



## SEOUL FORUM



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## **Strengthening the U.S.-ROK Alliance: A Blueprint for the 21<sup>st</sup> Century**

### **Executive Summary**

On its fiftieth anniversary, the alliance between the United States and the Republic of Korea (ROK) stands as one of the most successful relationships forged out of the Cold War.

Important factors continue to tie the two countries together. First and foremost, the crisis over North Korea's nuclear program demonstrates that a U.S. military presence remains necessary to defend the integrity of the Republic of Korea. The two countries also share a commitment to liberal democracy, open economic markets, human rights, a free press and the rule of law. On top of that, the United States and the ROK enjoy extensive economic ties. Finally, there are close cultural bonds; almost two million Koreans have immigrated to the United States and the numbers continue to grow.

At the same time, at the start of the 21<sup>st</sup> century, the U.S.–ROK alliance is coping with several challenges. Most immediate is the challenge posed by North Korea and its nuclear weapons program. Furthermore, other developments have created doubts about the alliance's future, including: (1) a policy and perception gap between the United States and the ROK over how to deal with North Korea; (2) the emergence of nationalism and anti-American sentiments in South Korea; (3) U.S. policy post-September 11, which has fueled concerns over U.S. unilateralism and apparent devaluation of alliances; (4) China's growing influence on the peninsula; and (5) uncertainties about the future of Japan.

A modern, revitalized strategy is needed to take the alliance into the future.

Our task force believes the U.S.–South Korean alliance has enduring benefits for both sides—and will continue to do so, even in the eventual case of reunification. Leaving aside the pressing problem of North Korea, in the long term, the alliance will ensure that geo-strategic currents do not result in the expulsion of United States, Japan's isolation or heightened tensions between Korea and its neighbors. It will offer a platform for properly managing the possible rise of another dominant power and an intense and destabilizing

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competition between Japan and China, or even between Japan and Korea. Further, the alliance can make a positive contribution to nonproliferation, and dampen security dilemmas that might escalate into conflict. Finally, it will provide Korea with a security blanket, freeing it to pursue tasks that the post-reunification process would entail without fear of outside interference.

In the long-term, a redefined U.S.–Korea alliance would rest on three legs, reflecting a broadening and deepening of ties in areas beyond security. .

- **A New Security Agenda:** The core of the U.S.–Korea alliance should remain a treaty commitment and a web of joint military activities, such as exercises and joint planning. The presence of some residual U.S. forces would represent the most prudent course of action. The focus of the new security relationship would be deterring attack if necessary but also preserving stability and preventing provocative power projection by others along the East Asia littoral. Military ties would be supplemented by a broader security agenda. In keeping with its interest in becoming a more prominent actor in the region, Seoul should play a more active role in peacekeeping, counter-terrorism, piracy and drug smuggling operations and combating the spread of weapons of mass destruction (WMD).
- **Common Values and Human Security:** As Presidents Bush and Roh confirmed in their May 2003 summit statement, a mutual commitment to democratic values, institutions and ideals, is critical in sustaining the close relationship. In this context, both countries should support and promote the advancement of human rights in North Korea.
- **Deeper Economic Ties:** The third leg would be the deepening of economic ties and the development of regional cooperation. Beyond bilateral benefits, trans-Pacific economic interdependence has been the backbone of East Asian prosperity for the last few decades and will drive the region's economic order in this century. Korea can help to link developed and developing countries.

Washington and Seoul should take the following steps to cope with the near-term problem presented by Pyongyang and to implement their long-term vision of the alliance.

**1. Use the current nuclear crisis to demonstrate a commitment to peaceful coexistence, multilateral cooperation and strengthening of the alliance:** Washington's repeated assertion that it wants a diplomatic solution has to be translated into real action, which inescapably means negotiations and a process of give and take. A negotiated solution that eliminates the nuclear threat probably represents the best possible outcome for the future of the alliance. The alternatives—a North Korea with a growing nuclear arsenal, Pyongyang's chaotic collapse or military action—could create severe problems for the alliance, as well as peace and stability in Asia and the global community. We must work hard to ensure that the talks do not fail—but if they do, it must be because of North Korea, not the United States.

- 2. Plan for inter-Korean reconciliation while maintaining preparedness for the failure of negotiations:** If talks succeed, the United States should offer strong support for reconciliation. But preparedness for failure will help us to avoid another perception and policy gap, where Washington fears exports of nuclear materials from North Korea and Seoul is concerned that measures to stop them might provoke serious tensions or war. A joint approach could include statements reminding Pyongyang that the U.S. nuclear umbrella is still in place, warning against WMD exports and announcing Seoul's participation in the Proliferation Security Initiative. Collaborative thinking about dealing with the consequences of an isolated North Korean collapse will also be needed.
- 3. Issue a joint U.S.-ROK declaration on the alliance in the 21<sup>st</sup> century:** The new declaration—laying out the rationale for sustaining the alliance into the 21<sup>st</sup> century—could be patterned after earlier statements issued in 1996 by the United States and Australia as well as the United States and Japan. Both emphasized not only shared security interests but also a shared commitment to promotion of democracy, economic development and prosperity. Such a declaration might be issued before this year's end to coincide with the 50<sup>th</sup> anniversary of the alliance.
- 4. Enhance the Republic of Korea's primary role in its own defense with the cooperation of the United States:** The alliance's resilience will depend on earnest steps by the Republic of Korea to enhance its own defense capabilities with U.S. assistance in this process and the maintenance of close cooperation and interoperability. In this context, Seoul should increase its annual defense spending. Moreover, the ROK's growing leadership role will require Seoul to gradually develop the capability to fight an integrated, technically advanced war. Washington can provide assistance by supplying key networking technologies. Another priority for South Korea will be to build up its weapons stockpiles to improve its ability to outfit wartime reserve forces if necessary.
- 5. Strive for a more equal partnership, buttressed by effective consultation and alliance management:** Modernization of the bilateral consultation process will require establishing an annual two-plus-two meeting of foreign and defense ministers akin to those that the United States holds with Japan and Australia. Both sides should supplement this with more frequent consultation between the U.S. Ambassador and the U.S. Forces in Korea (USFK) commander, and the ROK Foreign and Defense Ministers. Furthermore, the United States and South Korea, working with Japan, should broaden discussions in the Trilateral Consultative and Oversight Group (TCOG) to include not only nuclear issues but also other issues of mutual concern.
- 6. Build public support for the alliance:** Important steps could include: (1) greater community outreach by the U.S. military; (2) establishment of a Status of Forces Agreement (SOFA) hotline operating twenty-four hours a day to deal with related complaints; (3) revitalization of the Joint Committee designed to oversee the SOFA implementation; (4) enhancement of societal contacts through new track-two efforts that include younger generations and; (5) issuing a detailed report explaining planned shifts in the U.S. force posture in Asia and how changes on the Korea peninsula will fit into that design. The United States should also consider implementing increased education of American soldiers in Korean culture and language through mandatory programs similar to those provided for U.S. troops in Germany.

