

**The US-ROK Alliance:
Prospects for the Future**

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Introduction:

The Republic of Korea (ROK) is one of the United States' closest and most trusted allies. During the Cold War, the Korean peninsula was at the front of the international fight against communism and the US-ROK alliance served as a bulwark in its containment. Against the prediction of many who posited the end of the Cold War would precipitate the collapse of America's global alliance system, US-ROK relations today remain fundamentally strong and are critical to a range of US security interests, most notably its re-balance to the Asia Pacific. In the face of a rising China and nuclear Democratic People's Republic of Korea (DPRK), the utility of the alliance to Washington will only increase in the coming years.

The US-ROK alliance, however, faces several significant challenges as it enters this "Asian Century". The emergence of a new world order and more fluid security environment in North East Asia has created new, and manifested existing, sources of tension in the alliance. In isolation, these issues have the capacity to cause rifts in US-ROK relations and jeopardize the allied partners' ability to cooperatively address a range of security threats. Taken together, and left unaddressed, these issues have the potential to cause more profound impacts to the alliance and the institutional arrangements underpinning it.

The challenges facing the US-ROK alliance are of an endo- and exogenous nature.

Internally, US-ROK relations are increasingly susceptible to fallout resulting from diverging threat perceptions and approaches to major foreign policy issues. For most of its history, the alliance was bound by the imperatives of the Cold War and the asymmetry between American and South Korean power. Today, the alliance exists amidst a more complex international security environment in which both allies have greater scope to plot independent courses to foreign policy that may not always be neatly aligned, or harmonious. Indeed, since the end of the Cold War, the US and ROK have more frequently diverged in their approaches to such issues as dealing with North Korea and responding to the rise of China. The impact of these disagreements has become more serious and occasionally resulted in the allies struggling to coordinate diplomatic and military activities. Domestic sentiment in both countries has

contributed to this challenge and placed greater strain on key institutional arrangements of the alliance. While ties between Seoul and Washington are at their strongest in recent history, this internal dynamic will present dilemmas and threats to US-ROK relations over the long-term.

Externally, the alliance will be fundamentally tested by the rise of China and a deepening of Sino-Korean ties. Since China and South Korea normalized relations in 1992, diplomatic cooperation between the countries has rapidly expanded and China is now the ROK's largest trading partner and a critical underwriter of its economic prosperity. China's utility to South Korea is enhanced by its indispensability to addressing what is Seoul's number one foreign policy priority – dealing with North Korea and brokering unification on the peninsula. While most international relations theory would predict that China's astronomic rise would incite a balancing response from Seoul, and hence a deepening of ties with Washington, China's economic and diplomatic clout complicates this equation and creates incentives for Seoul to seek deeper relations with both countries. In others words, South Korea will increasingly have reason to adopt a “hedging” strategy, in which it seeks to avoid aligning itself with either the US or China and instead provide support to either party on an issues basis. A South Korea that finds itself caught ‘between eagle and dragon’ would prove a less reliable ally from the perspective of Washington and more hesitant to engage in a broad array of security endeavors in the region.

This paper examines the history of the US-ROK alliance since the end of the Cold, the internal and external challenges it faces and how these are likely to develop over the medium- to long-term. It will then present several recommendations for addressing these issues and optimizing the alliance for the future.

The US-ROK Alliance:

Overview

The US-ROK alliance has been at the forefront of America's engagement with the Asia Pacific for over the past 60 years. During this time, it has developed from a military relationship formed to counter the invasion of the DPRK, to a global partnership geared towards addressing a range of regional and international issues. Despite the passage of time, changing regional dynamics and the emergence of new security threats, the alliance has proven itself remarkably capable of evolving to meet new challenges.

The longevity and adaptability of the alliance is largely attributable to the enduring confluence of American and South Korean strategic interests. During the Cold War, the alliance served as the foundation of South Korea's national security policy and attempts to deter North Korean aggression. It was also a vital component of the American doctrine of containment and efforts to stem the international expansion of communism.

Since the collapse of the Soviet Union, persistent hostility and nuclearization efforts on the part of North Korea have ensured the strategic rationale of the alliance has remained strong. The Mutual Defense Treaty of 1953, which commits South Korea and the US to assist each other in the event of attack, remains integral to Seoul's ability to credibly deter North Korea. The alliance also provides South Korea with valuable assistance in a range of diplomatic fora to apply pressure on the North and promote measures to de-escalate tension and broker unification on the Korean peninsula.

For the US, the alliance has become an important vehicle for addressing North Korean bellicosity and attempts to develop nuclear capabilities, which pose a significant threat to regional and global security, as well as American non-proliferation efforts. The forward deployment of US troops is also a central component of the US rebalance to the Asia Pacific and attempts to encourage a responsible and peaceful rise from China. The alliance has also

diversified from its original security rationale, and is now increasingly bound by a shared commitment to democracy and the values and institutions underpinning the liberal world order.

Given its value to both parties, ensuring the alliance remains fit for the future is an important objective. Optimizing the alliance is also timely in the context of the growing internal and external challenges it faces. The end of the Cold War, a resultant broadening of American and South Korean interests, as well as the ROK's growth and transition to democracy, have collectively placed greater pressure on the internal cohesion of the alliance.

Since the disappearance of the Soviet Union, disagreements on matters of policy, such as dealing with DPRK nuclearization efforts, have become more frequent and their impacts more damaging. As a wealthy and industrialized nation, South Korea increasingly has the capacity to plot an independent approach to international affairs and turn to parties other than Washington to help prosecute its agenda. The serious challenges the alliance faced during the Presidency of George W Bush demonstrated how policy misalignments can adversely impact US-ROK relations by undermining diplomatic cooperation and threatening key institutional arrangements. It also showed the potential for domestic sentiment, including latent anti-Americanism in South Korea, to exacerbate strains in US-ROK relations.

The strength of the alliance has substantially improved since the Bush era, and today is perhaps at its strongest in modern history. The ability of the alliance to restore itself after periods of difficulty is testament to its fundamental strength and durability. It is important to recognize, however, that many of the factors that gave rise to such periods of acrimony continue to exist and could well precipitate serious challenges for US-ROK relations in the future, especially when combined with some of the external factors discussed in the next section.

Understanding these internal dynamics is critical to developing a clear view of the alliance's long-term prospects and conceiving of policies to optimize it for the future. This section will provide a brief sketch of the history of US-ROK relations and the major difficulties it has faced over the past two decades.

History of the US-ROK Alliance

The Cold War Years

The US-ROK alliance was forged during the Korean War, in which the US led a contingent of United Nations forces to counter the DPRK's invasion of the South in 1950. Over 54,000 American troops lost their life in combat before hostilities ceased with the signing of an armistice in July 1953. Two months later, the US and ROK signed a Mutual Defense Treaty, which committed both parties to defend each other in the event of invasion and provided for the stationing of US troops on the Korean peninsula. To this day, the Defense Treaty and the forward deployment of US troops serve as the backbone of the alliance.

US-ROK relations remained close after the end of the War, with America committing vast sums of humanitarian and economic aid to help with recovery in the South and assist its industrialization efforts under the Presidencies of Syngman Rhee and Park Chung-hee. The provision of aid and technical advice, as well as an opening of American domestic markets to nascent Korean industries and manufactured goods, was a vital ingredient in Korea's economic takeoff period. It also served as a central pillar of America's strategy of containing the threat of communism by assisting the South to acquire superior material capabilities.

The confluence of American-Korean security interests, and the imperatives of the Cold War, instilled the alliance with a strong rationale and level of cohesion. This was reinforced by consistent support for the alliance by Korea's authoritarian leaders, who recognized that America represented the best guarantor of the South's national and economic security. The relationship was institutionalized during this period through such measures as the South's deployment of troops to Vietnam in 1964, and most importantly, and the creation of the ROK/US Combined Forces Command (CFC) in 1978.

The alliance did face several challenges during the Cold War period, however. These were largely the result of diverging approaches to handling issues relating to North Korea, as well as concerns regarding America's security commitment to the peninsula. During the latter years of the Johnson administration, for example, the US and South Korea differed markedly

in their approach to responding to the Blue House raid and the hijacking of the USS Pueblo in 1968, in which North Korean commandos attempted to assassinate Park in the Presidential residence and captured a US naval surveillance vessel one week later and detained its crew. While the South pressed for a strident response to these events – including retaliatory attacks against the North – the US was intent on a more measured course of action and even sought to placate tensions by apologizing for the Pueblo’s incursion into DPRK territorial waters. This caused dismay among South Korea’s political and military ranks.

