The Thirteenth Korea-U.S. West Coast Strategic Forum

December 11, 2014
Seoul, Republic of Korea

Stanford | APARC Walter H. Shorenstein Asia-Pacific Research Center

국립외교원 외교안보연구소
Institute of Foreign Affairs and National Security,
Korea National Diplomatic Academy

FSI Freeman Spogli Institute for International Studies

The Thirteenth Korea-U.S. West Coast Strategic Forum

Co-organizers:

Institute of Foreign Affairs and National Security,
Korea National Diplomatic Academy

and

Walter H. Shorenstein Asia-Pacific Research Center,
Stanford University

Forum Report
December 2014

The Thirteenth Korea-U.S. West Coast Strategic Forum was held at the Korea National Diplomatic Academy (KNDA) on December 11, 2014. Established by Stanford University's Walter H. Shorenstein Asia Pacific Center (Shorenstein APARC) in 2006 and co-organized by Shorenstein APARC and KNDA's Institute of Foreign Affairs and National Security (IFANS) since 2012, the forum brings together distinguished South Korean (Republic of Korea, or ROK) and U.S. West Coast–based American scholars, experts and former military and civilian officials to discuss the ROK-U.S. alliance, North Korea, and regional dynamics in Northeast Asia. KNDA's Institute of Foreign Affairs and National Security and Shorenstein APARC co-organized this session of the forum. The forum convenes twice each year, alternating between Stanford and Seoul. Operating as a closed workshop under the Chatham House Rule of individual confidentiality, it allows participants to engage in candid, in-depth discussion of current issues of vital national interest to both countries. Participants constitute a standing network of experts interested in strengthening and continuously adapting the alliance to best serve the interests of both countries. Organizers and participants hope that the publication of their discussions at the semiannual workshops will contribute to the policy debate about the alliance in both countries and throughout Northeast Asia.

EXECUTIVE SUMMARY

The Institute of Foreign Affairs and National Security (IFANS) of the Korea National Diplomatic Academy (KNDA) hosted the thirteenth semi-annual Korea-U.S. West Coast Strategic Forum on December 11, 2014. As usual, the Forum agenda featured three key topics, Northeast Asian regional dynamics, the North Korea problem, and the state of the ROK-U.S. alliance, with particular attention at this session devoted to the need for a new regional vision and institutions in Northeast Asia, the heightened salience of North Korean human rights alongside the nuclear issue, and the increasingly global nature of the U.S.-ROK alliance. The participants exchanged views on numerous issues, consistent with the breadth and depth of the ROK-U.S. relationship. While there was a clear consensus on the continuing vital role of the alliance for both countries for the foreseeable future, participants expressed a wide range of individual views on particular issues. Regarding some issues, however, national perspectives were evident.

The discussion about regional dynamics was the most intense and tended to reflect national standpoints. Both Koreans and Americans focused on the strategic competition in East Asia between the United States and China. Koreans viewed the United States and the PRC as stepping up their hegemonic competition in East Asia and expressed concerned about the viability of the existing security strategy under the ROK-U.S. alliance in case of outright conflict between the two powers. In this vein, some Koreans said that the United States needed to do more to lend credibility to its Asia rebalance, and others said that the success of the Trans-Pacific Partnership was critical to continued U.S. regional leadership. Americans were unanimous that the United States would remain committed to East Asia. Koreans and Americans agreed that the countries of the region did not have a shared vision for the future and that existing regional institutions were inadequate and increasingly outdated. Koreans and Americans felt that both the United States and Korea, along with other countries in the region, should do more in this regard. In particular, most Korean participants expressed their confidence in the contribution that Korea's Northeast Asia Peace and Cooperation Initiative (NAPCI) could make to such an effort. In addition to such "top-down" initiatives, participants also agreed that a "bottom-up" European-style effort to expand and link existing institutions could prove useful in promoting a regional vision and cooperation. Korean participants said that, under Prime Minister Abe, Japan's foreign and security policies constituted an obstacle to such expanded cooperation, while Americans tended to focus on the need for Korea and Japan to improve their relationship, especially to deal with the challenges posed by North Korea.

