6 percent per year for the past 20 years, largely driven by its heavy industry sector.⁶¹ For a country that has no domestic oil and gas production and imports 97 percent of its energy needs,⁶² energy security and energy independence are top-level strategic imperatives.

President Lee has named energy security and climate change policies as two of his administration's key priorities, setting ambitious goals to reduce the country's reliance on fossil fuels and invest in alternative energy sources. Renewable energy sources constitute a small but growing portion of South Korea's energy production, and Lee aimed to increase renewable energy investments by 60 percent in 2008.⁶³ Moreover, the Lee administration has set lofty targets to increase the country's future production of green energy from its present rate of 2.28 percent to 10 percent by 2020.⁶⁴ This will not be an easy undertaking, but as a nation Korea is well positioned to try. South Korea possesses a high-tech industrial base that is rapidly increasing its development and production of green technologies, which are expected to be an important source of economic growth in the coming years. South Korea is already in the process of constructing the world's largest solar and tidal energy plants, and industrial giants such as Hyundai, LG, and Samsung have been making aggressive strides to move into the green market

through the production of photovoltaic cells, hybrid cars, and even hydrogen fuel cell buses.⁶⁵ South Korea is also diversifying its energy sources by investing vast amounts of money in the production of nuclear power plants. Nuclear energy

“South Korea is already in the process of constructing the world's largest solar and tidal energy plants, and industrial giants such as Hyundai, LG, and Samsung have been making aggressive strides to move into the green market...”

currently accounts for 40 percent of South Korea's energy production, and the government plans to produce 60 percent of the nation's electricity from nuclear power plants by 2035.⁶⁶

Policymakers in South Korea and the United States have recognized the usefulness of the alliance in providing a foundation for mutual efforts to

⁶⁰ Pablo Bustelo, “Energy Security with a High External Dependence: The Strategies of Japan and South Korea,” Munich Personal RePEc Archive (14 April 2008), p. 13, <http://mpira.ub.uni-muenchen.de/8323/>.

⁶¹ *Ibid.*, p. 11.

⁶² Seonjou Kang, “Korea's Pursuit of Energy Security,” Korea Economic Institute (6 May 2008), p. 2, at <http://www.keia.org/Publications/Other/KangFINAL.pdf>.

⁶³ Uclia Wang, “South Korea Boost Renewable-Energy Investments by 60%,” Greentechmedia.com (28 July 2008), at <http://www.greentechmedia.com/articles/south-korea-to-boost-renewable-energy-investments-by-60-1191.html>.

⁶⁴ Choe Sang-Hun, “South Korea Seeks Cleaner Energy Sources,” *International Herald Tribune* (9 May 2007), at <http://www.iht.com/articles/2007/05/09/business/solar.php>.

⁶⁵ *Ibid.*; Kim Yoo-chul, “Solar Cell Business in Transition in Korea,” *Korea Times* (25 September 2008), at http://www.koreatimes.co.kr/www/news/special/2008/12/139_31696.html; “South Korea Hopping Aboard Hydrogen Cars and Buses,” *Hydrogen Cars and Vehicles* (30 November 2006), at <http://www.hydrogencarsnow.com/blog2/index.php/hydrogen-cars/south-korea-hopping-aboard-hydrogen-cars-and-buses/>.

⁶⁶ “Going Nuclear in South Korea,” *Power-Technology.com* (29 September 2008), at <http://www.power-technology.com/features/feature42488/>.

address climate change and energy security. Both countries have an interest in reducing global competition for fossil fuels, share the need to protect access to energy resources through sea lines of communication, and have world-class technology sectors that can collaborate on the development on new green technologies. Yet, little has been done to take advantage of these shared aims and complementary capabilities. As the leading global power and a vital player in the Asia-Pacific region, the United States needs to step forward and take advantage of the opportunities for collaboration. The inauguration of a new U.S. president presents a window of opportunity for the United States to conduct a strategic reassessment of its efforts on this front, and for Washington and Seoul to begin exploring areas of cooperation on the issue of climate change and energy security.

Greater cooperation can be initiated in several areas. First, South Korea and the United States should institutionalize an energy security and climate change dialogue at the cabinet/ministerial level. Building on President Lee's vision for a green revolution in Korea and President Barack Obama's commitment to reducing carbon emissions, this dialogue would help both nations to think creatively and cooperatively about how to mitigate carbon emissions and reduce dependence on foreign sources of oil. In addition to increasing state-to-state dialogues, South Korea and the United States also need to move more proactively to incentivize greater private-sector investment in green technology research and public-private collaboration on the development and production of these technologies.

The current financial crisis may dampen political support for these types of investments, but increased production of green technologies will help lower the unit costs of renewable energies and will also support the types of innovation and infrastructure development that are necessary to reshape both economies for the 21st century.