Tensions between the allies also increased after the announcement of the Nixon Doctrine in 1969, which called upon US allies to provide for their own defense and resulted in the withdrawal of some 18,000 US troops from the Korean peninsula. These measures were met with concern in the South, which viewed them as weakening the robustness of the US security guarantee, and ultimately resulted in the ROK seeking to develop greater autonomy and indigenous military capabilities. Similar fears were aroused following President Carter’s announcement that all American ground troops would be withdrawn from South Korea in 1977. This was short lived, however, as the decision was overturned after the departure of only 3,600 US troops.

Despite these periods of acrimony, the US-ROK alliance remained fundamentally strong. The disciplining effect of the Cold War, South Korea’s dependence on the US for protection and the peninsula’s centrality to US grand strategy, limited the potential fallout from disagreements between allies and ultimately destined them to work closely together.

The End of the Cold War

Two events that significantly impacted US-Korean relations were South Korea’s transition to democracy in 1987, and shortly after, the end of the Cold War. The establishment of democracy ushered in a new elite and generation of policy-makers in Seoul who in many instances departed from their predecessors in how they perceived the threat posed by North Korea and the optimal way to respond to it. While Korea’s line of authoritarian leaders had largely agreed with the US response of isolating and applying pressure on the North, this new

generation of elite was far more inclined to take a sympathetic view of its neighbor and seek engagement and cooperation as ways to promote stability and eventual unification.

Alongside this, the end of the Cold War extinguished the global threat of communism and served to alter US threat perceptions vis-a-vis North Korea. While the DPRK had previously been considered part of international efforts to stem Soviet and communist expansion, in the immediate post-Cold War it was considered more of a regional threat and one less critical to US interests. This change was reflected in the 1990 “Strategic Framework for the Asia Pacific Rim”, or East Asia Strategic Initiative, which called for ‘measured’ reductions in forward deployments in the region.¹ The first tranche of the Initiative led to the reduction of 7,000 troops in Korea and the transfer of several operational roles to the ROK. It was supposed to be followed by the removal of two additional US army brigades and a consolidation of the US Air Force presence, as well as a longer-term assessment of deployment needs and a transfer of Operational Control (OPCON) to the ROK. These measures were stalled, however, following the onset of the first nuclear crisis in 1992.

While the crisis served to preclude, much to Seoul’s delight, the full implementation of the East Asia Strategic Initiative, it did bring into sharp relief fundamental differences between the allies in terms of their approach to dealing with the DPRK. Washington perceived the North’s pursuit of nuclear capabilities as a threat to global non-proliferation efforts, and sought to bilaterally engage with North Korea to reach a suitable outcome. Seoul, meanwhile, viewed the situation as a matter of national and regional security, and was frustrated by Washington’s failure to consult and treat it as an equal partner. These feelings were exacerbated when the ROK learnt the US was considering independent military options, including an attack on the Yongbyon nuclear facility, which Seoul strongly opposed. US policy-makers defended their unilateral approach, noting that negotiating with the North was in many instances easier than dealing with the South and President Kim Young-sam. The crisis was eventually resolved

¹ Office of the Assistance Secretary of Defense for International Security Affairs, *A Strategic Framework for the Asian Pacific Rim* (Washington, DC: 1990).

through the Agreed Framework of 1994, which among other things, called for the provision of two light-water reactors to the DPRK in exchange for the cessation of its nuclear activities. South Korea was left with major financial responsibility for funding the reactors, which further augmented its grievances regarding the fairness of the negotiation process.

The alliance entered into a new era with the election of Kim Dae-jung in 1998. A progressive, Kim was part of the new elite that viewed the North and the question of Korean unification in distinctly post-Cold War terms. Drawing upon crises such as the 1996 famine, this generation held the view that North Korea was not so much a security threat as a humanitarian disaster zone and poor “elder brother”. Rather than isolating and pressuring the North – which would only encourage recalcitrance – Kim supported a “sunshine policy” that would seek to build trust through a deepening of economic and diplomatic ties, and the creation of structures upon which unification could eventually be based. Critically, this approach did not require quid pro quo as grounds for dialogue and cooperation with Pyongyang. While pockets of the Clinton administration were skeptical of the approach, they were willing to test it in practice and announced their support for it publically.

Alliance on the rocks under Bush

After George W Bush was elected President in 2000, the hope in Seoul was that America would reaffirm its support for the “sunshine policy”, particularly in light of the first successful inter-Korean dialogue that year. Shortly after his inauguration, however, it became apparent that Bush was vehemently opposed to the policy and viewed it as a naïve attempt to appease an ultimately untrustworthy leader in Kim Jong-il. The first summit between Bush and Kim was deemed a disaster by most attendees, who reported that after Bush failed to endorse the South’s engagement strategy, he proceeded to lecture President Kim on the duplicitous nature of Kim Jong-il. The gulf between the allies in their approach to the North deepened following the 9/11 attacks and President Bush’s identification of North Korea as part of the “axis of evil” in his 2002 State of the Union address.

Seoul's concerns regarding US rhetoric were exacerbated during the second nuclear crisis that year, in which Bush insisted that all options were on the table and that he would not let 'the world's most dangerous regimes... to threaten us with the world's most dangerous weapons.'² The announcement of preemptive war as security doctrine in the *National Security Strategy* further reaffirmed to Seoul the risk that America might lead it into conflict with the North against its will.³ Bush's visit to Korea that year was met with intense anti-American demonstrations, and public polling showed a sharp decline in Korean attitudes towards America and a concomitant improvement in perceptions of China.⁴ Perhaps most telling from the survey results was the fact that a majority of Koreans viewed Washington as a bigger security threat than North Korea.⁵

A surge in anti-American sentiment was fuelled by a series of public incidents, most notably the death of two Korean teenage girls who were run over by a US armored vehicle during military exercises on 13 June 2002. As part of the Status of Forces Agreement (SOFA) signed by the two countries, legal jurisdiction for the incident rested with the US military, which later acquitted the two soldiers responsible. The event fomented public outrage in Korea and was perceived as demonstrating the inherent unfairness of the US-ROK SOFA and how the alliance deprived Seoul of its sovereignty. Public opposition to the SOFA was compounded by revelations of significant environmental degradation at US bases in the country, which under the agreement, the US was not legally liable for.

Prospect of Breakup

² George W. Bush, State of the Union Address, January 29, 2002, The White House <<https://georgewbush-whitehouse.archives.gov/news/releases/2002/01/20020129-11.html>> (accessed 20 July 2016).

³ National Security Council, *The National Security Strategy* (Washington, DC: 2002).

⁴ Nae-Young Lee, *Changing Public Opinion on the US and the ROK-US Alliance*, Paper prepared for a workshop on "America in Question: Korean Democracy and the Challenge of Non-Proliferation on the Peninsula," (Seoul: 2005).

⁵ Ibid.

Amidst this backdrop, progressive candidate Roh Moo-hyun was swept to power in the 2002 Presidential elections. Roh's campaign tapped into prevailing anti-American sentiment to postulate the need for South Korea to reclaim greater independence and sovereignty. In an interview with *Newsweek*, he vowed he would not “kow-tow” to America and would demand to be treated as an “equal”.⁶ One of the key issues he used to prosecute this theme was America's responsibility for operational control of Korean armed forces during wartime. Roh argued that this force structure was a relic of the Korean War and not only deprived Seoul of its sovereignty, but also placed it in danger of being dragged into conflict if the US decided to wage preemptive strikes against North Korea.

Observers in Washington were concerned by the anti-American flavor of Roh's campaign, as well as his sanguine views of North Korea. These were captured in his interview with *Newsweek*, in which he stated:

I want to stress that North Korea was opening up and that it is already changing. If we give them what they desperately want – regime security, normal treatment and economic assistance – they will be willing to give up their nuclear ambitions. We should not, therefore, treat them as criminals but as partners in negotiations.⁷

Roh's views regarding the DPRK were broadly in line with those of his peers in the *Kwangju* (or 386) generation. These individuals had become political active in the student pro-democracy movement against authoritarian ruler Chun Doo-Hwan. While previous generations had grown up with memories of the war and the role played by America in intervening to save the South from Northern domination, these students had no such experience and instead perceived the US as the external power that had supported authoritarianism and the suppression of democracy. Along with this natural suspicion of the US, they also held more accommodating and

⁶ George Wehrfritz, “Angry at the Yanks: Strange Times for US Troops Helping to Defend South Korea,” *Newsweek*, January 13, 2003, accessed July 19, 2016 www.newsweek.com/id/62765.