National perspectives were less in evidence in the discussion of the North Korea problem, although participants from both countries expressed a range of views about how to deal with North Korea. With the North's continuing, if slow, economic recovery and the apparent consolidation of Kim Jong-un's leadership, participants remained most concerned about the lack of success in dealing with the North's nuclear weapons program. An American expert said that, if unchecked, North Korea could eventually have a nuclear arsenal as large as Pakistan's. Some Koreans and Americans urged initiatives such as at least freezing the nuclear and missile programs for the time being and the adoption of a "more for more" strategy of both increased pressure on and greater incentives for North Korea

to abandon its nuclear weapons program. Other Koreans and Americans expressed deep skepticism about the efficacy of diplomacy with North Korea at this point. Some Korean and American participants said that the United States should take the diplomatic initiative with North Korea, but a number of Americans said that the Obama administration, having lost all trust in the North after the failure of the Leap Day Agreement of 2012, was unlikely to do so in its remaining two years. Several participants said that, although the Iran and North Korean situations were quite different, the outcome of the nuclear negotiations with Iran could have significant implications for the handling of the North Korean nuclear issue. Participants also noted the increasing international attention being paid to North Korea's human rights situation in the wake of the UN Commission of Inquiry report. North Korea was clearly extremely sensitive to such criticism. Its diplomatic "peace offensive" in recent months appeared to be in part an effort to divert attention from the issue. With the partial exception of Russia, however, Pyongyang had failed to win international sympathy.

Participants were in consensus that the ROK-U.S. alliance has never been in better shape and that there is currently no major problem between the two countries. In recent years, the ROK and the United States have expanded their cooperation beyond the Korean Peninsula and even East Asia to embrace cooperation on global issues. Some Americans stressed the importance of continuing to update the alliance and its capabilities to adjust to North Korea's increasing reliance on asymmetric capabilities. Participants agreed that the main challenges to the alliance in the future might stem from changing regional dynamics, particularly the development of the U.S.-PRC strategic rivalry. Already, the PRC was putting pressure on the ROK over issues such as missile defense. Participants were also in consensus that the alliance was likely to continue to play a vital role for both countries even after North Korea's denuclearization and Korea's unification.

Participants at the Thirteenth Korea–U.S. West Coast Strategic Forum at Seoul.

THE THIRTEENTH KOREA–U.S. WEST COAST STRATEGIC FORUM

I. REGIONAL DYNAMICS: LOOKING FOR A NEW ORDER

A Korean opened the session by stating that "Pandora's box has been flung open" in terms of international relations in East Asia. He forecast that an era of power politics and geopolitics would replace the age of ideological conflict as tensions between the United States and China increased. By 2025 or 2035, China's approach toward international relations would consist of some combination of its traditional, hierarchical *tianxia* concept and of *shijie*, based on the modern Westphalian system of inter-state equality and self-determination.

The Korean discussed China's response to the U.S. "pivot to Asia," which emphasizes consolidation of longstanding U.S. alliances and the development of new security relationships with many other countries in the region. China has deemed America's "return" to the region as unnecessary due to its own determination to maintain regional stability. China is stressing the expansion of its own partnerships around the world, including, in particular, a westward strategy to increase its influence in West and Central Asia. China is also creating its own economic architectural alternative to the Trans-Pacific Partnership (TPP), notably by advancing alternative free trade agreements (FTAs) as well as the Asian Infrastructure Investment Bank (AIIB) and the New Development Bank (NDB).

The Korean highlighted the likelihood of the persistence of uncertainty in East Asia due to the absence of a good vision or blueprint that could inspire the region's progress. Unfortunately in that regard, recent leadership changes in states in the region had not helped. Meanwhile, the ROK and the United States needed to act urgently to deal with North Korea's continuing development of nuclear weapons.

An American said that the institutions and mechanisms that had brought unprecedented peace and prosperity to Northeast Asia were no longer adequate and required major change. Unfortunately, there was no shared vision in the region for a new order, nor the institutions needed to achieve it. Clinging to past disagreements and existing institutions could be hazardous, as those institutions were less and less effective. The United States could and should play a more active role in bringing about change, including encouraging the habit of sharing responsibility, especially for peace and security. Such change in the existing order could not be made without the active engagement of the ROK-U.S. alliance. For the sake of security, the status quo needed to be preserved until it could be replaced by new and more inclusive multilateral institutions. Doing so would encourage mutual confidence and thus facilitate the building of security arrangements that are more transparent and better reflect regional changes stemming from globalization.

Despite China's rise, the American said, the United States has continued and would continue to play a major role in Northeast Asia to protect its interests in this most dynamic part of the world. China's call for "a new type of major power relations" was unacceptable. China's aim was to divide the Pacific into spheres of influence, with the United States controlling the Eastern Pacific, and China the Western. Moreover, the Chinese view risked ignoring the interests of smaller countries. Meanwhile, on the Korean Peninsula, reunification was becoming more difficult due to generational change in both the North and the South.

A Korean agreed that Korea and the United States should work together for a common vision for the region. In past decades, there were many such initiatives. The United States should support the ROK government's current Northeast Asia Peace and Cooperation Initiative (NAPCI), which advocates beginning regional cooperation in areas of common interest involving "soft" issues, with the ultimate aim of constructing a new, liberal regional order.