In particular, South Korea's advanced knowledge and production capabilities in making fuel-efficient cars and hybrid engines should be seen as a key area for greater collaboration. Competition between the American and the Korean auto industries has become a political "hot potato" that now threatens an FTA that will promote economic growth in both countries. Instead of allowing this issue to be a source of continued friction, the global financial crisis should be viewed as an opportunity for government and private-sector leaders to strategize on how best to move the auto industries toward a greener and future-oriented development model.

The opportunities for alliance cooperation on energy security and climate change extend beyond the bilateral context to regional and global opportunities. At the regional level, U.S. policymakers should first begin to promote greater trilateral cooperation between the United States and its Northeast Asian allies. Both President Lee and Prime Minister Taro Aso of Japan have made climate change and energy security two of the top priorities for their administrations. Similarly, both Japan and South Korea are technological leaders in the production of green technology. There is therefore a valuable opportunity to engage in trilateral dialogues that will more closely align energy and climate initiatives between these three countries. This will not only provide an expanded foundation for addressing a shared security threat, but it will also help establish a confidence-building forum that can promote closer relations between U.S. regional allies.

In addition to alliance-based initiatives, the United States should also support South Korea's leadership in regional initiatives in which America is not a member, such as the ASEAN+3 Energy Security Communication System and the ASEAN+3 Ministers on Energy Meeting. Finally, as the leading global power and a vital player in the Asia

Pacific, the United States should also actively seek out opportunities to participate in and promote global initiatives outside of its alliance structures. Climate change and energy security are transnational challenges that threaten all nations, regardless of their political orientation, and America should promote multilateral cooperation on these issues between all interested and responsible parties.

Proliferation

South Korea has a vested national interest in curbing the proliferation of WMD and their associated technologies. More than most nations, South Korea understands the tangible threat of nuclear aggression. South Korea has historically taken a strong stance on nonproliferation: it is a responsible member of the NPT and it complies with the Chemical Weapons Convention and the Biological Weapons Convention. Additionally, although it is not a formal member of PSI, South Korea has provided critical intelligence for PSI-related interdiction operations. South Korea's support for nonproliferation and counterproliferation has been naturally driven by the North Korean nuclear threat. In recent years, however, South Korea has begun to look outside of the peninsular context to help manage the potential reemergence of nuclear politics worldwide.

The most recent concrete manifestation of this shift is in South Korea's progressive nuclear diplomatic negotiations with Iran. South Korea has an active diplomatic mission in Tehran, as do the Iranians in Seoul. Bilateral trade between South Korea and Iran accounted for \$8 billion in 2007, a figure that is likely to increase in the coming years.⁶⁷ The ROK has been outspoken in its opposition to Iran's opaque nuclear program, including

supporting U.S.-led UN sanctions. Moreover, a poll released by the BBC World Service in 2008 reports that 76 percent of South Koreans believe that Iran is producing nuclear energy for civil and military purposes.⁶⁸ In fact, South Korea is just one of three countries (out of 21 and second to Israel) surveyed that has greater support for more stringent diplomatic and economic sanctions, as well as possible coercive measures against Iran.⁶⁹ This indicates a greater public recognition in South Korea of the interconnectedness of its security with WMD proliferation. This is not to suggest that South Korea has enough leverage to compel the Iranian government to change course (although its trade and infrastructure investments would be

*“More than most nations,
South Korea understands
the tangible threat of
nuclear aggression.”*

useful bargaining chips), but it does show how the U.S.-ROK alliance could provide an alternative vehicle to engage the Iranians. South Korea has unique diplomatic access to the Iranian regime and could be a helpful intermediary in setting up meetings and dialogue with key Iranian interlocutors. This would be particularly important if the United States decided to take steps to normalize relations with Iran.

Nonproliferation is one of the most obvious areas for global alliance cooperation, as well as being

⁶⁷ “Iran-South Korea Trade Reaching Dlr 8 Bn,” Islamic Republic News Agency (4 February 2008), at <http://www2.irna.com/en/news/view/line-20/0802047334183440.htm>.

⁶⁸ BBC World Service, “Declining Support for Tough Measures against Iran’s Nuclear Program: Global Poll,” (2008), at http://www.worldpublicopinion.org/pipa/articles/international_security_bt/455.php?lb=btis&pnt=455&nid=&id=.