⁷ *Ibid.*

sympathetic views of the North, which informed their preference for engagement as opposed to confrontation. The proportion of 386-generation members in the Korean Assembly increased substantially from the mid-1990s onwards and partially explained Seoul's changing approach to foreign policy. Indeed, in 1996 only 24 percent of the Assembly was part of the generation. In 2000, this increased to 33 percent in 2000 and in 2004 reached a significant 46 percent.

The conflicting approach of Seoul and Washington vis-à-vis the DPRK was made apparent throughout the Six Party Talks to resolve the second nuclear crisis, which commenced in August 2003. While the US held the view that verifiable denuclearization was a precondition for any exchange or dispensation of benefits to the North, the South was far more willing to use a "carrot" approach and reward the DPRK while it took demonstrable moves towards denuclearization. Seoul was frustrated and believed that Washington's inflexible approach endangered the Talks and rendered cooperation from the North less likely. Conversely, Washington was of the view that Seoul's willingness to engage provided the North with too much latitude to dictate the terms of negotiations. These differences resulted in both parties working almost counter to one another. As Scott Snyder noted, 'One striking aspect of the respective national positions at the Six-Party Talks is that South Korea's core interests and positions on many issues related to the talks are in synch with those of China rather than the positions of the United States.'⁸ This reinforced the view among many policy circles that the alliance was in bad shape, and perhaps even destined to collapse.

The question of whether USFK forces should be granted "strategic flexibility" to operate outside the Korean peninsula also strained the alliance during this period, and brought into question the viability of the ongoing stationing of US troops. The Bush Administration's US Global Defense Posture Review found that the unpredictable post-Cold War security environment required the military to have more agility and flexibility to respond to a variety of contingencies around the world.⁹ In relation to South Korea, Secretary of Defense Donald

⁸ Scott Snyder, "The Future of US-ROK Relations: The US Approach," *Asian Perspective* 32.2 (2008): 104.

⁹ Department of Defense, *Strengthening U.S. Global Defense Posture: Report to Congress* (Washington, DC: 2004).

Rumsfeld was of the view that ‘our troops [are] virtually frozen in place from where they were when the Korean War ended in 1953’¹⁰ and that bases had to be realigned to allow for their nimble deployment and a reduction in force presence. As part of this, it was announced that one third of the 37,000 US troops on the Korean peninsula would be withdrawn.

Seoul was concerned by the redesign of US force structure on the peninsula for two reasons. Firstly, it feared that a significant reduction in troops would weaken its ability to deter North Korea and send a signal of weakness in the alliance. Secondly, it shared – along with China – a concern that it may be sucked into a regional conflict, such as over Taiwan, by virtue of allowing USFK forces to operate from their bases. For their part, the Americans viewed Seoul’s position on this issue as critical to the future of the alliance and a demonstration of its longer-term intentions. Seoul eventually consented to the plan after it was announced in a working level consultation meeting that the one third of troops would be withdrawn over a year and a half. Fearing that Washington would proceed with the plan, and perhaps withdraw more troops in the future, Seoul capitulated and provided its support for the principle of strategic flexibility in a joint statement in 2006. To accommodate Seoul’s concerns, the statement added the caveat that the ‘US respects the ROK position that it shall not be involved in a regional conflict in Northeast Asia against the will of the Korean people.’¹¹

As part of the agreement, both countries also decided that wartime OPCON would be transferred to South Korea by 2012. Additionally, they agreed to a realignment of American bases, which sought to appease local concerns about US force presence and strategically relocate forces which remained positioned along the Demilitarized Zone (DMZ).

The acrimonious nature of US-ROK relations during the Bush and Roh administrations impacted the efficacy of the alliance and its perceived utility to Washington and Seoul. This period served to manifest how fundamental dynamics in the relationship – such as the potential

¹⁰ Donald Rumsfeld, ‘Global Posture: Testimony as Prepared for Delivery by Secretary of Defense Donald Rumsfeld to the Senate Armed Services Committee,’ September 23, 2004.

¹¹ US State Department, *United States and the Republic of Korea Launch Strategic Consultation for Allied Partnership*, 2006, <https://2001-2009.state.gov/r/pa/prs/ps/2006/59447.htm>.

for incongruous policy approaches, and lingering anti-American sentiment in South Korea – can seriously jeopardize the alliance’s health and erode the goodwill needed to sustain cooperation in diplomatic and military realms, as well as key arrangements such as the stationing of US troops in Korea. The difficulties Washington encountered during the Presidencies of Kim and Roh also indicated that disagreements and policy rows are more likely to occur with progressive administrations in power in Seoul, who take a more conciliatory view of North Korea.

For all the difficulties the alliance faced during this time, however, there were still many areas of agreements and cooperation in addition to the issue of strategic flexibility. For example, South Korea deployed 3,000 non-combat troops to Iraq in 2004, making it the third largest contributor behind the US and Great Britain. Both leaders, moreover, signed the landmark Korea-US Free Trade Agreement (KORUS) in 2007, significantly strengthening economic ties.

Relations Restored

The groundwork for an improvement in relations was laid following the election of Lee Myung-bak, who vowed to ‘restore the US-ROK alliance’ and on his first visit to the US declared that the ‘politicization of alliance relations will be behind us.’¹² Lee’s approach to foreign policy was more traditional than his predecessor, and called for a re-prioritization of the alliance and a move back to conditional engagement with the DPRK. His approach to such issues comported with those of policy-makers in Washington after the election of Obama in 2008, and set the basis for strong relations between the two. As one former Obama adviser reflected, ‘The feel was, “This guy’s approach on North Korea is right on the money, and it’s our approach.”’¹³

¹² “President Elect Vows Creative Diplomacy”, *Korea Times*, December 19, 2007.

¹³ “South Korea State Visit Highlights Bond Between Two Leaders,” *New York Times*, October 12 2011.

During their first Summit in June 2009, the two leaders issued a *Joint vision for the alliance of the United States of America and the Republic of Korea*, which reaffirmed the strength of the alliance and the robustness of the US security guarantee, while also vowing to ‘build a comprehensive strategic alliance of bilateral, regional and global scope, based on common values and mutual trust.’¹⁴ The widening of the alliance’s focus was facilitated through President Lee’s aspiration of making Korea a “global Korea” that would more actively participate in global affairs and the promotion of Korean values abroad. This resulted in deepened cooperation between the allies, including the deployment of Korean peacekeepers to Haiti and the NATO-led International Security Assistance Force (ISAF) mission in Afghanistan, as well involvement anti-piracy missions off the coast of Africa. With Washington’s support, Seoul also hosted the G20 Summit in 2010. Many commentators saw this development as important in diversifying the alliance from its Cold War origins and reorienting it towards the twenty-first century.

The strength of US and ROK diplomatic and military coordination was on full display following the Cheonan and Yeonpyeong incidents in 2010, in which the DPRK sunk a Korean naval corvette and later shelled Yeonpyeong Island. The US assisted South Korea through the Joint Civilian-Military Investigation Group (JIG) to ascertain the culprit of the sinking of Cheonan, and provided full support when its report identified the DPRK as responsible. While its attempt at passing United Nation Security Council (UNSC) motion of condemnation was blocked, the US denounced North Korea for the attack and signaled its commitment to Seoul, calling it the “lynchpin” of security in the Asia Pacific. After the shelling of Yeonpyeong in November, the US also stepped up support by leading joint naval exercises in the Yellow Sea as assurance to the South. The transfer of OPCON was also delayed to 2015 in response to an escalation of hostilities. The robustness of US support for South Korea was made even more noticeable in Seoul on account of China’s unimpressive responsive to the incidents. Overall,

¹⁴ “Joint Vision for the Alliance of the United States of America and the Republic of Korea,” *The White House*, June 16, 2009.

commentators were in agreement that the alliance under Obama and Lee was the strongest it had been in recent history.

US-Korean Relations Today

US-ROK relations have remained strong since Park Geun-he was inaugurated in February 2013. Park has sought to continue deepening the US-ROK alliance, while also making efforts to improve relations with Beijing, which were perceived to have suffered as a result of Lee's US-centric approach to foreign policy. Park's doctrine of "Trustpolitik", which combines a carrot and stick approach to North Korea by rewarding good behavior and cooperation, while punishing acts of aggression, is broadly supported in Washington and has laid the foundation for coordinated responses to such issues.

