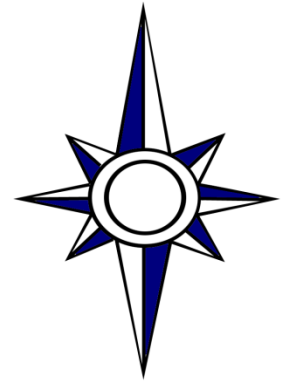


Comparative Connections

A Quarterly E-Journal on East Asian Bilateral Relations



US-Korea Relations: **The Sinking of the *Cheonan***

Victor Cha, Georgetown University/CSIS
Ellen Kim, CSIS

The second quarter saw a series of major events in US-ROK relations. With the sinking of the *Cheonan* in late March, the quarter saw the possible return to armed conflict in Korea. The North Korean torpedo attack on the South Korean warship caused the two Koreas to break ties, intensified the tension along the border, and blasted hopes for the resumption of the Six-Party Talks. Meanwhile, the US-ROK alliance was at its zenith as the US showed solidarity with South Korea on its response to the provocation and put pressure on China to support a strong UN Security Council measure identifying North Korea as being responsible for the attack. The two presidents announced a delay in transfer of wartime operational control and President Obama, in a surprise announcement on the sidelines of the G20 Summit in Toronto, called for ratification of the KORUS FTA. Though these two developments were not a direct result of the *Cheonan* sinking, they were influenced by a desire by both allies to show strong, deep partnership in the face of North Korean threats, and perhaps more important, by a personal chemistry between the two leaders that is unique in the history of the alliance.

Broken peace over the *Cheonan*

On March 26, the ROK Navy corvette *Cheonan* sank in the Yellow Sea just south of the Northern Limit Line near Baengnyeong Island. The ship was split in half and 46 of the 106 sailors on board lost their lives. Immediately following the incident, South Korean polls found that 80 percent of the South Korean public believed that North Korea was responsible. President Lee Myung-bak held off on any immediate judgment and instead swiftly approached the US, the United Kingdom, Sweden, and Australia to conduct an independent, multinational civilian-military investigation. This group concluded on May 20 that the sinking was caused by an external explosion created by the gas bubble effect from a torpedo and that remnants of a torpedo of North Korean origin were found at the site. Therefore, they concluded that there was no other plausible explanation for the sinking other than a North Korean torpedo. These findings were supplemented by press leaks of other evidence implicating North Korea. Intelligence reports found a mother submarine and two or three semi-submersible subs leaving a nearby port in North Korea three days before the attack and returning to port three days after the attack. Members of the crew were reportedly rewarded for acts of bravery. All other countries in the region confirmed to the investigators that they did not have submarines in the area at the time of the attack. (For the official presentations of the findings, see the CSIS Korea Chair website at: <http://csis.org/event/senior-policy-group-discussion-rok-ambassador-han-duk-soo>).

On April 17, 23 days after the incident and soon after the *Cheonan* was salvaged, North Korea released its first official response, stating that the country was not linked to the sinking. In fact, North Korea's denial of its provocation is not unexpected; historically, the country has rejected allegations of its culpability by the South in its major provocations since the 1960s and thus never made an official apology to the South for its hostility over the years – at least publicly (for a list of North Korean major conventional provocations, see <http://csis.org/publication/record-north-koreas-major-conventional-provocations-1960s>). As with past provocations, what followed were Seoul's strong condemnation of North Korea's belligerent actions, Pyongyang's hostile rhetoric, and a drastic deterioration of inter-Korean relations.

Several aspects of the incident underscore the significance of this North Korean provocation. First, this is arguably the most significant attack on the South Korean military since the Korean War, clearly breaching the 1953 Armistice Agreement. Second, if the sinking of the *Cheonan* was North Korea's "test" of effectiveness of its "asymmetric" military tactics, as noted by a ROK government official, there is a high likelihood that North Korea could use those tactics in the future. Third, the incident indicates an urgent need to reinforce US-ROK conventional deterrence, both in strategy and capability, against North Korea's provocation. The US extended nuclear deterrent, although effective in deterring North Korean nuclear attacks, cannot dissuade North Korea from launching a local conventional provocation like the sinking of the *Cheonan*. The presumed purpose of such an asymmetric strategy would be to leverage the peaceful status quo to extort concessions from Seoul, who have much more invested in peace than Pyongyang. A high-ranking ROK military officer recently noted that the likelihood of a full-scale war between the two Koreas may be low but that North Korea could engage in such local provocations more frequently in the future. US and ROK officials have quietly confided their concern about another provocation, possibly in the run-up to Seoul's hosting of the G20 Summit in November 2010. Adm. Michael Mullen, chairman of the US Joint Chiefs of Staff, warned against North Korea's "follow-up activities" to the *Cheonan* incident.