⁶⁹ *Ibid.*, “Declining Support for Tough Measures against Iran’s Nuclear Program: Global Poll,” (2008), at http://www.worldpublicopinion.org/pipa/articles/international_security_bt/455.php?lb=btis&pnt=455&nid=&id=.

one of the top national security priorities for South Korea and the United States. Despite nearly two decades of cooperation in addressing the North Korean nuclear threat and mutual shared interest in preventing proliferation, this remains an issue on which South Korea and the United States have sometimes seemed to work at cross purposes. The immediate specter of North Korea's nuclear program has always shaded the lens through which South Korea and the United States approach nonproliferation efforts, and it has at times hampered a closer collaboration on this issue. In

“The immediate specter of North Korea’s nuclear program has always shaded the lens through which South Korea and the United States approach nonproliferation efforts...”

recent years, there has been a lingering perception in South Korea that the U.S. administration's focus on China's leadership in the Six-Party Talks indicates an undervaluing of South Korea's support and partnership on this issue. Likewise, South Korea's failure to participate in PSI, the Bush administration's key nonproliferation effort, led to disappointment and disillusionment over the potential for closer cooperation.⁷⁰

Obama has stated that nuclear proliferation is perhaps the most significant challenge facing the

international community and that strong non-proliferation policies will be a priority for his administration.⁷¹ He has also stated his intent to institutionalize and broaden the scope of the Bush administration's PSI.⁷² The incoming administration's desire to broaden PSI's scope provides an opportunity for South Korea to reframe the domestic debate over signing the PSI. South Korea's decision to join the initiative should no longer be viewed merely in opposition to North Korea, but rather in opposition to broader global proliferation networks. The decision to support the U.S. administration's efforts on this front will pave the way for a deepened and closer engagement on nonproliferation.

Another area in which the United States and South Korea can collaborate is the issue of civilian nuclear energy. South Korea's extensive use of civilian nuclear power and East Asia's high reliance on this energy source increase the imperative for strong regional efforts to promote responsible management of civilian nuclear technologies. This also presents an opportunity for South Korea to establish itself as a model civil nuclear power, and more broadly, to eventually establish East Asia as a model of responsible management for the rest of the world. Deriving a solution to the North Korean problem will continue to be the foundational and most immediate nonproliferation concern for the alliance, but it cannot be allowed to forestall broader cooperation on this important global issue. Moreover, the alliance needs to seek non-threatening means through which to expand its current engagement on this issue in order to anticipate a future in which global proliferation issues, rather than North Korean issues, will form the bedrock of the alliance's proliferation cooperation.

⁷⁰ Donald Kirk, "Pyongyang Watches as Friends Fall Out," *Asia Times Online* (18 November 2006), at <http://www.atimes.com/atimes/Korea/HK18Dg01.html>.

⁷¹ Barack Obama, "Speech at the University of Purdue," (16 July 2008), at http://www.cfr.org/publication/16807/barack_obamas_speech_at_the_university_of_purdue.html.

⁷² "Issues — Homeland Security," Obama-Biden Campaign 2008, at http://origin.barackobama.com/issues/homeland_security.

STRATEGIC RECOMMENDATIONS

South Korean and American policymakers must begin to think strategically about the future of the U.S.-ROK alliance. Focusing on day-to-day alliance management issues has impaired the ability of senior officials in Seoul and Washington to shape the strategic contours of the relationship. The following strategic recommendations represent a list of suggested steps that will help implement the vision of a global alliance as articulated during the historic Bush-Lee summit at Camp David. This list is by no means exhaustive, but should be seen as an attempt to articulate initial steps to move the alliance toward a deeper, broader mandate.

Abandon the Politics of Abandonment

In spite of U.S. efforts to convince South Korea of its commitment to the alliance, fears of alliance abandonment remain pervasive within the South Korean leadership. In order to move the alliance into the 21st century, both countries must abandon the politics of abandonment. The United States must first take the lead in firmly reiterating to South Korea its unwavering commitment to the alliance and the security of the peninsula. Moreover, as the base relocation and OPCON transfer processes continue, U.S. policymakers must actively seek out and listen to the concerns of their South Korean counterparts. In turn, South Korean leaders must recognize that an expanded mandate for the alliance does not have to jeopardize peninsular security. South Korean leaders must demonstrate their continued commitment to defense modernization and timely fulfillment of the OPCON transfer.

Optimize Military Acquisitions

The global financial crisis will put downward pressure on the procurement abilities of the United States and South Korea and challenge the timely implementation of Korea's DRP. Yet, financial constraints should not be allowed to postpone necessary adaptations in the alliance's force structure.

Instead, it will be increasingly important for both countries to seek flexible acquisitions that will address the alliance's current needs on the peninsula while facilitating greater cooperation in global contingencies. Put simply, U.S. and South Korean acquisitions must be better synchronized to ensure

“Focusing on day-to-day alliance management issues has impaired the ability of senior officials in Seoul and Washington to shape the strategic contours of the relationship.”

the greatest bang for their collective bucks. U.S. defense officials, both civilian and military, should take the lead in initiating bilateral consultations to develop a recommended procurement roadmap that will carry the alliance into the future.