There have been some areas of strain for US-ROK relations, however, largely as a result of what is seen to be South Korea's reticence to upset China and its unwillingness to take part in US-led initiatives in the region. China's territorial claims in the South China Sea, and its associated build-up and militarization of islands, is viewed by Washington as a serious challenge to the rules-based order in the region and has resulted in strong disapproval from regional powers such as the Philippines and Vietnam. South Korea has largely been silent on the issue, however, and its position seen as vague and ambivalent. While Park has stated that territorial disputes should be resolved according to international law, and that involved parties must uphold freedom of navigation in the area, Washington has reportedly pushed for a stronger response, particularly regarding the build-up of Chinese military assets. Park has resisted these calls however, and is keen to avoid a cooling of relations with Beijing over the issue, particularly at a time when ties are close and Sino-DPRK relations strained.

Other recent decisions by South Korea have bolstered a narrative that Park is attempting to adopt a "hedging" strategy in relation to the US and China. South Korea, for example, recently joined the Asia Infrastructure Investment Bank (AIIB) as a founding member, despite the protestations of the US, which views the Bank as an attempt to undermine the World Bank and Asian Development Bank. Similarly, South Korea has joined discussions

for the Chinese-led Regional Comprehensive Economic Partnership (RCEP), while so far refusing membership for the US-led initiative in the region, the Trans-Pacific Partnership (TPP). The optics of Park's decision to attend a military parade in Beijing in 2015 with President Xi and Vladimir Putin, celebrating the end of the World War II, also sprouted concerns in Washington regarding South Korea's growing desire to ingratiate itself with China. The concern from Washington is that maintaining a rules-based order in the Asia Pacific will require the support of its allies and partners in upholding and defending these values. South Korea is increasingly seen as reticent to do this, however, on account of some of the strategic imperatives it has vis-à-vis China, which are discussed in more detail in the next section.

Some of this concern has been placated, however, following a North Korean nuclear test and satellite launch in early 2016 and the coordinated response from Seoul and Washington. China's response to the events was seen as tepid, and South Korea and Washington have used the opportunity to deepen cooperation, finally announcing that a Terminal High Altitude Area Defense (THAAD) system will be deployed in the South. The deployment of this missile defense system has been a long-running point of contention for the allies. Washington has been keen for its deployment to bolster defenses for its forward deployed troops as well as provide a mechanism to deny access for missiles launched from the North towards the US. South Korea has hitherto been hesitant to assent, however, by virtue of Beijing's vehement disapproval and belief the system will be used to surveil its territory and could be used in the event of a potential conflict with Taiwan. Despite Beijing's vocal protestation to an announcement that the South was exploring options for THAAD deployment, Seoul and Washington were able to reach agreement, which has been interpreted as a positive sign and palpable development in the relationship. Adding to this, Seoul has also signaled it may consider joining the TPP once the agreement is ratified. This would significantly improve relations and send a strong signal from Seoul as to its commitment to US initiatives in the region.

Another notable development has been the decision to indefinitely delay the transfer of OPCON from the US to South Korea, largely response to increased hostility from North Korea. While some commentators have interpreted this as a positive sign of the allied partners' desire

to continue working closely with one another in the military domain, others have criticized it as yet another failure of Seoul to follow through with its promise and develop the capabilities needed to assume greater responsibility in the context of the alliance.

Issues for Consideration

Overview

The history of US-ROK relations, particularly since the end of the Cold War, is critical to understanding the variety of internal challenges the alliance faces as it moves into the future. While relations have improved significantly under the Presidencies of Obama, Lee and Park, there are fundamental issues within the alliance that are likely to persist and will have a bearing on its effectiveness and ongoing ability to function. These issues largely pertain to divergent foreign policy approaches from Washington and Seoul and the potential for this to cause major cleavages in the relationship. Similarly, evolving domestic attitudes in both countries has the capacity to further exacerbate a distancing between allies.

Challenges

The US-ROK alliance is distinguished by its durability and adaptability. Far from a mere “marriage of convenience,” the alliance has broadened cooperation over many years and is now geared towards addressing a range of global issues, in addition to the more direct security interests of Washington and Seoul. This has meant that despite periods of acrimony, such as during the Presidency of George W Bush, the alliance has rebounded and frequently emerged stronger than ever. This is testament to the deep institutionalization of the relationship and a fundamental alignment of security interests when it comes to promoting stability on the Korean peninsula and the broader Asia Pacific.

While the alliance’s ability to endure times of strain demonstrates its fundamental strength, it also manifests some of its weaknesses and portends to future challenges. Since its formation during the Korean War, a broad pattern has emerged in which the US-ROK alliance

is at its strongest when there is consensus on security policy – particularly in relation to the DPRK – and weakest when there is a misalignment of strategic approaches and an unwillingness on the part of American and Korean leaders to accommodate such differences and find middle ground. The notion that the effectiveness of the alliance is contingent upon agreement and common approaches is hardly surprising. Yet in the case of the US-ROK alliance, this truism has several important implications.

Firstly, the end of the Cold War has dramatically altered how impactful such policy disagreements are to US-ROK relations. While rifts between Washington and Seoul emerged at several points during the Cold War, the repercussions of these incidents was limited by the exigencies of the fight against communism and the indispensability of Korea to US global security interests, and the US to South Korean national security. While policy-makers in Seoul may have disagreed with Johnson’s approach to dealing with hostility from the DPRK, and recoiled at the announcement of the Nixon Doctrine, there was little they could do in response to these situations except to pursue greater self-sufficiency in terms of national defense. North Korea’s impressive material capabilities simply dictated that Seoul would need an external sponsor for its security – and in the absence of viable alternatives – created sharp incentives to continue deepening its relationship with the US. Similarly, for all the hyperbole around Carter’s announcement that US troops would leave the peninsula, the realities of the international security environment meant such an approach was simply not viable and the forward deployment of troops was going to be a longer-term necessity.

The forces that held the US and South Korea together during the Cold War, however, are less powerful in today’s security environment. South Korea’s successful industrialization efforts, combined with a revolution in military affairs, have resulted in it being more capable than ever to provide for its own defense. While still reliant on Washington and its nuclear umbrella for assistance in deterring the DPRK, Seoul is no longer the dependent ally it once was. In addition to this, Seoul has developed mature diplomatic capabilities and relationships with numerous other countries that can provide support in prosecuting its foreign policy agenda, particularly in respect of Korean unification. This is not to suggest that Seoul could decide to

end its alliance with Washington overnight and still find itself in such a strong position militarily and politically. Rather, it is to say that South Korea's growing independence has endowed it with a greater array of options in terms of how it chooses to conduct its own foreign policy, and more scope to adopt policies that are contrary to Washington's interests.

This dynamic was clearly demonstrated under the Presidencies of Bush and Roh, and Roh's willingness to plot an approach to North Korea and the Six Party Talks that Washington not only deemed as misguided, but potentially damaging to its own diplomatic efforts. For most commentators, the spectacle of South Korea advocating for common policy approaches alongside Beijing and Moscow served to show just how grim things could become when the alliance transformed into a "same bed, different dreams" kind of relationship. While coordinated approaches to North Korea had in the past help ensure robust responses to pressing security threats, the differences between allies in this instance made reaching a satisfactory resolution more difficult, and opened up cracks in the relationship which both Beijing and Pyongyang effectively exploited.

The period, moreover, brought into relief a new dynamic that should be of significant concern for policy-makers in Washington: the potential for America to be viewed as either South Korea's best friend or worst enemy. While public polling has historically shown South Koreans view the US as its most important ally and source of security, this was not the case during Bush's Presidency. In fact, during this time, the US was perceived as one of the country's most profound security threats, and the alliance was viewed as depriving Seoul of its sovereignty and lacking in utility.

While some commentators have sought to render the acrimony during the Bush-Roh years as an interregnum in an otherwise peachy history, the reality is that the forces that gave rise to this period continue to exist as undercurrents in American and Korean society. Anti-American sentiment, for example, has the potential to flare up like it has in the past and apply pressure on policy-makers in South Korea to seek distance from the US and demand greater autonomy in the context of the alliance. As younger generations of Koreans – who have grown

up looking to China as a cultural hegemon and have no memory of American efforts in Korean state building – become more demographically dominant, this risk will become more pronounced. The back-to-back administrations of Kim and Roh also clearly show that the potential for policy disagreements between the allies increases when progressive governments are in power in Seoul and pursue approaches to the DPRK less aligned with Washington’s preferences. The alliance may once again face trouble and prospects of “drift” if future administrations in Seoul pursue foreign policies that are inimical to those in Washington.