An American agreed on the need for a common vision for a new order in East Asia, but he also mentioned it is still necessary to look for opportunities to cooperate in forging peace from bottom up, rather than only from the top. Western Europe was an example of building on smaller points of economic cooperation to arrive at a broader vision.

A Korean said that a new regional vision and framework would need to take into account more the multifaceted nature of East Asian security, including China's increasing presence and role. In the Korean War, the United States and China fell into a "Thucydides trap" and engaged in outright military confrontation, something that could happen again as China's status changes. The current power transition should not be described using the terms "hegemonic power," "status quo power," and "revisionist challenging power." In fact, all the concerned powers could be described as "revisionist," with even the United States continuously reformulating it policies and modernizing its relationships in Northeast Asia to maintain its status and the liberal international order.

An American challenged the idea that China's economic rise was the most important variable in forecasting regional order. Already, China's growth rate had slowed significantly and the slowdown would continue as the country faced demographic and other constraints. Koreans and others may be overrating the prospects for China's economic growth. We should take a global perspective rather than narrow our focus only to the East Asian region. Otherwise, China's slowing economic growth could lead to an overinvestment of diplomatic or international financial capital, a tendency to rely on nationalism, and a heightened possibility of conflict as a consequence.

A Korean suggested that China's influence in the region was increasing vis-à-vis the United States. China was becoming a rule maker in APEC and other economic institutions, and its role was increasing in other global and regional institutions, including ASEAN + 3 and the East Asian Summit. Instead of competing, the United States and China needed to cooperate more in these regional institutions. However, the PRC regarded its recent climate change agreement with the United States—the two countries' first agreement on a major global issue—as the United States accepting China's proposal for a new model of great power relations and thus yielding its hegemony in the region to the PRC.

An American said that military conflict between the United States and China might be triggered by: 1) a lack of consensus on a regional security structure among the United States, China, and Korea after a collapse of the North Korean state; 2) increased Chinese assertiveness, which is driving the dysfunction in Sino-Japanese relations, including the territorial conflict; and 3) the inability of Japan to cope with the shift in power relations. The United States remains a status quo power in the region and will likely continue to restrain its allies from engaging in risky behavior.

Another American commented that U.S. foreign policy tended to fluctuate between soaring ambition and somber retrenchment. Obama's retrenchment has involved 1) extricating the United States from the conflicts in Afghanistan and Iraq, 2) balancing domestic fiscal realities, and 3) reflecting the war weariness of the American public. In his final two years in office, however, President Obama might switch to a more consequential foreign policy, as some other presidents have done. This might be in response to the change in American public opinion, crisis and war in the Middle East, and the more aggressive policies of the PRC and Russia. U.S. policy toward China was constantly being fine-tuned between constructive engagement and cautious hedging, due to the huge economic interdependence of the two countries. The United States must augment not only its military and economic capabilities, but also its fiscal capacity, and put up real cash in support of American and international institutions critical to American foreign policy.

A Korean raised the possibility of closer U.S.-China relations because both countries were eager to promote their own economic interests and at the same time reluctant to lose key economic partners due to rising security competition. China would likely sign more trade agreements with its Pacific neighbors for a number of reasons. For example, China had a plan to advance to the transpacific in the next two decades; its growth was slowing; East Asian investment in the United States was increasing; and Japan and Korea were seeking to reduce their trade dependence on China. In response to such developments, the PRC might be thinking about how the European Coal and Steel Community led to the European Union. Nevertheless, China might also join the TPP, and the United States, for its part, might assume a more cooperative attitude toward the establishment of the Free Trade

Area of the Asia Pacific (FTAAP) favored by China. The two big powers would eventually jump on the same boat.

Based on A.F.K. Organski's power transition theory, a Korean forecast that the PRC would become the world's top power near the end of this century, i.e. fifty to seventy years after its GDP surpassed that of the United States. Regarding concern about a possible hegemonic war during the transition, the Korean warned that the United States and China should identify areas of cooperation outside East Asia, because China was not very willing to make concessions to the United States on its positions involving East Asia. China had consistently risen faster than most observers had predicted. Earlier, China had been expected to surpass Japan and the United States by 2030 and 2050, respectively. In fact it already surpassed Japan in 2010 and would probably surpass the United States by 2025. Meanwhile, a collective regional defense against rising China would not be readily feasible. For instance, the United States perceived Japan as being weaker and more benign than China, but many South Koreans disagreed with such an assessment. Abe, who came to power due to rising concern in Japan about losing out to its Chinese rival, would likely initiate numerous changes in Japan's external and internal systems, structures, and policies, many of which would not be viewed positively within Korea.