- 7. Formulate a political agenda based on common values and human security:** Even if not part of the alliance per se, this will help promote the notion that the U.S.–ROK alliance is a deeper relationship than ties between most nations since it is based on common values. In part, this agenda will require maintaining close cultural ties, but new U.S. visa regulations will dramatically restrict those ties. South Korea should be granted a waiver from these procedures like Japan and countries in Western Europe. Working together, the United States and South Korea should also pool resources for the conduct of “soft diplomacy” to promote democratic development and human rights in the region.
- 8. Strengthen economic ties between the two allies:** A vibrant economic relationship will be important to the future resilience of the alliance, enhancing the value of the tie to both sides. The two countries should seek a Bilateral Investment Treaty (BIT), which will serve as a stepping-stone to the longer-term objective of a free trade agreement.

## **Strengthening the U.S.-ROK Alliance: A Blueprint for the 21<sup>st</sup> Century**

### **Introduction**

On its fiftieth anniversary, the alliance between the United States and the Republic of Korea (ROK) stands as one of the most successful security relationships forged out of the Cold War. What started as a pact of mutual convenience—formed between two countries who knew little about one another and had even less in common, except the threat posed by North Korea—has emerged as a prosperous and militarily robust relationship between two democratic countries with market economies. Today, the U.S.–ROK alliance represents a model of success for what the Cold War was fought over.

During the five decades it has been in existence, neither government nor their constituents on either side of the Pacific questioned the alliance's rationale, its substance or its purpose. The alliance has had its contentious moments in the past. But it is worth remembering that the close relationship has evolved over time with Seoul becoming a more equal partner taking greater responsibility for its security today.

Recent events, however, have confronted the alliance with several challenges. The most immediate is the challenge posed by North Korea and its nuclear program. But other developments have also created doubts about the alliance's future. They include: (1) a policy and perception gap between Washington and Seoul over how to deal with North Korea; (2) the emergence of Korean nationalism and anti-American sentiments; (3) U.S. policy post-September 11, which has fueled concerns over American unilateralism and apparent devaluation of alliances; (4) increasing Chinese influence on the peninsula, and; (5) uncertainties about the future of Japan.

Because of these developments, a fresh look at the U.S.-ROK alliance is warranted, particularly at how to insure this close relationship remains strong and vibrant into the 21<sup>st</sup> century. The 50<sup>th</sup> anniversary of the U.S.–ROK alliance represents an important opportunity to do so. With this purpose in mind, the Center for Strategic and International Studies, the Edmund A. Walsh School of Foreign Service of the Georgetown University and the Seoul Forum for International Affairs convened a panel of distinguished South Koreans and Americans. The following report presents their views on this vital topic.

### **Historic accomplishments in a single generation**

Since its establishment in 1953, the alliance between the United States and the Republic of Korea (ROK) has been an unqualified success story. The close relationship between the two partners has benefited both countries across the board.

**Unprecedented economic development:** In the early 1960s, U.S. officials estimated that South Korea would develop from a backward agrarian economy to, at best, a producer of light manufactured goods. No one imagined that South Korea would develop into Asia's third largest economy and the twelfth largest in the world.

While this growth was accomplished through the diligence of the South Korean people, it would not have been possible without the U.S.–ROK alliance and the cooperative relationship with Japan. The critical spur to Korean growth in the 1970s was facilitated by large-scale Japanese financial and technical support. Tokyo engaged in such cooperation in order to solidify its Cold War relationship with Seoul and consequently transform South Korea into a bulwark against communism. Similarly, the United States provided the ROK with its primary export market for decades. The contracts that the United States provided during the Vietnam War also fueled the growth of South Korean conglomerates.

**From authoritarian regime to lively democracy:** The ROK's political transition from authoritarianism to democracy is one of the most rapid in modern history. Autocratic rule followed military dictatorship, which eventually gave way to democratization in the mid-1980s. Democratization proceeded with occasional raucousness but without major bloodletting. Former ROK presidents were put in jail for past injustices. Longtime political dissidents and opposition party leaders were elected to office. Even political mavericks without any of the privileges of the elite or affluence that marked past Korean leadership eventually have attained the highest office of the land. Today, ROK society enjoys one of the most vibrant and dynamic democracies in Asia, if not the world. It has been lauded as a model for many newly democratizing countries.

American support for democratization in South Korea has been steadfast in spite of difficult periods when it was perceived as a supporter of military dictatorships rather than democracy. From Washington's initial efforts to help fashion a constitutional democracy under Syngman Rhee, to the U.S. administrations' efforts to save Kim Dae Jung's life (particularly after he was sentenced to death by an ROK military court in the 1980s), to U.S. opposition to Chun Doo Hwan's contemplation of martial law in 1987, the United States can point to the Republic of Korea as one of its most successful postwar experiments in democratization.

**Progress achieved under the protective security wing of the alliance:** The bedrock for successful democratization and economic development in the Republic of Korea was the U.S. security commitment. To borrow a phrase from Joseph Nye, the alliance provided the "oxygen" that enabled South Korea to thrive by allowing it to devote most of its economic resources and political attention to economic development rather than military defense. While Seoul has had a substantial defense budget, it benefited by spending less on defense as a percentage of its gross domestic product (GDP) than most other peer countries, and considerably less than had it faced the North Korean challenge on its own. Moreover, the backing of the United States helped give South Korea the sense of security that enabled it to emerge as a global player and host international events—such as the Olympics, the World Expo and the World Cup—in the face of the military threat from the North.

To be sure, the alliance has had benefits for Washington as well. It has been critical in ensuring the defense of Japan and allowing the United States to maintain a forward force projection in East Asia—all of which has been essential to the maintenance of regional peace and security. Originating, in part, as a “bribe” to Syngman Rhee to get him to accept the armistice in 1953, the alliance has grown into a close military relationship characterized by interoperability, an integrated command, and an immeasurably more capable South Korean military force.

## **Time for deep introspection**

As the U.S.–ROK alliance enters its sixth decade, it has been hit by a number of problems simultaneously. While a U.S. military commander in South Korea stated only a few years ago that his mission would remain valid for another fifty years, such a claim now seems unlikely. Certainly, the U.S.–ROK alliance will be different in the future than it was in the past. But what exactly does that mean?

There are important reasons why the alliance still has utility for both countries:

**Security Cooperation:** The Korean peninsula remains a dangerous place; it is the only part of the world where the remnants of Cold War confrontation remain. The U.S. military presence continues to deter aggression from the North and, if that fails, to defend the territory and political integrity of the Republic of Korea. From the U.S. perspective, it also plays an important role in preserving a forward based, strategic presence in Northeast Asia and, as one expert notes, “a crucial frontline vis-a-vis the U.S.–Japan alliance.” The bilateral relationship serves as a pillar for the U.S. alliance system throughout East Asia, designed to maintain regional stability and prevent the rise of regional powers that might threaten neighboring nations.