Strong alliance in the face of conflict

In the midst of mounting tension and fears of conflict on the Korean Peninsula, the US and South Korea demonstrated solidarity and the strength of their alliance. Shortly after the incident, President Barack Obama dispatched military support to the rescue operations and "reaffirmed" his country's extended nuclear deterrent to South Korea. The two leaders moved to bring the case to the UN Security Council and condemn North Korea for its hostile action. On the military front, the two countries enhanced their strong military posture against North Korea through close coordination of a set of military countermeasures. South Korea's Defense Minister Kim Tae-young announced South Korea's participation in the Proliferation Security Initiative (PSI), which had been sought by the US going back to the Roh Moo-hyun administration. South Korea had been resistant to partake in the PSI for fear that it would invite provocations from North Korea. To stage a firm defense posture and send a strong signal to North Korea, both countries also announced intentions to conduct joint US-ROK anti-submarine warfare (ASW) exercises that would be joined by a US aircraft carrier.

Obama administration officials confide that the *Cheonan* attack only heightened what was already a very high opinion that Obama held of President Lee Myung-bak. Their friendship

started in November 2009 when Lee hosted Obama as the last stop on an otherwise difficult first trip to Asia by the young president. In Singapore, Obama was hounded by Asia Pacific Economic Cooperation (APEC) leaders about the absence of a trade policy. In Japan, he had to contend with quirky Prime Minister Hatoyama Yukio, who sought to change the terms of the US-Japan alliance. And in China, Obama was genuinely unhappy with the lack of progress in getting Chinese cooperation on issues like climate change, currency revaluation, and counterproliferation, as well as the haughty attitude of Chinese officials in hosting the president. In this context, Seoul, as Obama officials have stated publicly, was the “best stop” on the trip.

White House officials were impressed with President Lee’s response to the *Cheonan* sinking, noting that he did not react emotionally but took a careful, deliberate approach despite tremendous pressure to retaliate. US officials drew confidence from this and were willing to take their cues from Seoul – an unusual reversal of traditional roles in the alliance. The admiration for Lee was clear at the G20 Summit in Toronto when Obama referred to Lee and Korea as the “linchpin” of US policy in Asia – an extraordinary statement that turned Japanese heads.

Meanwhile, both the US and South Korea mobilized diplomacy to gain international support on their common response to the incident. Consequently, the European Union Parliament and the leaders of the G8 countries – the US, Canada, Germany, UK, France, Italy, Russia and Japan – each passed a resolution and issued a joint statement that condemned the attack on the *Cheonan*.

However, challenges still remain as China and Russia, permanent members of the UN Security Council, are resistant to acknowledge the conclusion of the international investigation and oppose any condemnation of and tough measures against North Korea. Mounting pressures from countries fell especially on China, although it adamantly maintains its position for fear that strong actions against North Korea would further aggravate the situation in the country and threaten Chinese security interests on the Korean Peninsula. With the final decision of the UN still being in doubt, many challenges remain for South Korea and the US.

Six-Party Talks in limbo

The sinking of the *Cheonan* struck a major blow to the already stalled Six-Party Talks. Although quiet efforts that were to culminate in an invitation to DPRK Six-Party Talks negotiator Kim Kye-gwan to New York for track-2 dialogues involving US officials had been underway, all conversations shut down as the result of the incident. China urged South Korea to refrain from escalating tensions without concrete evidence as that could derail its effort to resume the talks. After the investigation concluded that a North Korean torpedo had sunk the ship, however, South Korea made it clear that it would not return to the talks until the UN Security Council issued a formal condemnation of Pyongyang for its provocation.