Another Korean said that the United States should counter Abe's ambition for a return to an imperial Japan, especially since the region lacks a common vision or principle to redirect Japan's recent moves. Japan's efforts to resume its former status as the region's leading player should be worrisome, as such efforts could trigger conflict in the region. Lessons about developing a shared vision could be learned from the experience of European integration. In that regard, he added, President Park's NAPCI should be supported by smaller countries in the region, as well as by the United States and Japan.

An American also supported the European building block approach to achieve regional integration. Most sorely needed were strengthened regional security arrangements. The United States had no particular vision for the region other than preserving and updating the liberal order and rule-based system. Military conflict between the United States and China was most unlikely, because leaders in both countries recognized how foolish and disastrous that would be for both countries. Moreover, because twenty-first century power transitions would occur mainly among nuclear powers, they would be fundamentally different from previous power transitions: leaders would seek to avoid outright conflict at all costs. It was, however, possible to imagine situations that would profoundly distort the thinking of leaders and result in their making catastrophic misjudgments. For example, Chinese leaders might react aggressively externally in response to internal instability stemming from slowing growth. Currently, there was a widespread perception in China that the United States was in decline due to the global financial crisis and the costly wars in Afghanistan and Iraq, while Chinese thought their country would continue to enjoy very high growth. In fact, with China's growth rate down to 6.5–7 percent and the U.S. growth rate at 3.5–4 percent, the economic gap between the two countries was actually increasing in favor of the United States, due to the much larger size of the American economy. As China's growth stalled, domestic instability might arise and Chinese leaders might blame the United States for their problems. Another cause of leadership misjudgments might involve disputes over relatively trivial historical and territorial issues.

The American discussed three frequently mentioned scenarios prompting U.S.-PRC conflict. One was that the PRC might attack the United States if it feared a preemptive military threat from the United States and its allies aimed at preventing its rise. A second scenario was that the United States would initiate conflict to stop China's rise before it became stronger and the United States weaker. However, the fact is that the United States was not getting weaker, and China and the United States each thought that time was on its side. The United States believed China's evolution and assimilation into the global order would transform it into a country that would be ever more interdependent with the United States. According to democratic peace theory, as China's stakes went up, it would have more to lose by acting disruptively, and economic development would eventually result in a modern political system. The third frequently discussed U.S.-PRC conflict scenario involved conflict initiated by allies of China and the United States. However, a simultaneous failure of judgment and engagement in conflict by both the United States and China, two heavily interdependent, nuclear states, was highly unlikely. Rather, the two countries would combine continued hedging and political maneuvers with a determination to avoid conflict.

Commenting on U.S. policy toward Russia, a Korean predicted the development of a new international order featuring a division between East and West. Among the many consequences of the crisis was Russia's strong endorsement of Chinese proposals and initiatives at this year's BRICS (Brazil, Russia, India, China, and South Africa) summit (the New Development Bank or NDB initiative), the Conference on Interaction and Confidence-Building (CICA) summit (Asia Infrastructure Investment Bank, AIIB), and the APEC summit (Free Trade Area of the Asia Pacific, FTAAP), which expanded Chinese influence in the region and globally.

An American praised China's nuclear policies and practices, including nuclear security and nonproliferation. China was also playing a much more responsible and significant role in other aspects of the international order, including counterterrorism and control of dangerous exports such as WMD. He asked what China's response would be if Russia resumed nuclear testing or if Japan did something in the nuclear weapons arena in regard to its current stock of fifty tons of plutonium.

A Korean expressed cautious optimism that China under Xi Jinping would pursue fundamental policy continuity, which meant a concentration on domestic economic development. China was, however, continuously revising its development strategies. This was leading to reduced reliance on exports and a phenomenal increase in investments in western, central, and northeast China. These policies would help ensure continued growth for a long time to come. As for China's nuclear weapons development, it would continue to be more gradual, more modest, more reactive, and more principled than its conventional military development. This was exemplified by China's nuclear weapons stockpiles, which, at 150, fell short of earlier CIA and DIA estimates. (By comparison, the United States has six thousand nuclear weapons.) Because of China's reliance on the principle of mutually assured destruction, its real concern was U.S. advanced missile defense technologies. China's nuclear no-first-use principle and its pledge not to use nuclear weapons against nonnuclear powers were appealing to many members of the international community. While U.S. and Chinese possession of nuclear weapons might make it less likely that they would engage in direct conflict, for fear of a catastrophe, it was also possible that

each might feel less inhibited about using limited conventional force. There could also be many proxy competitions and even proxy wars among smaller countries in the region, as happened during the Cold War.