**Strong and growing economic ties:** Economic relations today appear to be less contentious than at any time in the past two decades. While the United States is South Korea’s second largest trading partner, South Korea is the seventh largest trade partner with the United States (ahead of France, Italy and Taiwan) and sixth largest export market. Moreover, the United States is by far the biggest investor in South Korea. Although China has been the largest recipient of South Korean outward investment (\$1.6 billion), the United States is the second largest recipient (\$1.2 billion). Even as China naturally gains a larger share of South Korea’s trade and investment, the absolute amount of trade between the United States and South Korea continues to grow and will likely do so in the future. The U.S. role in merchandise trade is eroding but is growing in the newer, more rapidly expanding areas of service and investment.

**Close Cultural Ties:** Almost two million Koreans have immigrated to the United States over the years and their numbers continue to grow. From 1990 to 2000, the

Korean-American population increased by 34 percent, forging a presence in areas such as politics, business and academia. This trend will no doubt increase. Given the high aspirations of Korean immigrants, they will have an impact on U.S. society disproportionate to their numbers. In 2000, for instance, 61 percent of Korean-Americans had earned a college degree—almost twice the proportion as in the general population. Furthermore, while Korean fascination with American popular culture is not unique, it is still evidence of the pervasiveness of the U.S. impact on South Korea. Students come to the United States to study in great numbers. In 2002, over 337,000 Koreans applied for travel visas.

**Common Values:** There are a host of extra-regional issues—liberal democracy, open economic markets, universal human rights, anti-terrorism, peacekeeping, open society, free press and the rule of law—that help define the U.S.-ROK relationship. These common values represent the corollary success stories of the alliance. Recognizing the importance of these values, South Korean President Kim Dae Jung stated during his 1998 summit with President Clinton that a higher level of partnership would be based on the “treasured values of democracy and market economy.” The same theme was echoed in the statement released after the Roh-Bush May 2003 summit, which emphasized the promotion of “democracy, human rights and market economy shared by the people of both nations.” In this context, both countries also remain concerned about the human rights situation in North Korea.

While there is a strong case supporting the importance of the bilateral alliance, recent domestic, regional and international developments have begun to erode this logic. It is difficult to say whether these are long-term or temporary trends. However, policymakers in both countries cannot afford to ignore current disconnects and tensions:

**1. The United States has more diverse interests than peace and security in Northeast Asia for the moment, and is perceived by some as being less friendly to alliances.** U.S. foreign policy is shifting dramatically. During the Cold War, containment, deterrence and a global balance of power were necessary to deal with the Soviet Union. The leadership of the United States was accepted in the context of institutionalized coalitions, consultation and joint decision-making. But after ten years of searching for a unifying foreign policy theme to replace containment, September 11 has brought into sharp focus a new priority—the threat posed by terrorist groups and the danger that they may secure weapons of mass destruction (WMD). Some U.S. pronouncements touch on the need to strengthen alliances to fight terrorism and to work with “other main centers of global power.” But there is a global impression, based on other statements and actions, that Washington is focused on a more unilateral, preemptive strategy in attacking terrorists and confronting rogue states seeking weapons of mass destruction.

This raises two potential implications. First, the perceived U.S. shift towards unilateral action has undermined the strength of some alliances and caused a backlash in key countries. In South Korea, that perception has added to the ever-present fear that Washington will sacrifice South Korean interests for its own. The perception has been fueled by recent pronouncements by some Americans that U.S. troops should be withdrawn from South Korea in view of anti-American sentiment and differences over handling North Korea. It

has also been aggravated by the gap between U.S. and South Korean positions in dealing with Pyongyang, particularly the concern that the Bush Administration might unilaterally resort to the use of force.

Second, the new emphasis on fighting terrorism has raised questions among some in the region about the durability of America's longstanding alliance commitments in Asia. Washington still has a vital interest in maintaining peace and security in Northeast Asia, particularly as long as North Korea continues to pose a threat to its neighbors and differences with China over Taiwan continue. But fighting terror has become just as—or some would say even more important—than that traditional priority. According to those experts, the result may be a greater emphasis on fighting extremism in Southeast Asia. Such a trend has already started with America's efforts in the Philippines and may accelerate if military measures alone are insufficient to deal with weak states such as Indonesia sinking into chaos.

For the moment however, this increased focus on terrorism in Southeast Asia has involved mainly special operations forces, intelligence and police cooperation as well as support from regionally mobile forces stationed in Northeast Asia such as the U.S. Marine Corps and the Navy's Amphibious Ready Group. This has not been at the expense of long-standing missions assigned to the U.S. forces in the region such as deterrence in Korea or the Taiwan Straits.

The rise of new priorities is reflected, in part, by moves to realign the U.S. global military posture. An enormous transformation is underway to cope with evolving security threats. The idea is to improve the U.S. military's agility by shifting forces closer to locations—seaports and airports—where they may quickly move off the peninsula. Because it is a departure from fifty years of experience, this has only added to questions about Washington's vision for the future. In Korea, the plan to move the Second Infantry Division away from the DMZ makes military sense—it will increase military effectiveness against North Korea while making U.S. forces more “expeditionary” for deployments off the peninsula. Yet the shift has also provoked controversy in South Korea due to increased perceptions that the United States is acting unilaterally. Such suspicions have only added to doubts about the future of the alliance.

Whether or not these changes represent long-term trends remains unclear. Certainly, the shift in America's military posture represents a tangible change, even if some of the practical details are adjusted later on. Still, the pendulum of unilateralism may swing back. Whereas dealing with Saddam Hussein's Iraq was a high-water mark of unilateralism, the lesson of post-war Afghanistan and Iraq seems to be the need to work multilaterally. The Administration's approach to dealing with North Korea—in the context of multilateral negotiations—may be a key litmus test. If successfully managed, those negotiations could communicate a new commitment to take into account the interests of other countries, including South Korea. If not, fears about U.S. intentions to act unilaterally could be confirmed.

Uncertainties on the international front are matched on the domestic front. Public support remains crucial for the U.S.-ROK alliance relationship. In the United States, public opinion data indicates substantial support for close relations. Korea's standing as a vital interest is

now on par with Japan, China and Russia, the highest level in 25 years. Furthermore, opinion polls indicate that South Korea's status as a close ally or friend is second only to Japan—the smallest margin in sixteen years. Support for maintaining a U.S. troop presence in South Korea also has risen dramatically, as has a willingness to come to the South's assistance in case of a North Korean attack.

Nevertheless, there remains an important weakness in how Americans regard the bilateral relationship, as reflected in poor levels of awareness about events in Korea and soft attitudes about future commitment to the alliance. Even today, the general public is unaware of anti-American sentiments in Korea. Since knowledge of events in Korea is shallow, attitudes could be sharply affected by future developments, easily moving dramatically in either a positive or negative direction depending on the course of events.

**2. The rise of Korean nationalism and anti-American sentiment.** There are deep divisions in South Korea over the utility of the alliance, policy toward North Korea, and relations with other powers in the region. While anti-American sentiment is a global phenomenon, in South Korea it is more than a temporary issue—exacerbated by poor U.S. public relations, the unfortunate death last year of two schoolgirls in an accident with U.S. troops, and the conflicts at the 2002 Winter Olympics. In addition, anti-Americanism reflects a rising sense of national pride as well as resentment and mistrust of the ruling elite in Seoul and Washington.