The cacophony among the six parties does not bode well for the talks’ resumption; indeed, disputes over the *Cheonan* incident have created a new Cold War divide pitting South Korea, the US, and Japan against China, Russia, and North Korea. As the confrontation between the US and China became more intense, China’s veto to scuttle the concerted efforts of the US and South Korea at the UN could strain both US-China relations and ROK-China relations. Although the Six-Party Talks is significant in that it is the only forum that North Korea is

currently participating in that addresses its denuclearization commitments, there are growing frustration and doubt about the talks' effectiveness since North Korea's second nuclear test last year. While some people already call the talks "dead" in the post-*Cheonan* context, they could still be the only venue for countries to resume discussion of the North Korean nuclear program after UN deliberations on the *Cheonan* incident conclude.

The end of the OPCON debate

The delay of the wartime operational control (OPCON) transfer was another major development in US-ROK relations. Presidents Obama and Lee agreed to delay the OPCON transfer from April 2012 to December 2015 at their meeting before the G20 Summit in Toronto. The news came out as something of a surprise given that there had been no "open" official negotiations between the two countries to re-evaluate the agreement since its conclusion in 2007.

The Blue House attributed the major reason behind the administration's decision to put off the scheduled transfer to the "transfer year 2012." Kim Seung-han, senior national security secretary to President Lee, noted that the OPCON transfer in 2012 does not bode well for the security environment around the Korean Peninsula, citing presidential elections in both South Korea and the US, a change of leadership in both China and Russia, and North Korea's declaration of being a "Powerful and Prosperous Nation" that are all scheduled in 2012. Gen. Walter Sharp, commander of US Forces Korea, called the delay a "strategic decision" and said that the result would further reinforce the US-ROK alliance.

The OPCON transfer has been more controversial in South Korea than in the US. And it is as much a "political" as a "military" issue in South Korea while it is simply a "military" issue in the US. In South Korea, there is a view that perceives the OPCON transfer as the return of "military sovereignty" from the US to South Korea. As a result, the issue had been and still is politically sensitive. For the Lee administration, the OPCON issue was a dilemma as there was fear that any attempt to override and renegotiate the deal could trigger political turmoil as in 2008 when there were massive protests against the administration over imports of US beef. Plus, asking the US to revise the agreement would not portray a good image of South Korea and strong opposition was expected from the US government.

Despite these risks, the Blue House sent the president's special envoy, Kim Tae-hyo, to the White House this past February to initiate the discussion and re-evaluate the issue. The two sides eventually agreed to defer the transfer to December 2015. The agreement could be due to the following three factors. After the North Korean launch of a long-range rocket in April 2009, its second nuclear test a month later, Kim Jong-il's stroke, and rumors about his succession plans to his youngest son, the security conditions between the two Koreas were clearly different from three years ago when Presidents Roh Moo-hyun and George W. Bush first signed the agreement. Second, the sinking of the *Cheonan* apparently changed the thinking of both Seoul and Washington on their security outlook of the Korean Peninsula and helped speed up their discussions. Lastly, the personal chemistry between Presidents Obama and Lee played a role. This was a decision that could not have been possible in the absence of trust and friendship between the two leaders.

Rekindled hope for the KORUS

In this quarter, there was clear hope for ratification of the KORUS free trade agreement (FTA) when President Obama stated his desire to have the deal completed by the November G20 Summit in Seoul. Setting the deadline after the November mid-term election certainly leaves room for newly elected lawmakers to be free from their constituents' pressure while giving Obama leeway to make a decisive push for ratification. As South Korea is hosting the November G20 Summit, successful ratification would be favorable for the US-ROK relationship. Furthermore, this might also prop up Obama's National Export Initiative that seeks job creation and economic growth through "increased exports" to South Korea.

The KORUS FTA also made a significant step forward on Capitol Hill this quarter. On May 7, Sens. John Kerry and Richard Lugar, co-chairmen of the Senate Foreign Relations Committee, wrote a joint letter to President Obama, urging him to submit the KORUS to Congress for consideration. Speaker of the House of Representatives Nancy Pelosi stated in June that the Congress may not be able to ratify the KORUS until next year. Although her timetable reflects her political sensitivity toward the mid-term election, considering her negative or lukewarm position, the changed nuance in her recent remark sends a positive signal. President Obama's announcement also reignited the engine of the KORUS FTA as six congressmen immediately announced the launch of a working group for its early ratification.