An American said that U.S. nuclear counterproliferation efforts in the region could be misinterpreted by China as moves to contain it by pressing American allies to turn away from China. This would increase tensions and complicate efforts for more cooperation. China might reluctantly change its nuclear policy if it felt it was losing its minimal deterrence capacity or that there was a serious deterioration in the Northeast Asian security environment. The United States needed to work harder to try to build trust with China, particularly about security issues, including the strengthening of U.S. alliance relationships with South Korea and Japan to counter DPRK nuclear programs, and U.S. extended deterrence policy and capabilities.

II. NORTH KOREA: LINKING NUCLEAR WEAPONS AND HUMAN RIGHTS?

A Korean opened the session by commenting that inter-Korean relations were worsening. Despite South Korean and U.S. efforts, the North Korean problem had deteriorated, with the North sometimes even shooting at the South in recent years. Meanwhile, the North Korean regime continued in power despite predictions of its demise.

Another Korean presented a global action plan to denuclearize North Korea. He prefaced it by acknowledging how difficult it would be to realize, due to North Korea's determination to retain its nuclear weapons program and to the fact that neither Washington nor Seoul believed that diplomacy would likely work. Nevertheless, diplomacy remained the best option for South Korea due to the limitations of containment and the high cost of military options. Such diplomacy should be based on the consistent application of a two-track approach, with our side applying much greater pressure while offering much greater incentives to prompt North Korea to make a strategic choice to give up its nuclear weapons.

The Korean said that the United States should seek to convince North Korea that incentives would include normalizing relations, i.e. the lifting of sanctions and establishment of diplomatic liaison offices, as well as the replacement of the 1953 armistice agreement with a peace treaty by the United States, China, North Korea, and South Korea. On the condition that North Korea joined the international economic system and engaged in internal reform and opening, other incentives might be added such as economic and energy assistance. Pressures would include the consistent application of current UN sanctions and maximized ROK-PRC cooperation on North Korea, making use of China's political and economic leverage over the North.

The Korean said that that the goals of deterrence, the transformation of North Korea, and its complete and irreversible denuclearization should be combined for synergy in denuclearizing North Korea. The United States and South Korea must maintain robust, effective and comprehensive deterrence, especially considering the recent increase of low-level provocations by North Korea against the South. The process of denuclearization of North Korea must be combined with the transformation of North Korea; economic incentives should be used to encourage greater reform and opening, including the

institutionalization of the recent internal economic changes in the North. Finally, South and North should ultimately ensure the complete and undeniable denuclearization of the peninsula, as they agreed to do in 1992.

The Korean continued to describe that the phases of his global action plan for denuclearization: 1) A short (five-month) implementation period to assure the North Koreans of the seriousness of the process, including the strong will of the United States and other parties; 2) one year of focusing on the dismantlement of North Korean nuclear programs; and 3) the completion of denuclearization in six months. Both bolder incentives and greater pressures must be applied to build a better international environment, which would benefit all parties involved in denuclearization. With domestic politics and pessimism about North Korean intentions having made the United States and China reluctant to take such initiatives, South Korea needed to take the lead to resolve the North Korea problem through diplomacy.

An American said that economic conditions in North Korea appeared to be improving somewhat. The Bank of [South] Korea estimated North Korean growth to be 1.4 percent. People were no longer starving; urban real estate prices were increasing; and marketization was proceeding, albeit still within the formal framework of a rigid state economy. Political order in North Korea had been reinforced by the uptick in the economy. Kim Jong-un had strengthened his position with the execution of Jang Sung-taek and a series of high-level purges and reassignments, measures that reflected the efficiency of the regime's repressive mechanisms. It was unlikely that Kim would have dispatched three high-level leaders to Incheon during the Asian Games had he been concerned about his position at home. It remained nevertheless unclear to what extent Kim was relying on the military and to what extent on the party.

The American presenter noted North Korean diplomatic efforts. The regime was seeking to diversify its relationships, especially away from overreliance on the PRC, to convey a strong military image, and to quash UN action on North Korean human rights. North Korea had been making efforts to reach out to Russia, Japan, the United States, and South Korea. Its efforts vis-à-vis Russia seemed to be the most successful, including Russia's writing off of 90 percent of North Korea's eleven billion dollar debt. Russia was also assisting North Korea in renovating a port, building a road from a special economic zone to the border, and renovating the North's dilapidated railway system. North Korea's efforts to improve relations with Japan had been less successful, as North Korea had not delivered on the promised information concerning Japanese abductees. Meanwhile, Prime Minister Abe was preoccupied with elections at home as well as diplomatic efforts with China and the United States. The Obama administration was also unlikely to attempt to make a move toward Pyongyang in its final two years, because of the unlikelihood of making progress on the nuclear and human rights issues, and anticipated strong opposition from the GOP. However, a change in South Korea's policy might induce Washington to engage in some synchronization of its policy with that of Seoul.