Conversely, politicians in Seoul may well find it difficult to maintain close relations with Washington if a President is elected whose policies are incongruent with their own. The Bush administration’s hawkish approach to North Korea, and its willingness to engage in preemptive warfare and nation-building, was perceived by South Koreans as endangering their national security and undermining efforts at achieving what is their primary foreign policy objective – Korean unification. While polling suggests American appetite for intervention abroad is at an all-time low, it is foreseeable that in the years to come an administration with an interventionist tilt may come to power and cause similar difficulty for Seoul. If such a situation was to transpire, South Korea may once again go looking for a third party, such as China, to assist in its own foreign policy endeavors.

Rising isolationism in the US could confront Seoul with a different dilemma, and lead to an unwinding of American military commitments abroad and the adoption of a purely offshore balancing strategy. In the context of the 2016 Presidential elections, Donald Trump has effectively tapped into this sentiment and questioned the prudence of overseas US missions and bankrolling the security of its own allies. While raising concerns about military intervention and cost-sharing arrangements is certainly important, Trump’s suggestion that he would not automatically intervene to protect a North Atlantic Treaty Organization (NATO) ally under Article V of the North Atlantic Treaty, and that he would be comfortable with South Korea and Japan acquiring nuclear weapons, is of a more dangerous nature. If these policies were to be implemented as a matter of national security doctrine, it is difficult to determine how, and if, the US-ROK alliance would come out the other end.

Concerns around cost and burden sharing in the alliance, however, are areas that must be addressed. Circles of commentators have for some time agitated for the South to provide greater contributions to the stationing of US troops on the peninsula, and accused Seoul of free-riding on America's generosity and global force posture. Determining exactly how much Seoul should contribute to stationing costs, however, is difficult. As it stands, South Korea spends over \$800 million a year on subsidizing the US military presence. This equates to around 40% of total costs for forward deployment. While this may seem inequitable, given the troops contribute more to South Korea's national security than they do America's interests in the region, it is important to recognize that stationing these troops on the peninsula is considerably cheaper than basing them in the US. Moreover, these numbers do not factor in the strategic value of having American forces forward deployed in the region, which continues to increase in line with the rise of China and its development of sophisticated anti-access/area denial capabilities.

A more credible criticism of South Korea's dependence on Washington is its constant delays in assuming wartime OPCON and addressing capability gaps which reduce its ability to combat and deter North Korea in its own right. While peacetime OPCON was transferred to South Korea in 1992, shifting wartime OPCON has proved a more difficult task and been subject to constant delays. Ten years after it was first agreed to by Presidents Bush and Roh, the date of transfer has now been postponed indefinitely. Increased bellicosity from North Korea is ostensibly the primary cause of this decision. In reality, however, South Korea's failure to develop the skills needed to assume control is an equally large factor. The failure to successfully prosecute this task raises questions around Seoul's ability, and more importantly, willingness, to assume a greater share of the burden in the context of the alliance. These concerns are also compounded by persistent shortfalls in capabilities in its own military, which suggest a dependence on Washington. In the long-term, this position ultimately weakens the alliance and its utility to America as it results in South Korea being a less powerful and capable ally. The issue also feeds domestic criticism of the alliance in both countries. In Seoul, it reinforces a narrative of inequity, while in Washington it is seen as another proof point of American allies free-riding.

There is a view among some foreign policy circles that the alliance's move to focusing on more global, values-based interests in recent years will help to future proof the relationship by increasing its utility from the perspective of Washington and Seoul. The internationalization of the alliance, solidified during the Presidencies of Lee and Obama, has no doubt improved its breadth and versatility and resulted in it appearing more fit for the twenty-first century. Seoul's commitment to the ISAF mission in Afghanistan, as well as counter piracy efforts off Africa, are certainly appreciated by Washington. But it would be inadvisable to place too much faith in the ability of values and international missions to sustain the alliance. Already, a chasm is emerging between the democratic, rules-based order Seoul supports in principle, and its behavior, for example, in refusing to take a more vocal position on Chinese activities in the South China Sea. Like any nation, Seoul's foreign policy is driven by calculations of self-interest. If such considerations do not comport with the values associated with the liberal international order, then it is unlikely that Seoul will compromise what it believes to be its national interest. The greatest guarantee of the alliance over the past decades has been an alignment of interests between Washington and Seoul. As the East Asian security environment becomes more febrile, self-interest will continue to be the greater underwriter of the alliance.

The US-ROK alliance faces significant challenges as it moves into the future. While relations today are stronger than they have been in recent history, the alliance faces a variety of structural and internal issues that may serve to undermine its efficacy in future years. Policy-makers must be cognizant of this task and the need to find ways to strengthen the alliance's internal cohesiveness. As the next section will discuss, rise of China presents the alliance with a major external challenge; and one which will serve to exacerbate whatever tensions may exist between allies at any one point in time.

The US-ROK Alliance: The Rise of China

Overview

One of the most critical variables impacting the future of the US-ROK alliance is the rise of China. Since China and the ROK normalized relations in 1992, economic and political ties between the two countries have deepened considerably. As China's miraculous growth story continues, and it challenges US geopolitical and economic hegemony in the region, there are questions as to how South Korea will respond and whether it will choose to align itself with its traditional ally, the United States; whether it will "drift" towards China and loosen ties with the US; or whether it will adopt a "hedging" strategy in which it maintains connections with both parties and avoids a situation in which it has to make a binary choice.

From the perspective of the US, a strong and durable relationship with the ROK is central to its planned "re-balance" to Asia and its ability to use forward-deployed troops as a mechanism to promote stability in the region and deter a potentially revisionist China. It is therefore desirable that it maintain close ties with the ROK and avoid a situation in which its traditionally strong ally becomes hesitant to deepen cooperation and engage in a broad array of endeavors in the region. Recent history in Sino-Korean and US-ROK relations suggests, however, that the rise of China is increasingly exerting pressure on Korea to plot a middle-of-the-road approach in which it avoids having to side with either power.

History of Sino-Korean Relations

For most of the US-ROK alliance's history, China was considered an auxiliary actor and part of the forces – alongside the DRPK and the Soviet Union – it was created to combat and deter. While Sino-Korea relations were historically strong and grounded in a tributary system dating back to the Song dynasty (960-1279), official ties between the countries were severed in 1910 with Japan's colonization of Korea. The Korean War saw the US-ROK alliance 'forged in blood' through direct combat against Chinese and DPRK soldiers for control of the Korean peninsula, which imparted a legacy of hostility between China and the ROK. This was

epitomized by China refusing to recognize the ROK and instead maintaining close relations with the DPRK. This stance was replicated by the ROK through its close diplomatic engagement with the Republic of China (ROC).

Relations between the two countries remained tepid for several decades and were only normalized in 1992, when China officially recognized the ROK and diplomatic relations were restored. The groundwork for rapprochement was laid by burgeoning trade and investment ties between the two nations as well as a normative shift in post-Maoist China, where the government adopted a more outward-looking and internationalist stance and sought to pursue opportunities for economic development with its neighbors in the region. Similarly, the policy of *Nordpolitik* initiated by the government of Roh Tae-woo saw Korea proactively reach out to socialist countries and allies of the DPRK, including Hungary, the Soviet Union and China, in a bid to lay the foundation for greater engagement with the North and eventual unification. The statement codifying the normalization of Sino-Korean relations, signed by South Korean Foreign Minister, Lee Sang Ock, and his Chinese counterpart, Qian Qichen, heralded the end of the Cold War in East Asia and was explicitly framed as promoting stability on the Korean peninsula and the region at large. As part of the agreement, Korea terminated diplomatic relations with Taiwan.

Trade and investment between the two countries boomed after the 1992 agreement, with China becoming Korea's third-largest trading partner within a year. Political ties, however, developed at a more modest pace. Despite the normalization of diplomatic relations, political and economic cooperation were viewed as separate spheres of engagement, and China continued to look to the North as its political partner. A visit to Seoul by President Jiang Zemin's in 1995, however, was a turning point in the relationship and had the effect of deepening political cooperation between the two countries. During the visit, China affirmed its view that issues on the Korean peninsula should be resolved through peaceful dialogue, and committed itself to playing an active role in such negotiations and helping to broker a solution to DPRK nuclearization efforts.

Sino-Korean relations further improved under the Presidency of Kim Dae-jung and his “sunshine policy” toward North Korea. While former administrations had largely approached the issue of the DPRK through a Cold War prism – in which gaining superior military capabilities and international legitimacy was deemed paramount – Kim’s policy emphasized using economic and humanitarian collaboration to promote reconstruction in the North and a warming of relations. The policy was broadly in line with China’s strategic thinking, and resulted in increased engagement due to the ROK’s enthusiasm to secure Beijing’s support for measures promoting unification, including the first inter-Korean Summit.