One factor causing this situation is the consolidation of democracy. Decades of authoritarian government allowed the existence of a veneer of a compliant, conservative populace but masked fairly large, progressive segments of the population. Democracy stripped away that veneer and allowed the emergence of a vibrant political left. The meaning of the 2002 presidential election of Roh Moo-hyun will be debated at length, but one conclusion is that the conservative establishment no longer holds a political monopoly. Progressives may not become dominant but neither will the right.

Second, cultural and demographic changes have led to a deep divide in attitudes. Older generations that experienced the Korean War view the United States more positively. The “386” generation (in their thirties, graduated from college in the eighties, and born in the sixties) is more globalized and tends to distrust the United States. It believes Washington is operating the alliance for its own interests and sees Korea's future focused on Asia, not the United States.

But this same generation also exhibits a “jumble” of positive and negative images of the United States—for example, they believe that U.S. military power has been used for good reasons (to protect Korea) as well as for bad (to achieve world domination). Moreover, recent polls show that negative views of the United States are declining among the group of those who are between 20–30 years old, which has strongly opposed the United States in the past.

Third, historical memories reinforce a persistent fear that Washington will sacrifice Korean interests for its own. These memories run the gamut from the Taft-Katsura treaty of 1905, which essentially handed Korea to Japan, to American plans to reduce or remove troops when the South Korea was still vulnerable in the late 1960s and 1970s. Additionally,

although still debated, an element of the population is convinced that Chun Doo-hwan could not have suppressed the Kwangju uprising without at least implicit U.S. consent.

South Korean reactions to other U.S. policies echo these fears. Some viewed the solutions advocated by the International Monetary Fund (IMF) to the economic crisis in the late 1990's as an American-backed effort to secure Korean trade concessions (economic pressure is the number two reason cited for disliking the United States). Sympathy for the United States following September 11 evaporated as the overwhelming majority of South Koreans had negative views about the U.S.-led war on terrorism. Skepticism about the war in Iraq has also been widespread. Although Seoul has dispatched engineers and medics to participate in the efforts in Iraq, further deployments of ROK armed forces are the subject of sharp debate. From the South Korean perspective, the United States has seemed bent on expanding its global influence rather than on preventing further attacks—an attitude that, in their perspective, could lead to a conflict with North Korea.

Even supporters of the U.S.–ROK alliance see the United States as not consulting on major decisions and making choices that leave Seoul vulnerable. This explains the broad-based, negative reaction to the decision to move the Second Infantry Division away from the Demilitarized Zone (DMZ). It has been seen by conservatives as petulant and premature and by others as allowing the United States to start a war against North Korea by taking its troops out of harm's way.

In sum, South Korean views of the United States, while conflicted, point towards a changing domestic environment for the U.S.–ROK alliance. Whether that environment will be hostile or merely more critical remains unclear. The volatility of South Korean views toward the security relationship with the United States makes it difficult to predict with certainty. Moreover, there seems to be a substantial percentage of “undecided” or “have no opinion” on polling questions related to the U.S.–ROK alliance, indicating a soft middle of highly impressionable opinion that can sway in either direction. Nevertheless, one thing is clear: there will be no return to South Korea's historical unanimity of attitudes and unquestioned support of the United States.

**3. A perception and policy gap on North Korea.** Differences between Washington and Seoul over how to deal with North Korea are nothing new. During the 1994 nuclear crisis and its aftermath, for instance, Washington seemed more interested than Seoul in reaching negotiated solutions. But the differences in the past were often over tactics and priorities, and they were resolved in large part because of the glue that bound the alliance together—the common perception that North Korea represented a serious security threat.

President Kim Dae Jung's Sunshine Policy began to change that perception. In spite of criticisms that he conceded too much, more than half the South Koreans polled at the end of his term indicated that they thought North Korea had changed and believed the possibility of war had disappeared. After the June 2000 inter-Korean summit, as news about the North became commonplace, what had historically been an unknown monolith became a more “real” picture. This, combined with joint athletic teams at international competitions, increased trade, family reunions, and the reconnection of the railway through the DMZ, has made Pyongyang appear to be more of a poor nation than a serious threat.

As long as the United States shared the same policy of engagement in dealing with Pyongyang, this change appeared to be manageable. But the election of a new U.S. Administration that is skeptical about that approach and is rather focused on the threat posed by North Korea has put the two allies at odds. This skepticism became fully apparent after September 11 and President Bush's "axis of evil" speech in January 2002, a pronouncement that hit a raw nerve in South Korea. The disclosure of Pyongyang's secret uranium enrichment program in October 2002 and the subsequent breakdown of the 1994 agreement only served to highlight the growing perception and policy gap between the two countries.

The summit between President Bush and President Roh may have begun the process of closing that gap, or at least better managing the differences. Swept into office by the same young voters who strongly supported the Sunshine Policy and who were more skeptical about close ties with Washington, President Roh's vision of inter-Korean reconciliation has seemed out of place to Americans. So has his focus on negotiations to the perceived exclusion of tougher measures even with the revelations of the North's secret uranium enrichment program. According to this view, recent events have only reinforced the dangers of the Sunshine Policy: nuclear cheating or the transfer of fissile materials and weapons to terrorist groups.

From the perspective of President Roh's government, the Bush administration's perceived interest in fostering Pyongyang's collapse or in using military force to resolve the nuclear issue was unacceptable. Both would threaten not only the lives of the South Koreans but also the economic and political progress made over the past three decades. Magnified by other tensions in the relationship—anti-American sentiments and concerns about the United States acting on its own—this perception of the Bush administration's approach to North Korea has become the prism through which South Koreans view U.S.-ROK security relations. This also accounts for the view among many that the plan to redeploy the Second Infantry Division away from the DMZ is a prelude to an American attack on Pyongyang.

In both cases, however, perceptions have begun to shift. It appears to Americans that President Roh more clearly understands the need to at least have in reserve the possibility of tougher measures and that President Bush is committed to a peaceful resolution. But differences remain. Exactly how these differences affect the U.S.-ROK alliance will depend on the outcome of current efforts to deal with North Korea.

Granted, a substantial portion of the South Korean population still harbors a highly skeptical view of Pyongyang. But even conservatives are concerned about U.S. policies that seem to overemphasize tough measures to the detriment of a peaceful solution. On the one hand, a well-managed process of negotiation—which will require shifts on the part of both Seoul and Washington—would benefit the U.S.-ROK alliance. On the other hand, the escalation of North Korea's nuclear threats may become so obvious—through the conduct of a nuclear test, for example—that threat perceptions and policies could converge once again. The worst outcome for the U.S.-ROK alliance would be a mounting crisis with the perception that the United States is at fault.

**4. China's growing role on the Korean Peninsula.** From the “Korean wave” of pop culture in China to the 1.5 million Koreans and Chinese who visit each other's countries to the thousands of Korean students studying in China, Beijing's ties with South Korea are expanding. Perhaps most striking has been the growth of South Korea's economic links with China. As Seoul's primary trading partner, China is seen as the new economic frontier. South Korea is also the fifth largest foreign investor in China. Moreover, polls show that South Koreans view China as their most important economic partner over the next decade.