Develop a Public Relations Strategy

In spite of the successful history of the U.S.-ROK alliance, the alliance has been continually challenged by flagging domestic support and questions about its longevity. Decreased support for the alliance has been particularly evident in South Korea, where political protests have often taken on a stridently anti-American tone. Alliance managers in the United States and the ROK would be wise to remember that, in politics, global is local and local is global. Without a strong, stable domestic base of support, policymakers will not be able to implement a strategic vision for a more global alliance. The United States and South Korea need to

do a better job of articulating the inherent value of the alliance to their domestic audiences. Alliance managers should coordinate with public diplomacy officials to increase public awareness about the history of the alliance, current cooperative endeavors (such as South Korea's reconstruction assistance in Afghanistan), and opportunities for future coordination.

Cultivate Soft-Power Tools

Alliance managers must work to overcome resistance to the expansion of the alliance beyond the scope of the mutual defense treaty. The ability of the United States and the ROK to articulate shared values and global interests will help establish a foundation that will sustain the alliance beyond the peninsular context. In order to maximize the soft-power potential of the alliance, the United States should consider instituting a high-level dialogue to discuss how the United States and the ROK can best coordinate their development assistance efforts. Korea's assistance in Afghanistan and Iraq has been a valuable complement to U.S. reconstruction efforts, and can provide a useful template for future cooperation on overseas development initiatives. Alliance managers should also consider broadening the scope of collaborative development efforts by looking to better coordinate Japanese, Korean, and U.S. development assistance.

Prioritize Climate and Energy Initiatives

The incoming U.S. administration should move proactively to make climate change and energy security a key pillar for alliance-based cooperation. Bilateral cooperation on climate change and energy security would address important strategic imperatives for both countries while taking advantage of mutual technological advantages and South Korean leadership on this issue. Enhanced dialogue with Seoul could then be used as a foundation for greater American and South Korean participation in similar trilateral and regional

initiatives. In addition to increasing state-to-state dialogues, South Korea and the United States should seek greater opportunities for public-private collaboration on the development and production of green technologies. South Korea's private sector is a world leader in the production of these technologies, and this knowledge could be instructive to U.S. efforts to increase its green investments.

Expand Collaboration on Transnational Threats

The future security environment in the Asia Pacific will increasingly depend on the ability of Asian powers to address non-traditional security threats. In order to sustain the utility of the alliance in the coming years, alliance managers should seek out new opportunities to collaboratively address these threats, including cooperation on anti-piracy activities, humanitarian aid and disaster relief, and counterterrorism.

Move Nuclear Cooperation Beyond the Peninsula

Nonproliferation is one of the most obvious areas for global alliance cooperation, as well as being one of the top national security priorities for South Korea and the United States. Yet, the immediate specter of North Korea's nuclear program has shaded the lens through which the United States and South Korea approach nonproliferation efforts. Washington and Seoul should broaden the alliance's focus on nonproliferation to include a greater emphasis on global nonproliferation initiatives. South Korea could significantly improve the opportunities for collaboration in this area by formally joining PSI, expanding intelligence-sharing activities, and participating in maritime interdiction efforts. The incoming U.S. administration's desire to broaden the scope of the initiative provides an opportunity for South Korea to reframe its domestic debate over PSI to focus on global proliferation networks rather than merely on North Korea.

CONCLUSION

Strong alliance management is key to a healthy relationship. Shaping the alliance to deal with global challenges will be difficult without sustained dialogue, cooperation, and transparency from Washington and Seoul. Moreover, the next American president should guard against an “anything but Bush” approach to foreign policy. President Bush will bequeath a strong partnership with President Lee, which will be critical to any attempt to transform the alliance. High-level attention is key to allay South Korean fears of American neglect and perceptions of abandonment. Additionally, this attention should be supplemented with regular meetings between the U.S. assistant secretaries of state and defense for Asia and their counterparts in Seoul, all the way up to their respective cabinet leaders, including the continuation of the Security Consultative Meeting (SCM) at the ministerial level.

South Korea has been and will continue to be a cornerstone of stability and security in East Asia. Despite bumps and bruises, the U.S.-ROK relationship is a resilient and key component of America’s ability to enhance U.S. influence and power in the region. It is the hope of this paper’s authors that the alliance will continue to exceed expectations and chart a more global path into the 21st century.



Appendices

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APPENDIX A: U.S. SENIOR STRATEGIC REVIEW GROUP

Experts were consulted but do not necessarily support the findings of the report. The authors alone are responsible for the contents of this document.

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