The election of the progressive Roh Moo-hyun government saw a further deepening of Sino-Korean relations at a time when a gulf was emerging between Washington and Seoul. Roh’s continuation of his predecessor’s approach to the DPRK, dubbed the “policy for peace and prosperity”, resulted in increased cultural, economic and humanitarian interactions with the North, such as the construction of the Kaesong Industrial Park and Mount Kumang Tourism Zone. The approach was once again more in line with Chinese, than American, policy preferences and set the basis for an ongoing warming of relations between Seoul and Beijing.

This dynamic was clearly demonstrated after the DPRK’s withdrawal from the Nuclear Non-Proliferation Treaty in January 2003 and the subsequent Six Party Talks, which were brokered with assistance from China. In the course of the negotiations, it soon became apparent that Seoul’s approach to the nuclear crisis was far more in line with Moscow and Beijing, than Washington and Tokyo, who were seen as advocating more hawkish and provocative positions. Policy-makers in Seoul were of the view that China was playing a constructive role in the negotiations, while the US was not only stymieing them, but also provoking the North.

Amidst a rise in anti-American sentiment, public perceptions of China improved markedly during the early period of Roh’s Presidency, exacerbating concerns in Washington about a “China drift.” These concerns were stoked by the astounding pace at which trade and investment ties between China and Korea were growing. In 2003, China replaced the US as South Korea’s largest trading partner, and a year later, replaced it as the single biggest

destination for the flow of Korean Foreign Direct Investment (FDI). As a result, South Korea increasingly viewed China, not the US, as the guarantor of its economic future.

Sino-Korean relations were somewhat dampened, however, by the Koguryo history war of 2003-04, in which a Chinese government sponsored history project claimed that the Kingdom of Koguryo (the root word of Korea) was a Chinese vassal state. This was followed by an application from Beijing for UNESCO World Heritage status for Koguryo tombs located in northeast China. The incident precipitated widespread public outrage in South Korea, which perceived the project as an attempt to re-write history and lay the groundwork for future territorial claims by China. The fallout among South Korean politicians was clear, with a poll in August 2004 showing that only 6 percent of lawmakers viewed China as their most important diplomatic partner – down from a high of 63 percent in April.¹⁵

The return of conservative government with the election of Lee Myung-bak saw a reversion to a more traditional approach to foreign policy, focused on the US-ROK alliance. For many, the prioritization of strengthening ties with Washington after years of drift was perceived as coming at the expense of Sino-Korean relations and the progress that had been made under the previous progressive governments. Part of the reason for such a cooling of relations was Lee's approach to dealing with the DPRK, which unwound the "sunshine policy's" conciliatory outreach gestures and instead had as its core the principle that denuclearization and compliance with international agreements were the preconditions for dialogue and engagement. This diverged from the preferences of policy-makers in Beijing, who viewed the more aggressive stance as encouraging North Korean hostility.

Cooperation between Beijing and Seoul continued to develop nonetheless, with the two governments announcing in May 2008 that the relationship had been upgraded to a "Strategic Cooperative Partnership" and that they would increasingly look to expand cooperation from

¹⁵ Peter Hays Gries, "The Koguryo Controversy, National Identity, and Sino-Korean Relations Today", *East Asia*, 2005, Vol. 22, No. 4, p. 4.

bilateral to regional and global issues. The leaders also affirmed their commitment to negotiating an FTA. Most commentators pointed out, however, that the rhetoric of a flourishing partnership was not necessarily matched in terms of practical measures, nor accurately reflected thinking in Beijing and Seoul.

This view was reinforced as Sino-Korean relations were strained after the Cheonan and Yeonpyeong incidents in 2010. China refused to endorse the findings of an international investigation that determined the DPRK was to blame for the Cheonan incident and also blocked a UNSC motion of condemnation, which angered policy-makers in Seoul. Its rhetoric was also vague and deliberately sought to avoid placing blame on Pyongyang. Indeed, Chinese Foreign Minister Yang Jiechi seemed more preoccupied with cautioning restraint from South Korea and Japan than reproaching its ally, saying in a meeting with his counterparts that ‘China hopes that the nations involved value the peace and stability of the Korean peninsula and this region, take a long-term view, and maintain dispassionate self-control so that they can handle related issues smoothly.’ Worst yet, President Lee’s visit in Shanghai in May to meet with his counterpart, Hu Jintao (who rejected a request to join the JIG investigating the cause of the Cheonan sinking), was followed shortly after by a visit from Kim Jong-ill. Seoul was incensed by the optics of the back-to-back meetings and by China’s failure to warn it in advance. Overall, China’s response to both incidents – which at most amounted to a call for a resumption of Six Party Talks – was viewed with grave disappointment in Seoul, which believed it demonstrated that China remained fundamentally committed to protecting the North and unable to match its rhetoric around stability on the peninsula with actual deeds.

The election of Park Geun-hye and Xi Jinping’s ascension to general secretary of the Chinese Communist Party (CCP) in late-2012 raised expectations of an improvement in Sino-Korean relations. Lee’s more strident approach to the DPRK and efforts to re-strengthen the US-ROK alliance were perceived to have come at the expense of Korea’s relationship with China and limited areas of mutual diplomatic cooperation. During the election, Park charted a far more moderate path than her predecessor by expressing a desire to simultaneously strengthen relations with the US and China – which according to her, were not mutually

exclusive – and to adopt a new approach to dealing with the DPRK, dubbed Trustpolitik. Trustpolitik, which emphasizes the building of trust by rewarding good behavior while punishing recalcitrance was perceived as being more aligned with China’s strategic views and thus conducive to greater diplomatic cooperation.

The first leadership summit in Beijing in June 2013 was seen as successfully re-establishing warm relations between the two countries. Park and Xi announced their mutual support for Trustpolitik as well as a number of other measures to further institutionalize the relationship, including the opening of strategic channels in important areas such as trade and technology. The visit was reciprocated a year later, when Xi visited Seoul in July, becoming the first Chinese leader to visit the ROK without having first visited the DPRK. Xi’s decision to visit Seoul before Pyongyang was taken as a sign of China’s desire to elevate its relationship with the South, and its frustration with the recalcitrant behavior of the DPRK. At the summit, Xi claimed that Sino-Korean relations were ‘at their best in history’. The leaders agreed to establish a military hotline between the two capitals, making China the only power other than America to be granted such a privilege. Some gaps in the positions of China and the ROK did emerge, however, such as China’s unwillingness to exert further pressure on the North to cease hostilities, particularly through sanctions, and Korea’s refusal to immediately join the AIIB and adopt harsher rhetoric in response to Japanese President Abe’s plan to revise the constitution to allow for collective self-defense. Relations between the two countries were further strengthened after the two leaders signed the China-South Korea Free Trade Agreement on the sidelines of the 2015 APEC Summit.

President Park’s attempts to strengthen ties with China have raised some concerns among the foreign policy commentariat as to whether the world is witnessing a “China drift” from Seoul. This fear was bolstered by Seoul’s participation in a number of Chinese led initiatives, such as the AIIB and RCEP, and its refusal to join the TPP as well as adopt more direct rhetoric in relation to China’s activities in the South China Sea. While talk of realignment from Seoul is both inaccurate and premature, South Korea’s more delicate posturing on matters

of sensitivity to Beijing does show a growing desire to avoid conflict and strengthen ties to improve prospects of cooperation on the Korean peninsula.

Some of these assumptions have been uprooted, however, following North Korean missile tests in January 2016 and an attempted satellite launch one month later. Beijing's response to the events was viewed with both disappointment and frustration in Seoul. China called on all parties to de-escalate hostilities and demonstrate restraint, once again failing to prove it was willing to adopt a more strident response to bellicosity from Pyongyang and match its rhetoric of brokering peace with demonstrable actions. Seoul's rhetoric calling on China to back new sanctions was seen as a warning sign by some: 'The best partners are those who will hold your hand in difficult times.'¹⁶ Following the incidents, it was announced that Washington and Seoul had finally agreed to the stationing of THAAD in South Korea. The announcement caused widespread fury among policy-makers in Beijing, which warned Seoul against any such announcement, provoking a response from South Korea to respect its sovereignty.

China is deeply disturbed by this development, as it fears that the equipment will be used to monitor its own territory, and that it may eventually be integrated into similar equipment in Japan, thus compromising its offensive and anti-access / area denial capabilities. A sign of the damage this has caused was the announcement that China would not support a UNSC motion for sanctions on North Korea in response to recent ballistic missile tests due to the stationing of THAAD.¹⁷ It also announced that it would consider using trade as a weapon to punish the decision by South Korea and the US.