Coupled with economic ties, Beijing has been playing a greater role in promoting inter-Korean reconciliation. Its support for the Sunshine Policy and efforts to keep ties with the North on an even keel have allowed China to enjoy better relations with both Koreas than any other power in the region. Its brokering role has blossomed during the current crisis. Nevertheless, while some Koreans may view China as one of the most important foreign influences on the goal of reunification, there are tensions, particularly over North Korean refugees on Chinese soil, some of whom have been hunted down and returned home.

While culture, economics and geographic propinquity could pull the Korean Peninsula away from the United States and toward its Asian neighbor in the future, there remain important factors that limit South Korea's relationship with China. First, in spite of rapidly developing economic ties, Beijing's growing competitiveness will have an increasingly negative impact on Seoul's export industries that could soon feel the pinch at home. Such a development may outweigh the gains of getting into the Chinese market.

Secondly, regime type matters. A full-scale political and strategic relationship that replicates and replaces what South Korea has had with the United States is unlikely if China's political system remains as it is today. There are natural limits to how closely liberal democracies like South Korea can tie themselves to non-democracies. Moreover, China, unlike the United States, has shown territorial ambitions towards Korea in the past.

Third, geographic realities (surrounded by great powers) dictate that Seoul will continue to find its interest in allying with the biggest power that is the farthest away. South Korea's recognition of this reality is reflected in the fact that an overwhelming number of South Koreans viewed the United States as their primary strategic partner over the next decade even at the height of recent anti-American demonstrations. In a more recent poll, 41 percent saw the United States as the most important country diplomatically—twice as many as those with the same view of China.

Fourth, Washington and Beijing are not competing in a zero sum game with the future of the U.S.-ROK alliance hanging in the balance. Beijing does not want a Korea dominated by the United States but it does see the benefits of an American presence in the region even after reunification to forestall weapon proliferation and act as a buffer against Japan. A great deal will depend on whether the current U.S. view of China as an ally in the war on terrorism rather than a strategic threat can be sustained. If the two continue to find common ground, then the negative impact of a growing Chinese-Korean relationship on the alliance could be manageable. If relations take a turn for the worse, Beijing's—and Washington's—attitudes could harden, which would create new stresses.

How Washington and Beijing cooperate in resolving the nuclear crisis could be an important bellwether. While the two have managed to work together on Korean issues in the worst of times, given the severity of the current threat, this crisis could prove an even greater test. If they can forge a common effort to deal with an overtly nuclear North Korea or reach a negotiated solution that aborts Pyongyang's program, that could set the stage in a positive way for future U.S.–ROK alliance.

Ultimately, the impact of Chinese–Korean ties on the U.S.–ROK alliance may depend on how well Washington manages its relations with Seoul. The danger is that continuing U.S.–ROK tensions over North Korea and an American inability to accommodate South Korea's yearning for greater autonomy could erode the foundation of bilateral ties and push Seoul into Beijing's arms.

**5. Japan's uncertain future.** For five decades, Tokyo has been a staunch ally of the United States. The two countries have overcome the challenge of redefining and reaffirming their alliance in the mid-1990s in order to adapt to the changes in the post-Cold War security environment. Since then, many argue that security ties have grown even closer, including Tokyo's unwavering support for the United States in the war against terrorism and in Iraq. Close U.S.–Japan relations are also reflected in the good personal rapport between President Bush and Prime Minister Koizumi.

However, uncertainties about Japan's future abound. It remains in a prolonged economic slump—in sharp contrast to China's record of steady economic growth—with potential implications for its political influence in the region. A steadily aging population only adds to this concern. While U.S.–Japan relations seem particularly close, some Japanese officials have noted that it may have peaked at the recent Crawford Summit. They expect Washington to pressure Japan to address its economic problems, creating strains in the bilateral relationship. The rise of Japanese nationalism is another danger. It may continue if Tokyo fails to regain a sense of confidence and frustration mounts, which would create anxiety in Seoul. (Paradoxically, that would probably foster a closer U.S.–South Korean relationship.)

Whether these trends can be reversed is unclear. Recently, there has been discussion of possible Japanese nuclear ambitions and interest in playing a greater role in support of overseas military operations, creating muted anxieties in both Beijing and Seoul. At the same time, there also have been some positive signs of economic recovery. If that continues and right-leaning voices are replaced by more moderate views, Tokyo may move in a positive direction.

As Japan undergoes continued difficulties, the region will watch to see how it responds. What are the implications of a Japan that is more assertive in international affairs but more frustrated at home? Will Japanese nationalism, on the rise, become less benign should domestic frustrations mount? Will Japan revise Article 9 of its constitution to allow a more assertive military role? How will Japan deploy its advanced military capabilities, such as helicopter carriers, missile defenses on advanced warships, and air refueling tankers? How serious will Japan be about the nuclear weapons option should North Korea move forward with its program? And how committed will Japan continue to be to its alliance with the United States, and the United States to Japan in coming years should Tokyo's ability to

contribute substantially to the alliance decline, or tensions between the two mount? The answers to these questions—and the future of Japan and its alliance with the United States—will necessarily affect the U.S.–ROK alliance given the close connections between the two sets of relationships.

## **The Alliance In the 21<sup>st</sup> Century**

The U.S.-ROK alliance is facing an uncertain future. In some ways, this challenge is not new. The past two decades have already seen considerable change on the Korean Peninsula as a result of the demise of the Soviet Union and increasing North-South contacts leading to rapprochement during the 1990's. Yet, the U.S.–ROK alliance has adapted. South Korea has emerged in its own political right on the international scene, paralleling its economic development, and has assumed growing responsibility for its own defense. Seoul has become far less dependent on Washington and the partnership has become far less unbalanced.

The current problems confronting the U.S.–ROK alliance are not unique. Since the collapse of the Soviet Union, the North Atlantic Treaty Organization (NATO) has been seeking to redefine itself in response to the changing international environment. This process has been long and painful as a debate developed over, in the words of one expert, “whether NATO should be preserved, reformulated and made the centerpiece of Europe’s new security architecture.” But one key difference is the United States and the Republic of Korea cannot afford to muddle through since their close relationship does not enjoy the same resilience as the American alliance with Europe.

The challenge of dealing with the forces of change is compounded by major uncertainties about North Korea. Just a short time ago, it appeared that the Korean Peninsula was on the cusp of an important change that might lead it out of Cold War confrontation to greater peace and stability. Now, as the second nuclear crisis plays itself out, the future is unclear. Complicating matters further, predicting the pace of change is difficult; it can be evolutionary or revolutionary. The specter of North Korea’s sudden collapse has been on the mind of its neighbors and the United States since the disintegration of the Soviet Union.