This is not to say that all of Congress was supportive. Obama's statement in Toronto was a surprise for many, including key members like Sander Levin, who was apparently only made aware of the president's statement on the day of the announcement. As often happens on presidential trips, policies get made on the fly among the traveling team with little time for interagency coordination or Hill outreach, and this clearly appears to be the case for the KORUS announcement. Although coordination may be lacking, the policy initiatives that come out of such trips also manifest the true preferences of the president, unfettered by interagency compromises. With a clear target date, the prospect of ratification is certainly brighter than before. But, as President Obama also noted, there is "adjustment" work to be done between the two countries, especially over auto and beef. Given that Trade Minister Kim Jong-hoon made it clear that South Korea would not renegotiate the original agreement, it is likely that both countries will seek side agreements. The upcoming negotiations on the pending issues will create heated debate in both countries and the success of the KORUS FTA could be a test of the strong U.S.-ROK relations we saw this quarter.

Chronology of US-Korea Relations April – June 2010*

March 26, 2010: An explosion breaks Republic of Korea Navy vessel *Cheonan* in half and causes it to sink in the Yellow Sea near the disputed ROK-DPRK maritime border.

March 30, 2010: Kim Sung-chan, South Korea's Chief of Naval Operations, says that *Cheonan* did not sink from an internal explosion but from "a powerful outside pressure or explosion."

* Prepared with assistance from Daniel Yoon and Anna Geun Young Park

April 1, 2010: President Barack Obama “offers his condolences” to President Lee Myung-bak and pledges US military support to the rescue operations.

April 2, 2010: US Trade Representative Robert Kirk announces that President Obama wants Congress to approve “at least one of three pending free trade deals with [South] Korea, Colombia, and Panama” in 2010.

April 5, 2010: South Korea requests US participation in the official investigation into the *Cheonan* incident.

April 7, 2010: North Korea sentences Aijalon Mahli Gomes, a US citizen and formerly an English teacher in South, to eight years of “hard labor” for “illegally entering the country.”

April 8, 2010: South Korean Ministry of National Defense (MND) announces that in addition to the US, the United Kingdom, Australia, and Sweden have also agreed to participate in the investigation into the *Cheonan* incident.

April 10, 2010: Secretary of State Hillary Clinton says that North Korea may have up to six nuclear weapons.

April 11, 2010: President Lee arrives in Washington for the Nuclear Security Summit.

April 11, 2010: Secretary of Defense Robert Gates announces that the US will leave “all options ... on the table” vis-à-vis North Korea, including the use of nuclear weapons, because of their “failure to comply with the Nuclear Nonproliferation Treaty.”

April 15, 2010: Salvage workers raise the stern of *Cheonan* and recover 36 bodies from the wreck. Eight sailors remain missing.

April 16, 2010: Yoon Duk-yong, the co-leader of the official state investigation team, affirms that an “external explosion” sank the *Cheonan* after surveying the recovered wreck of the vessel.

April 17, 2010: North Korea denies involvement in its first official statement regarding the *Cheonan* incident.

April 19, 2010: President Lee declares that he will “resolutely and unwaveringly cope with the results” of the investigation of the sinking of *Cheonan* in a televised address to the country.

April 20, 2010: South Korea’s Foreign Minister Yu Myung-hwan, states that evidence of North Korea’s involvement in *Cheonan* incident would further hinder progress on the already stalemated Six-Party Talks, should any such evidence be found.

April 21, 2010: North Korea’s *Korean Central News Agency* reports that the country’s Foreign Ministry has offered to “join international efforts for nuclear nonproliferation and on nuclear material security on an equal footing with other nuclear weapons states.” The US Department of State declares that Washington “will not accept” such an accord.

April 24, 2010: Recovery operators raise the remaining half of *Cheonan*.

April 29, 2010: South Korea holds a state funeral for the 46 dead and missing sailors from *Cheonan* at Pyeongtaek Naval Base.

May 10, 2010: Lee Sang-woo, chairman of South Korea's Presidential Commission on National Security, argues that the transfer of wartime operational control (OPCON) from the US to South Korea, originally scheduled for 2012, should be delayed.

May 10, 2010: Senators John Kerry (D-MA) and Richard Lugar (R-IN), chairmen of the Senate Foreign Relations Committee, send a letter to President Obama calling for ratification of the pending South Korea-US (KORUS) FTA.