Another American presenter said that North Korea's nuclear effort had advanced significantly since it left the Nuclear Nonproliferation Treaty (NPT) in 2003. North Korea now had an estimated 24–42 kg of plutonium and 150 kg of highly enriched uranium (HEU), and now may be able to annually produce 100kg of HEU. It had conducted three nuclear tests, and possessed an estimated four to eight nuclear devices using plutonium,

and possibly as many as six nuclear bombs using HEU. It had also continued long-range rocket tests, and had been able to orbit a satellite. Based on U.S. and PRC experience, one to three more nuclear tests may allow to North Korea to produce a missile-borne nuclear warhead. Eventually, North Korea would be able to build a nuclear arsenal similar in size to that of Pakistan.

The American said that, rather than focusing on complete denuclearization, greater efforts thus needed to be made simply to freeze North Korea's production of highly enriched uranium and plutonium and stop its efforts at nuclear device miniaturization as well as missile development. South Korea should persuade the United States to agree to renewed talks with North Korea on the nuclear issue. China was still hesitant to coerce North Korea, but it did not want to see the situation worsen. To demonstrate that the DPRK is serious about nuclear discussions, an initial informal package deal might include shutting down the plutonium reactor; opening the HEU facility for informal inspection by scholars; a moratorium on nuclear tests and missile tests; and North Korea provision of information about its light water reactor to allow assessment of its safety once it becomes operational. In turn, the United States, ROK, and China would have to provide appropriate incentives for the DPRK to take these initial steps. At that point, the Six-Party Talks or some other configuration of states could then lay out a step-by-step process that first assured the parties that the DPRK nuclear program was halted, then rolled back, and finally eliminated. A final agreement might well need to allow North Korea to have a civilian nuclear power program.

A Korean commented that if a nuclear deal were reached with Iran, that might prompt the United States and South Korea to engage again with North Korea, although the deal might also complicate the problem further if it allows Iran to preserve certain amount of enriched uranium. Similarly, U.S. caution about an early return to talks with North Korea was understandable. The United States was attempting to ensure that North Korea was serious before resuming nuclear talks. In an atmosphere of widespread skepticism and pessimism on the part of the American people, and of mutual distrust between the United States and North Korea, exemplified by the failure of the Leap Day deal, there might be only one more chance for U.S.-North Korean talks. Despite the difficulties, incremental or gradual denuclearization was the only viable option. North Korea might eventually be willing to move due to the changing security environment. In the long run, the ROK-U.S. alliance would remain intact or even be strengthened after denuclearization, due to the continuously high level of the North Korean conventional threat, and the U.S. need to hedge against the uncertainty caused by the rise of China in Northeast Asia.

An American said that the denuclearization process would probably require eight to ten years of engagement and the construction of two light water reactors in North Korea by the United States, South Korea, and Japan, which would help reassure North Korea that those countries did not threaten the North. A peace treaty would only symbolize the beginning of trust building. Currently, North Korea was incurring no costs due to its production of more nuclear devices and the development of more advanced devices. Another American commented that it was easier to freeze a program in a country with no arsenal than in one that already had nuclear devices. Sanctions on Iran had greater effect than those on North Korea because of Iran's more open political, economic, and social systems.

A Korean said that North Korea was developing nuclear devices not only for military security but also to lend substance to the regime's "military-first" and "strong and prosperous state" doctrines. Any South Korean policy must also take into account South Korean domestic politics, as South Korean conservatives would likely regard a peace treaty with North Korea as detrimental to the ROK-U.S. alliance.

Another Korean commented that a hardline policy should effectively link the issues of North Korean nuclear weapons and human rights. The reaction of North Korean diplomats toward the UN human rights resolution made it evident how sensitive Pyongyang was to this issue. Importantly, the PRC was willing to allow some discussion of the North Korean human rights issue, even if it would be reluctant to pass a resolution in the UN Security Council. North Korea was increasingly frustrated by the PRC, something that would give the United States and Korea more leverage for a nuclear deal.

A Korean voiced concern about South Koreans' inadequate awareness of the North Korean nuclear threat. Diplomatic negotiations were unlikely to succeed, as evidenced by the fact that North Korean's three nuclear tests had all taken place after the Six-Party Talks began. North Korea was not currently willing to resume genuine negotiations, and the PRC and Russia were not pressing North Korea enough. We needed to maintain pressure on Pyongyang. The Helsinki Accords had helped to keep such pressure on the Soviet Union in the 1970s and 1980.