An effective strategy for the U.S.–ROK alliance in the 21<sup>st</sup> century will have to carefully consider how to deal with the near-term problems posed by North Korea (see the next section) but must do so in the context of a long-term vision for U.S.–ROK relations. Assuming Korean reunification will eventually, and probably unpredictably, happen, there are four possible outcomes. First, a reunified Korea could remain in alliance with the United States. Second, it might return to the historic pattern of a state within China’s orbit. Third, Korea could be strategically independent, friendly with neighbors and strong enough to deter aggression. Or perhaps it could be more assertive in seeking regional influence. Finally, Korea could be neutral with its security underwritten by regional powers in return for maintaining a limited defense establishment.

In that context, it is not too difficult to imagine a future peace that is unappealing. The domestic politics of Korean unification could push the U.S. off the Korean Peninsula. For geographical and historical reasons, a reunified Korea might seek a continental accommodation with China. Indeed, it might join Beijing in heightened tensions with Japan as a combination of resurgent Korean nationalism and new military capabilities incite security dilemmas with its historic enemy. Or a demographically old Japan might become isolated from Korea but at the same time uncomfortable as the last remaining U.S. outpost in the region. None of these outcomes would be in Washington's interests if it intends to remain an Asia-Pacific power, nor are they in the interest of Korea or the region because of possible instability.

In view of these potential dangers, a continuing security alliance with the United States represents the best long-term outcome for all concerned for the following reasons:

- The U.S.–ROK alliance (and various ties with Japan) will provide a bulwark that ensures that geo-strategic currents do not result in the expulsion of the United States, Japan's isolation or heightened tensions between Korea and its neighbors. It will be a platform from which to address mutual concerns about regional stability, the effective management of the possible rise of another dominant power and a possibly intense and destabilizing competition between Japan and China, or even Japan and Korea.
- The alliance would serve a nonproliferation function as well as dampen security dilemmas that might escalate into tensions.
- In the wake of reunification, the alliance with the United States could provide Korea with a security blanket, freeing it to pursue the many and difficult tasks that will be part of the process of reunification without outside interference. Without that relationship, South Korean defense spending would have to double or triple in light of security uncertainties other than North Korea.

While the threat of North Korea has formed the foundation of the U.S.–ROK alliance in the past, in post-reunification Korea, U.S.-Korean relations should be broader and deeper in ways other than security where it may become less operationally important. In this context, the redefined U.S.–ROK alliance should be based on three legs:

**A New Security Agenda:** The core of the alliance would be the security tie between the United States and the Republic of Korea. It would have four components. The first would be a continued treaty commitment to the defense of Korea. The second would be a revamped strategy designed to deter attack if necessary but also to prevent dangerous conflict situations and the power projection by others beyond the East Asia littoral. The third component would be reduced, residual U.S. military forces to help implement this strategy. While some would argue that a minimum requirement would be access to an airbase (with U.S. aircraft periodically deployed to the site), maintaining a ground and air force presence deployable in regional contingencies would be the most prudent course of action. It would demonstrate that the alliance is a regional alliance, strengthen the U.S. commitment to automatic involvement in any development on the Korean Peninsula and

prove America's political determination. Finally, other joint military activities would also demonstrate a close security tie such as periodic troop deployments for training and joint exercises, joint planning, port visits, South Korean training in the United States and pre-positioning of equipment to support any additional U.S. force deployments.

While this long-term posture is designed for a reunified Korea, it might also be appropriate if peaceful coexistence prevailed between the two Koreas. The cardinal requirement for moving to this posture would be a greatly reduced chance of a North Korean attack, backed up by Pyongyang's word and deed. Verifiable agreements would limit the deployments and numbers of conventional forces, a peace treaty will have replaced the armistice, North-South contacts will have blossomed and normal ties between Pyongyang and the rest of the world will have accelerated.

The core military ties would be supplemented by a broader security agenda. South Korea has a strong interest in becoming a more influential regional player, reflected in its ambition not just to become a regional economic "hub" but also in acquiring weapons (such as AEGIS naval vessels and long-range aircraft) to back up that larger vision. Achieving this objective may be possible if Seoul becomes more active on issues such as peacekeeping and anti-terrorism as well as anti-piracy and drug smuggling operations (the ROK has already participated in five U.N. peacekeeping operations, including providing combatants for East Timor in cooperation with Japan and other countries). An additional item for the broadened security agenda should include cooperation in combating the spread of weapons of mass destruction (WMD). Reinforcing this agenda would be a continuation of U.S.-ROK intelligence-sharing focused on these new issues.

Third, building closer ties between U.S. allies and fostering multilateral institutions would also supplement a continued alliance. This process has already begun in the ROK-Japan relationship, both in the security realm and with talk of a free trade area between the two countries. At the same time, the United States and South Korea should work with others to create an inclusive regional community based on the concept of "cooperative security." The new framework would not be designed to supplant or even unify U.S. alliances but initially would act as a confidence-building measure, providing a venue for discussion and information exchanges. That might open the prospect for institutional evolution over the long-term. But a strong alliance should be the basis for this initiative. Otherwise, pursuing a regional community might undermine the bilateral tie.

**Common Values and Human Security:** The second leg of the bilateral alliance is a mutual commitment to improve human security in the Asia-Pacific region. Both countries have already begun this process, most recently through the Bush-Roh pronouncement emphasizing common values between the two countries. The concept of human security builds on those values and a commitment to democratic development, human rights, freedom of the press, rule of law, good governance, sustainable development and social equity. It has gained widespread acceptance in Europe; the 1996 Organization for Security and Cooperation in Europe (OSCE) summit concluded that a "comprehensive" system of security had to cover more than simply military security.

The United States and the Republic of Korea, working together, could play a key role in improving human security in the region. Unlike the evolving military picture, this partnership would not have to wait until reunification or peaceful coexistence between

North and South Korea. In the wake of the Asian economic crisis, human rights violations have intensified and democratization has been gagged in some places. Threats to independent media have increased and electoral fraud, aggressive nationalism, racism and involuntary migration are all the more evident. Through building coalitions among like-minded countries and pooling resources for the conduct of “soft-power diplomacy,” the United States and South Korea would create new areas of cooperation, focusing on human security that would supplement the already strong security tie.

**Deepening Economic Ties:** With the growing importance of political economy in international relations, the prominent position of market economies in Northeast Asia harbors political, strategic and economic implications. In this context, trans-Pacific economic interdependence has been the backbone of prosperity for the last few decades and will constitute the single most important factor determining the region’s economic order in this century. This interdependence is a two-way street, benefiting both Asia—including Korea—and the United States. In this context, Seoul and Washington need to deepen bilateral economic ties and work together on regional economic cooperation. Korea can play an important role throughout the region. For example, in view of the enormous differences in the level of economic development, it can act as a bridge between developed and developing countries.

## The Transition

Even with a long-term vision of the alliance, policymakers still have to confront the age-old question of how to get there from here. While both countries have to deal in the near-term with the significant problem posed by North Korea, whatever steps are taken today in addressing that problem as well as issues in the U.S.–ROK relations should be implemented in the context of this long-term objective. There are some initiatives already in place that could serve the alliance well:

- **Land Partnership Program:** The U.S. military will consolidate its bases by 2011, returning substantial amounts of land to the Republic of Korea. The \$2.5 billion cost of implementation will be shared by the two sides.
- **Yongsan Garrison Relocation:** The current garrison, conspicuously located in the center of Seoul, will be relocated to Osan and Pyeongtaek by 2006. The major portion of that relocation will take place much sooner.
- **Future of the Alliance Initiative:** This initiative is intended to adapt the alliance to reflect changing circumstances. It will consider issues such as the consolidation and relocation of U.S. Forces in Korea and the transfer of certain responsibilities from the U.S. military to the ROK armed forces.