Issues for Consideration

Overview

Assessing the development of Sino-Korean relations over the past 25 years yields a variety of issues and trends which policy-makers must consider when thinking about the future

¹⁶ "South Korea Shifts Tone on North", *Wall Street Journal*, April 26, 2016.

¹⁷ "THAAD Cripples UN Unity on NK Nukes", *Global Times*, August 11, 2016.

of the US-ROK alliance. Korea's growing relations with China will increasingly present a variety of challenges to policy-makers in Seoul, who will be confronted with the difficult task of balancing its traditionally strong and security-oriented relationship with the US, with its maturing and economically-oriented relationship with China. Changing power dynamics in the region, as well as unique factors in respect of Sino-Korean and US-ROK relations, will serve to further exacerbate these issues.

Challenges

Concerns regarding a "China drift" and the potential for Seoul to eschew its alliance with Washington in favor of Beijing are premature and fundamentally misconceive the nature of Sino-Korean relations and how they are likely to develop into the future. The past 25-years have demonstrated that Sino-Korean relations are at the forefront of strategic and foreign policy considerations in both countries and that history and geography have pre-destined them to work closely with one another. The estrangement of relations between China and Korea which existed during the Cold War was, historically speaking, an anomaly and have encouraged a distorted view among some contemporary commentators that any growing closeness between them is somehow new and fundamentally of concern. The Korean peninsula has always been central to Chinese grand strategy, as evidenced by the popular metaphor of a "teeth and lips" relationship, in which the teeth – China – needs the gums – Korea for full health and functionality.¹⁸ Similarly, China's readiness to intervene during the Korean War, despite being embroiled in its own Civil War, showed the strategic centrality of the peninsula to China. The default expectation should therefore be that China and South Korea have a close relationship and maintain ongoing dialogue.

That said, there are two unique dynamics at the heart of Sino-Korean relations that have the potential to impact the behavior of South Korea and its alliance with the US. Firstly China is viewed by Seoul as perhaps the most integral player in what is its number one foreign policy

¹⁸ Chung, Jae-Ho, "A Sketch of Sino-Korean Relations", *Between Ally and Partner: Korea-China Relations and the United States* (New York: 2006), 14.

consideration - Korean reunification. Korea is well aware that China's cooperation in managing security issues on the peninsula is essential and that China will have to be an active participant in any prospective discussions or solutions where unification is brokered. This understanding has been one of the biggest drivers in Seoul's decision to pursue improved relations with China since 1992 and has also formed a key component of the "sunshine policies" of the progressive governments of Kim and Roh. When Washington's utility, from the perspective of Seoul, has been compromised in respect of unification efforts, then the need to seek assistance from China and deepen cooperation has become more pronounced.

The second variable is the fact that China now represents the single most important player to South Korea's economic future. Trade and inter-country investment between the two countries now far outstrips that between South Korea and the US, and will only increase as China's rising middle class demands more of the high-end, innovative products manufactured in Seoul. Figure 1.0 shows the sheer differential between the value of Sino-Korean and Sino-American trade. The importance of China to South Korea's economic future has been a key catalyst in a growing institutionalization of the relationship, including the China-South Korea Free Trade Agreement, as well as the development of business relationship between entrepreneurs in either country and the respective formation of business ventures.

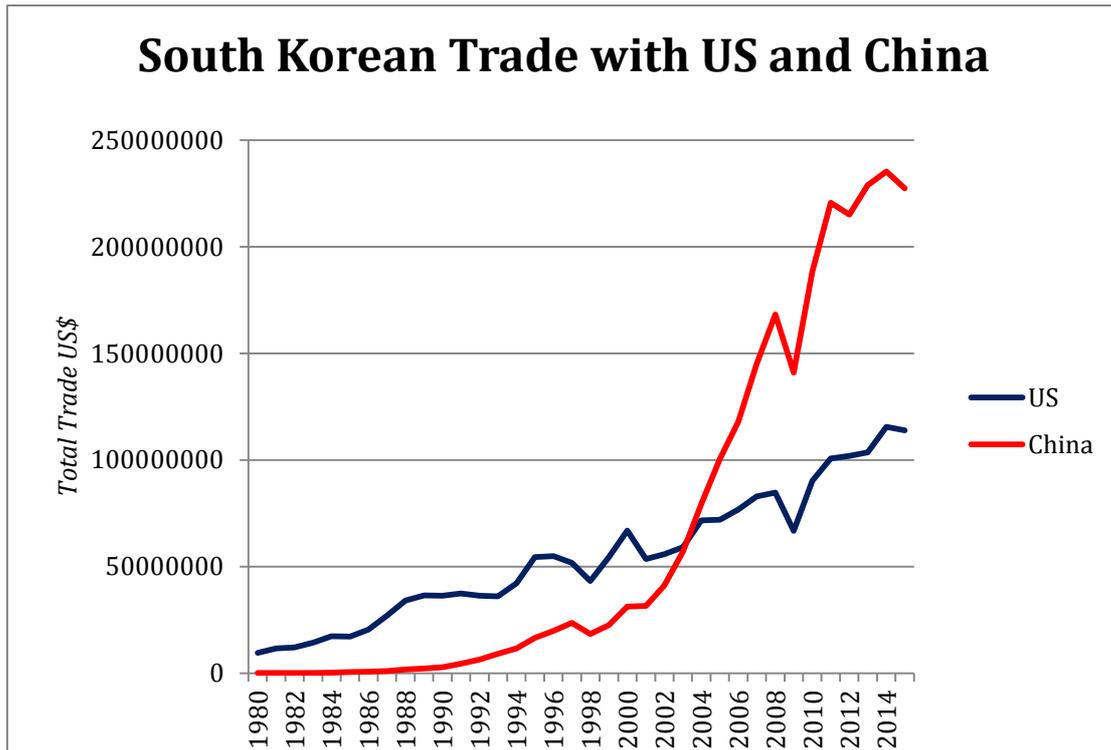


Figure 1.0 Source: South Korean Yearbook 2016

Combined, these two variables serve to muffle what would otherwise be the most impactful consideration of South Korean foreign policy: the changing balance of power in the Asia Pacific. China’s astronomic growth in economic and military terms is in the process of irrevocably altering power dynamics in the region and has raised the prospect of Sino-hegemony in the Asia Pacific. While the future course of history in the region will depend to a large extent on what strategy China wishes to pursue – and whether it remains content with the status quo, or seeks to become a revisionist power and reshape the region in its image– there is no doubt that many middle powers in the region are beginning to express anxieties about China’s intentions.

A more assertive stance in respect of territorial issues in the East and South China Sea as well as a considerable build up in military power – both in projection and anti-access area denial realms – has served to foment these concerns. While this is leading to many countries in the region – such as Australia, the Philippines, Japan and Vietnam –implementing a soft form of balancing through proactive efforts to strengthen relations with the US, there are greater

questions over what course South Korea will choose to plot. From Seoul's perspective, any potential action – from condemning Chinese actions in the East and South China Sea, to assenting to the placement of THAAD on its territory – must disproportionately factor in China's response and whether it will jeopardize its economic interests and efforts vis-à-vis North Korea. As has been demonstrated during Park's presidency, this serves to instill greater risk aversion into policy-makers in Seoul. Fundamentally, South Korea finds itself in a position where it has a structural incentive to balance China by seeking protection from the US, as well as a constructed incentive to align itself with China as guarantor of its economic prosperity and a unified peninsula. While China's economic clout means many other middle powers in the region find themselves in this dilemma, the unique nature of relations between Beijing and Seoul places Korea in a more invidious position.

These structural factors suggest that Seoul's most likely approach to managing its relations will be to adopt a "hedging" strategy, in which it avoids explicitly aligning itself with either country and instead provide support on an issues basis. Hedging is a rational response to the dilemma Seoul currently finds itself in, and means it is insured in the eventuality of either a benign or hostile China. Moreover, hedging allows South Korea to continue reaping security rewards from the US and economic rewards from the China while it has the option to do so and is not pressured by either party to make a choice about where its fundamental commitment lies. While this may be suitable for Seoul, it may well cause frustration in Washington as it has to lobby South Korea for support on an issues basis and is denied such support whenever Korean interests are more aligned with those of China. Another implication of the approach is that the scope of American-Korean cooperation will inherently become more limited as Seoul will not wish to arouse fears in Beijing that it is aligning itself with Washington and balancing against it. While South Korea recently agreed to the stationing of THAAD on its territory, in the future it may not be willing to countenance the cooling of relations with Beijing that are likely to follow the decision.