An American said his foremost concern about the North Korean nuclear program was the proliferation risk. If U.S.-Iranian negotiations succeeded, North Korea would become more isolated and nuclear technology transfers between North Korea and Iran would not take place. Meanwhile, the Six-Party Talks had failed, but the threat of military intervention might deter North Korean delivery systems tests.

Another American said that, from an American perspective, the Iranian and North Korean nuclear situations were very different. North Korea's scuttling of the Leap Day deal had cost Pyongyang all lingering credibility in Washington and made it unlikely that the Obama administration would engage in further negotiations with it. Iran had new leaders, including some who knew the United States well and could communicate with it. Moreover, the Israel nexus, including Israel's threat to take action, was very important in pressuring Iran to negotiate.

An American noted how complex the North Korean nuclear problem was. Not only were there differences between South Koreans and Americans, but also within both South Korea and the United States, different people ascribed different values and priorities to issues such as the North Korean nuclear program, human rights, reunification, and the ROK-U.S. alliance. It was important to think carefully through all the policy implications. For example, a soft-line policy toward North Korea might actually further delay reunification and influence South Korean politics in diverse ways, including South Korean perceptions and expectations of the alliance.

An American expressed skepticism that additional UN sanctions would alter North Korea's behavior. If anything, they might cause Pyongyang to act more belligerently and give it pretexts to act more menacingly. South Korea should take a more active role in addressing the North Korea problem because the United States was not prepared to engage the North due to its stance on the nuclear issue.

An American presenter observed that North Korea had been largely unsuccessful in its recent diplomatic efforts. UN attention to North Korea's human rights situation would place North Korea under more pressure also to change its nuclear policy.

A Korean urged the United States to take care that its handling of charges of CIA human rights abuses did not undermine U.S. authority to deal with the North Korean human rights issue in the United Nations.

An American stressed that the United States would resume nuclear talks with North Korea only if Pyongyang was prepared for genuine negotiations. It appeared unlikely that North Korea would change its position, as it had enshrined its status as a nuclear weapons state by an explicit provision in its constitution. With nuclear weapons being the only visible accomplishment of the Kim dynasty, an equalizer with South Korea, and an efficient deterrent, North Korea had no incentive to give up its nuclear program. Only regime change might result in denuclearization. Meanwhile, if an effective nuclear agreement were reached with Iran, it would help to isolate and further press North Korea.

A Korean said that North Korea could be persuaded to give up nuclear weapons only if we guaranteed its security and provided it with economic assistance. That would require action at the presidential level in South Korea or the United States.

Another Korean concluded that it was essential to develop an effective, sustainable approach to North Korea in light of the failure of North Korea policy so far and continuing political division in the South. South Korea, the United States, and China—all must make greater efforts in 2015, the seventieth anniversary of the division of the Korean Peninsula.

III. ROK-U.S. ALLIANCE: BEYOND BILATERAL INTERESTS

A Korean said that, overall, the alliance was in good shape. For over sixty years, it had helped to maintain peace and stability on the peninsula. In recent decades, the alliance had seen expanded cooperation between South Korea and the United States on global issues. There could, however, be problems in future associated with relations with others. For example, China and Russia were concerned about the possibility of the deployment of a Terminal High Altitude Area Defense (THAAD) system in South Korea, and South Korea was torn between calls for its participation in U.S.-sponsored sanctions of Russia and its own interests in energy imports from Russia. There was also the potential for Korean popular criticism of the United States if the revision of the ROK-U.S. 123 agreement on nuclear power cooperation was not viewed as taking South Korean interests sufficiently into account. Some observers questioned the sustainability of the U.S. rebalance to East Asia, all the more so because of political polarization in the United States, a decline in America's economic muscularity, and China's continuing rise. There was a risk that allies such as Korea and Japan might lose confidence in the United States.

The Korean said that challenges to the alliance itself included especially the modernization of ROK-U.S. defense cooperation, i.e. issues such as interoperability, the eventual transfer of wartime Operational Control (OPCON), and the upgrading of equipment and training. Externally, changing dynamics in the region, such as China's assertiveness, ASEAN's growing role, and the worsening of relations between Japan and its neighbors could affect the U.S.-ROK alliance. The United States and Korea needed to focus

on a concrete cooperative agenda and work to build trust and collaboration in the region along the lines of ROK President Park's Northeast Asia Peace and Cooperation Initiative and Eurasian Initiative.