Some of the issues that have or may affect the future of the alliance are beyond the scope of this report, but dealing with them will be critical. How U.S.–China relations develop—

particularly in handling the thorny issue of Taiwan—as well as Japan’s role in the region will have an enormous impact. Likewise, the direction of American foreign policy—particularly unilateralism and its effect on alliances in Europe and in Asia—will also be important. Finally, the continued development of ties between other U.S. partners in Asia, for example Japan and Korea, could be critical.

But the greatest challenge facing the United States and the Republic of Korea in the near-term is North Korea. Put starkly, events in the coming months could determine whether it will be possible to return to the path of reconciliation through negotiations or whether North Korea will become a nuclear power. If it is the latter, the prospects for shaping the future of the alliance in a positive way will become even more difficult as the allies struggle with how to deal with the new danger.

Washington and Seoul should implement the following recommendations, designed with a long-term vision of the alliance in the 21<sup>st</sup> century in mind, but also taking into account the key uncertainty of North Korea.

**1. Use the nuclear crisis to demonstrate a commitment to peaceful coexistence, multilateral cooperation and the future of the alliance.** The current crisis represents the intersection of trends that could dramatically affect the alliance’s future. Korean nationalism and anti-American sentiment have been fed by differing perceptions of Pyongyang and fears that Washington will not take Seoul’s interests sufficiently into account. The crisis also will be an important bell-wether of future U.S.–China cooperation on the Korean Peninsula. Finally, it will provide important hints to Japanese officials struggling with their own security policy as to Washington’s ability to handle a key security threat.

Having demonstrated a strong commitment to multilateral negotiations, Washington now must do everything possible to make those discussions work. Recognizing the downsides of rewarding North Korea that had violated previous agreements, it is also important to recognize the broader implications of the upcoming talks. A negotiated solution that eliminates the nuclear threat represents the best outcome not only for the future of the alliance, but also for peace and stability in Asia and the global community. That certainly appears to be the case when considering the alternatives, a Pyongyang armed with a growing nuclear arsenal, the chaotic collapse of North Korea after a period of isolation or military action triggered by fears of a nuclear North Korea exporting bomb-making material. In short, Washington’s repeated assertion that it wants a diplomatic solution has to be translated into real action which inescapably means negotiations and a process of give and take.

If negotiations are properly conducted—through close cooperation with Seoul and others—there could be a positive spillover for the alliance. It could dampen (although not eliminate) anti-American sentiment and the damage caused by differing threat perceptions of Pyongyang as well as enhance prospects for future U.S.–China cooperation. On the other hand, if the United States breaks ranks and forms a coalition of the willing to deal with a recalcitrant North Korea, that could have the opposite effect, which would only stress the alliance further. Of course, North Korea could take drastic actions—such as setting off a nuclear test—that could dramatically increase threat perceptions in Seoul and minimize

stresses on the alliance. But in the event talks fail, it must be because of North Korea, not the United States.

**2. Plan for a return to inter-Korean reconciliation but be prepared for the failure of negotiations.** If negotiations are successful and set the two Koreas back on the track of reconciliation, the United States should strongly support this process. That would entail a number of steps. Washington would have to try to keep relations with North Korea on an even keel. It should also actively support follow-on arrangements that would further reduce the security threat and stabilize the peace. Strong support of reconciliation and movement toward a less tense atmosphere might require Washington to find political, diplomatic and perhaps other ways to help South Korea pursue joint projects in the North. The United States might also support any new KEDO-like, task-oriented, multilateral organizations emerging from the Six Party Talks in order to implement its terms.

Being prepared for a potential breakdown of negotiations will also be important. The prospect of a North Korea with a growing nuclear weapons arsenal could create new stresses for the alliance. The danger will be another perception and policy gap, this time between Washington's fears of nuclear exports and Seoul's concern that measures to stop those exports might provoke serious tensions, perhaps even war. In the event of failure, Washington and Seoul should work together to hammer out a joint approach that could include firm public statements by the United States reminding Pyongyang that its nuclear umbrella is still in operation. South Korea also might consider joining the Proliferation Security Initiative designed to stop exports of drugs, counterfeit money, weapons of mass destruction and other related materials.

Finally, Washington and Seoul should be in sync on how to deal with the consequences of a possible collapse of North Korea. The reality is that a nuclear North Korea is likely to be virtually isolated from the international community. Collapse cannot be ruled out. Joint planning of such a scenario has taken place in the past and should be updated to deal with key humanitarian, political, legal, security and economic issues. Regional cooperation will be essential in coping with these potential problems.

**3. Issue a joint U.S.–ROK declaration for the 21<sup>st</sup> century.** Ever since the alliance was formally launched in the aftermath of the Korean War, the two sides have worked hard to adapt to the changing political and security environment. Notwithstanding their success, it is crucial to lay out a new *raison d'être* for the alliance well into the 21<sup>st</sup> century. The United States has taken this course with other key Pacific allies. For example, the 1996 Sydney Declaration by the United States and Australia defines a common bilateral agenda for the future, including a commitment to promoting democracy, economic development and prosperity. The 1996 Tokyo Declaration was a similar exercise, followed by more detailed defense guidelines governing security cooperation. In this respect, Seoul and Washington should actively consider a joint declaration by the end of the year to coincide with the 50<sup>th</sup> anniversary of the U.S.–ROK mutual defense treaty.

**4. Enhance South Korea's defense role in tandem with the United States.** The alliance's resiliency will depend on steps by South Korea to augment its defense capabilities, by the United States to support Seoul's assumption of more responsibilities and by both countries in maintaining interoperability. The recent problem of adjusting the U.S. force

posture in Korea highlights the shifting defense equation and the political difficulties of making this change.

In a recent speech, President Roh emphasized the need for South Korea to become increasingly responsible for its own defense. That will require an increase in annual military expenditures, particularly since South Korean defense spending in recent years has been significantly less than other countries facing similar security threats. The government needs to seriously pursue this objective and to sustain increases over the coming decade if it is to be successful.

South Korean ground forces will continue to play a major role in deterring and defending against an invasion from the North. In the near term, Seoul is capable of handling new missions that have resulted from the recent adjustments in the division of roles between U.S. and ROK militaries including security along the Demilitarized Zone (DMZ). But if Seoul aspires to an increasing leadership role, it will have to develop the capability to fight an integrated, technologically advanced war. While deterrence remains the main mission, the ROK military will also have to be capable of defending against North Korean conventional attacks on key population centers. This will be a difficult requirement to satisfy.