South Korea is highly unlikely to eschew its alliance with the US in favor of China, and given its strategic placement next to a regional hegemon, it is likely that US-ROK military

cooperation will continue to develop. Yet policy-makers in Washington must be cognizant that the rise of China may incite more subdued efforts at alliance building from Seoul. They must also be aware that China's increasing utility to a range of Korean interests means any internal issues within the alliance, such as those discussed in the previous section, will become more pronounced. Rising anti-Americanism or a fundamental disagreement around denuclearizing North Korea, for example, could well be the pretext for a further deepening of relations between Beijing and Seoul.

An important caveat, however, is that the extent to which Sino-Korean relations impact the US alliance will be heavily influenced by China's own behavior and its perceived utility at any one time. Some of the major setbacks in Korea's relationship with China over the past 25-years have coincided with China's failure to appropriately respond to North Korean bellicosity and assure Seoul of its benign intentions on the peninsula. On a basic level, Beijing and Seoul have shared objectives in ensuring stability and avoiding a situation in which the DPRK simply collapses and precipitates regional chaos and a humanitarian disaster. Yet at a deeper level, there still remains a fundamental divergence of interests between China and Korea. Despite a cooling of relations in recent years, Beijing remains one of the DPRK's only partners and is in many senses wed to it for the long-term. Chatter about Beijing simply abandoning its long-time partner in favor of the South – which is less of a headache and now a crucial economic partner – overlook the deepness of the relationship between Beijing and Pyongyang which was 'forged in blood' during the Korean War, as well as China's ultimate nightmare – a situation in which Korean unification takes place, and the government in Seoul remains in power and is aligned with the US. China, for obvious reasons, wishes such a scenario never to transpire. Similarly, polling consistently shows that while perceptions of China are steadily improving, South Koreans remain suspicious of its long-term intentions, particularly in light of historical precedents. As a result, behavior by China which suggests revisionist motives has served to badly damage relations, as it did in 2004 during the Kogryu history war. If China suddenly has little to offer in way of political assistance vis-à-vis North Korea, and if it appears to be

pursuing regional hegemony, then there is no doubt that South Korea would find itself moving closer to the US.

Recommendations

Optimizing the alliance for the future requires careful consideration of these internal and external challenges, how they are likely to evolve and what can be done to strengthen US-ROK relations.

One of the greatest historical strengths of the alliance has been its capacity to adapt to new realities and meet the changing strategic needs of Washington and Seoul. The following are key recommendations for how this can be achieved over the coming years, and the alliance made fit for the future.

1. Transfer OPCON

Wartime Operational Control of ROK troops should be transferred to Seoul over an agreed timeframe. While both countries support this objective and have set numerous target dates for transfer, an outcome has so far proved elusive. Delays have been caused by Seoul's unpreparedness in implementing necessary structures and onsets of increased hostility from the DPRK.

Ensuring the transfer of OPCON is not rushed and does not undermine the efficacy of the US-ROK military deterrent is important. However, it is critical that South Korea develop the ability to provide for its security in a more self-sufficient manner.

Agreeing to a binding timeframe for transfer will ensure South Korea develops the necessary capabilities and skills to assume operational control, and focus the attention of the alliance on this task. Full transfer of OPCON could realistically be achieved by 2020. If staged in the correct manner, and accompanied by Seoul developing suitable capabilities, this would not materially reduce the alliance's ability to deter North Korean aggression. In contrast,

improving South Korea's skills in this domain would lead to a long-term improvement in the strength and effectiveness of the alliance and its ability to function in wartime contingencies.

Transferring OPCON will come with the added benefit of addressing areas of domestic concern in both countries. In South Korea, it will address criticism regarding the unequal nature of the military alliance and the notion that it deprives Seoul of sovereignty. In Washington, it will help mute concerns around burden-sharing and South Korea free-riding on America's military presence.

2. Ratify and sign Trans-Pacific Partnership

Washington should ratify, and Seoul sign, the TPP. The TPP is not only a groundbreaking multilateral free trade agreement – it is also enormously important in the context of Washington's re-balance to the Asia Pacific and ability to institutionalize a liberal rules-based order in the region.

Ensuring the TPP is successfully implemented, and having South Korea on board, will demonstrate America's commitment to the region and ability to continue generating economic opportunities for its partners. Remaining influential in this domain is particularly important given China's ever-increasing centrality to Seoul's economic agenda and prospects for growth.

America and South Korea both share an interest in a liberalization of trades and services, and have already signed a far-reaching bilateral FTA in line with this objective. Expanding this cooperation to a multilateral setting should therefore be relatively simple and will help provide another source of unity for the partners, which may prove valuable in times of future strain and acrimony.

3. Remain a constructive voice on North Korea and denuclearization

Policy-makers in Washington must remain cognizant of North Korea's centrality to South Korean security doctrine, and ensure it is not perceived as jeopardizing its interests on the peninsula. Tensions between Washington and Seoul conflagrated during the Bush era because

the US's approach to the DPRK was seen as threatening conflict and undermining Seoul's endeavors to broaden cooperation and promote stability.

Irrespective of who is in power in South Korea, and whether they advocate policies less immediately aligned, America should attempt to find constructive avenues for dialogue and cooperation. This will ensure it does not needlessly alienate Seoul, and will significantly reduce the incentives for South Korea to turn to other partners, such as China, for support.

Remaining a constructive voice does not mean policy regarding North Korea should be outsourced and delegated to Seoul. It merely means caution should be exerted and efforts made to bring American and Korean policy on this issue into workable alignment.

4. Broaden cooperation with other allies

The bilateral focus of the US-ROK alliance should be broadened, and both partners should seek to expand cooperation with other allies, partners and institutions in the region. This will help to diversify what the alliance can achieve and ensure it has an active voice in promoting its interests and values in the region.

One immediate target for greater cooperation should be Japan. While historical distrust and enmity between these countries persist, South Korea and Japan are Washington's two most important allies and trilateral cooperation will be of enormous value in a military and diplomatic context. Washington should seek to promote measures that build trust and institutional ties between these countries. There are limits to the role it can play in this regard, and much will rely on Seoul and Tokyo's willingness to find grounds for cooperation and the will to resolve historical grievances.

To aid this process, Washington should seek to encourage ties between these partners through initiatives with other allies and partners in the region. For example, encouraging multilateral dialogue with democratic partners such as Australia and India will assuage the immediacy of tension between Seoul and Tokyo and provide a useful framework for trust and confidence-building. Basing these engagements around values and shared political systems will reinforce the fundamental commonality of these two nations and provide an agenda and

mechanism for promoting their normative interests in the region. It will also reduce the appearance of any such dialogue as an exclusively anti-China coalition.

If Washington and Seoul were to encounter another period of drift in the future, having third-party proxies and multilateral frameworks may prove extremely useful.

5. Engage in trust building with China

Washington should promote dialogue with China to address latent suspicion in Beijing regarding the US-ROK alliance and strengthen areas of mutual cooperation.

China is a rising power in the region and views the alliance as a potential threat to its strategic interests. These concerns are fed by the forward deployment of US troops; the development of Korean missile defense capabilities; and the potential for Washington's bilateral alliances with South Korea, Japan and others to be transformed into a coalition to contain China.

It is no secret that Beijing would like to see a weakening of US-ROK relations, and will seek to exploit any perceived period of drift between the two nations. Depending on China's intentions over the medium- to long-term, a situation may well arise where Seoul finds itself having to choose between "eagle" and "dragon." This moment would prove a crucial test of US-ROK relations and demand savvy statecraft from Washington.

Prematurely forcing South Korea to make such a decision, however, would be a mistake. Beijing, Seoul and Washington are key players on issues relating to North Korea and their collective cooperation will be required over the coming years to deal with Pyongyang and its nuclear ambitions. Fomenting animosity and distrust between these countries would undermine such efforts and likely compound incentives for Beijing to prop up Pyongyang. A preferable course of action would be to increase dialogue and confidence-building measures between this trilateral grouping in order to elicit maximum cooperation and avoid a needless escalation of tension the region.

Imposing exclusivity on US-ROK relations, and fueling distrust with China, would also likely damage relations between Washington and Seoul. Korean policy-makers are clearly

interested in adopting a hedging strategy, in which the ROK maintains close relations with both countries, and defers having to make an either-or decision until absolutely necessary. Washington should recognize this and seek to ensure the fundamentals of its relationship with South Korea are sound and sufficiently institutionalized to provide for the alliance's long-term needs. Frustrating Sino-Korean relations would not materially strengthen the long-term prospects of the alliance, and would likely create a rift with policy-makers in Seoul who would perceive it as needless jeopardizing its economic and security interests.

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