

Acknowledgements

We would like to thank the Smith Richardson Foundation for their support and funding for this important project. Their dedication to elevating debate and discussion on critical national security affairs remains a model for many foundations around the world. Randy Schriver and Victor Cha have contributed excellent articles for this report and for their hard work and dedication we are thankful. We would also like to thank our colleagues at the Center for a New American Security (CNAS) for their helpful comments and excellent suggestions throughout the research and writing of this report, especially Lindsey Ford for her dedication and intellectual and written support to this project. Research intern Satoko Kameshima also provided fine research editing for this report. Whitney Parker's creativity and assistance in the publication process was indispensable and helped take this final product from electrons to reality. Of course, we alone are responsible for any errors or omissions.

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 (*seggyehwa*) 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

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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_le355_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 ve-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,

“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, and the financial crisis.”

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.

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ISBN 978-193508711-3

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