One of the areas for improvement for the ROK armed forces will be the development of a command, control, communications, computers and intelligence (C4I) framework to integrate new weapons systems. That will require the two partners to share key networking technologies. Since South Korea is perhaps the most computer literate country in the world, it is fully capable of absorbing these advanced U.S. technologies. In the end, a positive relationship would benefit from such a joint effort and serve Korea well into the future. Another priority will be to build up equipment stockpiles in order to equip wartime reserve forces if necessary.

Finally, any transition will necessarily require close cooperation and interoperability between the U.S. and South Korean militaries. For example, steps could be taken to ensure that the South Korean military is kept fully informed of the transformation in U.S. strategy and doctrine. Second, the two countries should explore means of further defense industrial cooperation and whether the transfer of defense technology can be improved and expanded.

**5. Pursue a more equal U.S.–ROK relationship, buttressed by effective consultation and alliance management.** Redefining the alliance will require the United States and South Korea to forge a more equal relationship that is in sync with domestic, regional and international realities. As the alliance confronts new challenges with an expanding security agenda, it is imperative to modernize the bilateral policy consultative process.

First, the United States and the Republic of Korea should establish an annual meeting of foreign and defense ministers akin to the two-plus-two U.S.–Japan and U.S.–Australia meetings. The new meeting should be held annually (alternatively in Seoul and Washington, D.C.) and the existing Security Consultative Meeting (SCM) between defense ministers should be merged into the new format. However, the annual Military Consultative Meeting (MCM) between the two Joint Chiefs of Staff (JCS) should be maintained in order to sustain close coordination between the uniformed services of the two countries. Supplementing the

new U.S.–ROK two-plus-two annual meeting should be more frequent consultations between both the U.S. ambassador and the USFK commander and the ROK Ministers of Foreign Affairs and National Defense.

Second, Washington and Seoul should revamp the Trilateral Coordination and Oversight Group (TCOG) process. Officials from the United States, South Korea, and Japan have coordinated their North Korea policies primarily through the TCOG process since the August 1998 Taepodong-1 launch by North Korea. Although the TCOG has highlighted the ability of the three parties to coordinate their policies vis-à-vis North Korea, events such as the ongoing Six Party Talks have expanded the scope and content of its deliberations. As such, the United States and South Korea, together with Japan, should undertake a comprehensive review of the TCOG process. The objective should be to broaden discussions to include matters of common concern to all three countries.

**6. Build public support for the alliance.** Both countries should initiate new measures in anticipation of future domestic incidents and strains between the two allies. First, the United States should make a more concerted effort at local community outreach. The U.S. military might also consider stepping up the education of American soldiers in Korean culture and language (for example, by requiring every officer to obtain a basic proficiency in Korean during their initial time on the ground). That approach would be similar to the training provided to U.S. officers stationed in Germany. Second, the two allies should establish a Status of Forces Agreement (SOFA) hotline—that is, a twenty-four-hour operation to deal with SOFA-related complaints and incidents. Third, the process of reinvigorating bilateral mechanisms such as the Joint Committee designed to oversee implementation of the SOFA should be stepped up. In the 1960's, the Joint Committee met once a month but those meetings became less frequent over time.

While public relations will not solve the problems buffeting the alliance, the United States has inadequately explained the planned changes in its military posture—only feeding misconceptions about its intentions. The United States should issue a detailed public report—like those issued by the Bush One and Clinton administrations—to correct this problem. Washington would explain planned changes in the Asia–Pacific region as well as those underway on the peninsula. Such an approach hopefully would help reassure concerned publics and create a framework for understanding recent developments on the peninsula, ranging from base consolidation to the planned relocation of the Second Infantry Division. In effect, it would put all of the pieces of the security puzzle together in a comprehensible, straightforward manner that would strengthen the ability of governments and supportive elites to educate their publics.

Washington and Seoul should support the launching of new track two initiatives. Although a number of these venues have been a staple of the alliance for the past decade and a half, new fora would help better manage bilateral ties in the future. Generational changes, the growing influence of nongovernmental organizations, the rise of new political and policy agendas, and new strategic priorities in the United States and South Korea necessitate the forging of a more forward-looking network. Therefore, notwithstanding the success of existing track two meetings and semi-official consultations, new efforts should reflect these new developments.

**7. Formulate a political agenda based on common values and human security.**

Promoting an agenda based on common values and human security (even if not a part of the alliance charter per se) will help promote the notion of a relationship that stands for something, not against something. Part of that agenda will be to ensure that the United States and South Korea continue to maintain—and hopefully increase—ties that promote mutual understanding of each other's culture and institutions.

Yet, new U.S. regulations for issuing visas, as a result of September 11, will have a negative impact on those ties. The U.S. Embassy in Seoul is the single largest visa issuing post in the world, acting as a funnel for the large numbers of Koreans who work, travel or are educated in the United States. (For example, 70% of all Korean professors have doctorates from U.S. universities.) In the past, it took several days to receive a visitor's visa. By next year, it could take as much as six months. This will have a dramatically negative impact on bilateral ties. In short, South Korea should be granted a waiver from these new procedures, like Japan and other countries in Western Europe.

Washington and Seoul should also forge a Common Agenda, as the centerpiece of the alliance's broadening significance, that will state the global issues both nations are united in dealing with as well as the concrete efforts made to resolve these issues. Further, the two sides should make a conscious effort to promote Korea's political evolution as an example to newly democratizing countries in international institutions and other fora such as the "Club of Madrid." They might also consider working with Tokyo to establish a new institutional forum for democracy in Asia that includes government officials, experts and scholars. The forum would focus on democratic development, transitional justice and equity and regulation within open societies.

**8. Strengthen economic ties between the United States and South Korea.** A vibrant economic relationship will be important to the future resiliency of the alliance, enhancing the intrinsic value of that tie to both sides. Moreover, it is worth noting that plans to readjust the U.S. force structure on the Korean Peninsula helps neutralize some arguments for alliance abrogation (i.e. cut loose free-riding security allies who gain economically).

There are a number of initiatives that would help bilateral economic ties. An initial step would be to reach a Bilateral Investment Treaty (BIT) to equalize the treatment of foreign and domestic companies. So far, a BIT has foundered over Korea's desire to give preference to indigenously produced movies. It would also serve as a stepping-stone to the long-range objective of a U.S.–Korea Free Trade Agreement. While such an agreement would require some major uprooting of deep opposition to trade reform among key industrialists and agricultural groups, it would prove economically beneficial and help reinforce the political and security relationship.

## **Conclusion**

Over the past 50 years, through a strong defense commitment embodied in the 1954 Mutual Defense Treaty, the United States and the Republic of Korea have maintained the peace on the Korean Peninsula. That strong mutual commitment has had benefits for the United States but it has also allowed the Republic of Korea to grow into a prosperous, politically vibrant country. Now, in a world of new dangers as well as new opportunities, the two countries should plan together to sustain that close relationship into the 21<sup>st</sup> century. That process will not be easy given the immediate challenge of dealing with North Korea and other changes in the domestic, regional and international environments. This report has presented a plan for the future. The vision, courage and engagement of U.S. and ROK leaders will be essential to transform the alliance to meet the challenges of the next 50 years and beyond.

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