May 10, 2010: The US Senate passes Resolution 525 expressing "sympathy and condolences to the families ... of the sailors of the *Cheonan* killed in action" and "solidarity with the people and government of the Republic of Korea."

May 16, 2010: South Korea's Joint Chiefs of Staff reports that two North Korean patrol boats crossed into South Korea territorial waters in the Yellow Sea in two separate incidents and retreated after being fired upon by the Republic of Korea Navy.

May 18, 2010: Secretary Clinton says during a visit to Tokyo that "overwhelming evidence" indicates that North Korea deliberately attacked and sank *Cheonan*.

May 18, 2010: Trade Minister Kim Jong-hoon, announces the US will "likely move to ratify the pending free trade deal with South Korea [only] after ... elections in November."

May 20, 2010: MND formally accuses North Korea of attacking and sinking *Cheonan*.

May 20, 2010: North Korea's National Defense Commission announces that it intends to send a verification team to South to disprove the evidence of the *Cheonan* investigation.

May 20, 2010: The US House of Representatives passes Resolution 1382, "expressing sympathy to the families of those killed by North Korea in the sinking of the Republic of Korea Ship *Cheonan*, and solidarity with the Republic of Korea in the aftermath of this tragic incident."

May 23, 2010: President Lee Myung-bak delivers a televised address demanding an apology from North Korea and outlining his government's proposed response.

May 24, 2010: Defense Minister Kim Tae-young announces that South Korea will conduct "anti-proliferation exercises" in the Korean peninsula on its own as well as in coordination with the Proliferation Security Initiative (PSI).

May 24, 2010: President Obama pledges his support for South Korea's proposal to bring the matter of the *Cheonan* sinking to the UN Security Council.

May 24, 2010: The Pentagon announces that the US Navy and the ROK Navy will conduct joint anti-submarine warfare (ASW) exercises in the “near future.”

May 26, 2010: Secretary Clinton says that “international independent investigation [on the *Cheonan* Incident] was objective, the evidence overwhelming, the conclusion inescapable.” She further states, “We call on North Korea to halt its provocation and its policy of threats and belligerence toward its neighbors, and take steps now to fulfill its denuclearization commitments, and comply with international law.”

May 26, 2010: South Korea conducts antisubmarine warfare (ASW) drills in the Yellow Sea.

May 27, 2010: President Obama and Japanese Prime Minister Hatoyama Yukio reaffirm their support for South Korea’s proposal to bring the *Cheonan* incident to the UN Security Council.

May 28, 2010: China’s Premier Wen Jiabao pledges that China “will not patronize anyone” responsible for the sinking of *Cheonan*. The State Department calls on China to “support international efforts and South Korea as we consider appropriate action in the Security Council in the coming days.”

May 29, 2010: Premier Wen “expresses his condolences to the South Korean people and the family members of the victims for the unfortunate incident.” Premier Wen also urges haste in establishing a free trade agreement between China and South Korea.

May 30, 2010: Adm. Michael Mullen, chairman of the US Joint Chiefs of Staff, warns South Korea that North Korea may engage in “follow-up activities” to the *Cheonan* incident.

June 2, 2010: South Korea’s ruling Grand National Party suffers unexpected setbacks in nationwide local and provincial (i.e., midterm) elections.

June 4, 2010: President Lee Myung-bak writes the UN Security Council regarding the *Cheonan* incident, asking the body to “take action” against North Korea.

June 5, 2010: Secretary Gates asserts that, “the international community can and must hold North Korea accountable. The United States will continue to work with the Republic of Korea, Japan and our other partners to figure out the best way to do that.”

June 9, 2010: North Korea writes to the UN Security Council, claiming that the “investigation findings’ by the United States and South Korea, which had been from their announcement subject to doubts and criticism, is nothing more than a conspiracy aimed at achieving US political and military goals.” North Korea requests an opportunity to present a rebuttal against the findings of the multinational investigative committee regarding the *Cheonan* incident.

June 9, 2010: In a forum on inter-Korean relations hosted by the National Unification Advisory Council, Vice Unification Minister, Eom Jong-sk, asserts that South Korea will not return to the Six-Party Talks until North Korea pays its price for the *Cheonan* Incident.

June 11, 2010: Defense Minister Kim announces that South Korea will resume its psychological warfare after the UN Security Council carries out its action over the sinking of *Cheonan*. In a national assembly hearing in Seoul, Kim says “[the broadcasters] are on hold because South Korea and the US both think it is better that they start after UN Security Council measures.”

June 12, 2010: North Korea’s *Korean Central News Agency (KCNA)* reports “the attempt to resume the psychological warfare” is equal to a “full-out war declaration,” that will induce “military attacks on all battle fronts.” It says that the North’s attack will not be “a proportional one-on-one response but a merciless attack that can involve turning Seoul into a sea of fire.”

June 14, 2010: South Korea and North Korea both speak before the UN Security Council. The Joint Investigation Group presents its findings and conclusion that North Korea deliberately attacked and sank *Cheonan*; North Korea rebuts the accusation by citing “major doubts” and “loopholes” in the credibility of the report.

June 14, 2010: South Korea’s military undergoes major personnel changes following the release of a state auditor report about its “poor” handling of immediate aftermath of *Cheonan*.

June 15, 2010: South Korean Army troops arrive in Afghanistan for the first time since withdrawing after a spate of kidnappings in 2007.

June 16, 2010: President Obama announces that the US will extend its current sanctions regime on North Korea by one more year, arguing that the “existence and the risk of proliferation of weapons-usable fissile material on the Korean Peninsula continued to posed an unusual and extraordinary threat” to the US.

June 21, 2010: Secretary Clinton and Japan’s Foreign Minister Okada Katsuya pledge to pursue a “strong response” at the UN over North Korea’s involvement in the *Cheonan* incident.

June 22, 2010: Foreign Minister Yu says that South Korea will consult related countries on resuming Six-Party Talks after completing its response to the *Choenon* incident.

June 23, 2010: Sen. John Kerry (D-MA) calls on China to join the US and other members of the Security Council in “condemning North Korea’s recent aggression against South Korea.” Sen. Dick Lugar (R-IN) says that “Beijing is apparently strengthening its assistance to North Korea, even after the sinking of South Korea’s ship and loss of 46 sailors.”

June 23, 2010: Speaker of the House of Representatives Nancy Pelosi says Congress may not be able to ratify the pending KORUS FTA deal between the US and South Korea until next year.

June 23, 2010: The State Department renews its demand from North Korea to release Aijalon Gomes, a US citizen imprisoned in North Korea since January, 2010.

June 26, 2010: In their summit statement, the G8 leaders state: “We deplore the attack on March 26 that caused the sinking of the Republic of Korea’s naval vessel, the *Cheonan*, resulting in tragic loss of 46 lives.”

June 26, 2010: Presidents Lee and Obama hold a bilateral meeting before the G20 Summit in Toronto. At the meeting, they decide to delay Seoul’s scheduled takeover of wartime operation control of its troops (OPCON) to Dec. 1, 2015.

June 26, 2010: President Obama says he will push for ratification of the KORUS FTA before the next G20 Summit in Seoul in November.

June 27, 2010: President Obama says, the “main focus” of the US is “making sure” that there is “a crystal clear acknowledgement [in the UN Security Council] that North Korea engaged in belligerent behavior that is unacceptable to the international community.”

June 28, 2010: State Department spokesman Philip Crowley says the US considers the sinking of *Cheonan* to be “provocative,” but not an act of terrorism.

June 28, 2010: *KCNA* reports that North Korea will strengthen its nuclear capability in a new way, in response to US policy and military threats.

June 29, 2010: North Korea refutes criticism made by G8 over the sinking of *Cheonan*.

June 29, 2010: North Korea announces that any accidental clash during an upcoming US-ROK naval exercise could spark a war.

June 29, 2010: Foreign Ministry spokesman Qin Gang says China is more cautious in handling North Korea than the US since it has “direct and serious concerns” related to North Korea.

June 30, 2010: In response to the statement made by China’s Foreign Ministry on June 29, State Department spokesman Crowley, says, “We [the US] continue our discussions with China and other countries in New York, but we think at this point there’s little ambiguity, and we believe the international community needs to send a direct and clear message to North Korea.”

June 30, 2010: Reps. Dave Reichert (R-WA), Adam Smith (D-WA), and four other congressmen launch a working group for early ratification of the KORUS FTA.

June 30, 2010: Trade Minister Kim announces that South Korea will not renegotiate to make changes to the original KORUS FTA.