An American raised a number of defense and military aspects of the alliance: aligning priorities for acquisition under the Korea-U.S. Integrated Defense Dialogue (KIDD), especially the Extended Deterrence Policy Committee (EDPC) and the Counter-Missile Capabilities Committee; the OPCON transition delay; the completion of the Yongsan Relocation Program (YRP) and Land Partnership Plan (LPP); negotiations with the ROK Joint Chiefs of Staffs (JCS) and Ministry of National Defense on the extent of the U.S. footprint in Seoul; resolving construction delays and overcoming budgetary problems in the relocation of United States Forces Korea (USFK) headquarters to Pyeongtaek; and dealing with regional relations, including South Korea's decision on sensitive issues such as THAAD when facing pressure from China. Another effort was General Scaparrotti's commitment to revitalizing the UN Command (UNC) by engaging more with sending states. This was important due to UNC's role as a deterrent and in mobilizing international support in the event of war or instability as well as re-stabilization and development in North Korea. A long-term issue was whether to continue the alliance after North Korea was no longer a threat or after reunification.

Another American outlined three major changes that the alliance had experienced since the 1970s. First, the nature of the North Korean threat had changed from conventional to asymmetric, requiring adjustments and new investment. Second, the global system had changed from one of U.S.-USSR bipolarity, to U.S. hegemony, and now to multi-polarism, with U.S. foreign and security policy swinging periodically between heavy engagement and retrenchment. Third, China's economic and social modernization was leading to a shift in its politics and foreign and security policies. China would likely seek to drastically reduce U.S. military influence in the Western Pacific. The U.S.-ROK alliance was now being well managed on both sides, but it would be important to educate our publics about the alliance's strategic importance. We also need to be more sensitive to the political and diplomatic aspects of our alliance. For example, Pyongyang might regard the OPCON transfer delay as strengthening alliance deterrence or as an incentive for negotiations, while China's reaction might be a function of its concern about the status of the alliance after reunification.

Another American said we should be hardheaded in thinking about the alliance and the situation it would face over the mid- to long-term. Over the next decade, North Korea would most likely continue nuclear and missile development, leading to more international sanctions and increasing tensions. The human rights issue would become even more prominent. Over the very long term, while we talked about the alliance as sacred, we should be clear in our own minds that it was a means or a tool for both countries. If, after unification, Korea's security and independence could be better maintained by alternate means, we should not reject the possibility out of hand.

A Korean agreed that the North Korea and regional problems might well worsen in the short- to mid-term. Over the long term, however, the United States and China would likely avoid direct conflict due to their leaders' awareness of the high risks. After unification, the United States and Korea would, in any event, likely maintain a special relationship. In the absence of a security threat, the alliance could take on a primarily

political nature. Currently, the United States needed to do more to try to address the worsening relationships between Korea and Japan and between Japan and China. In 2015 the United States might find itself needing to take a common political stance with South Korea against the troublesome history issues with Japan.

An American mentioned three scenarios for which the alliance should especially prepare. First, North Korea might engage in another conventional provocation along the Northern Limit Line (NLL) or the Demilitarized Zone (DMZ). The United States and Korea should exercise their new counter-provocation plan, developed in the wake of North Korea's shelling of Yeonpyeong Island and the sinking of the *Cheonan*, a Republic of Korea Navy corvette. Second, the alliance should be prepared to address the asymmetric threat represented by North Korea's nuclear and missile programs. This required the development of new capabilities, including offensive means, precision strike means, and enhanced intelligence. Third, the alliance should be prepared for the possible collapse of the North Korean regime. Trilateral Japan-South Korea-United States cooperation would be vitally important to manage such a situation.

A Korean asked if the United States could not do more to explain THAAD to China, as Korea was facing increasing PRC hostility to USFK's possible deployment of a THAAD system. An American responded by urging South Koreans to explain to the Chinese that THAAD would not be directed at the PRC. THAAD launchers were terminal interceptors and thus not a threat to Chinese missiles. Moreover, the radar would be in terminal mode, with a narrower bandwidth, focused directly on North Korea and not China.

A Korean said that the South Korean government's official position was that it would address the North Korean threat by use of the Korea Air and Missile Defense (KAMD) system, rather than THAAD. KAMD consisted of PAC2 and PAC3 launchers, which were lower-tier interceptors, as well as of Israeli-made radar that was much more limited than THAAD radar. South Korea was also developing its own medium and long-range interceptor systems, L-SAM and M-SAM. Despite this, the PRC was hostile to a possible THAAD deployment, since the radar would be under U.S. rather than South Korean control, allowing U.S. surveillance of China's northern provinces.

An American commented that China was utilizing its economic leverage on Korea regarding a security issue (THAAD). Rather than seeking to intimidate South Korea, China should do more to discourage North Korea from continuing its nuclear and missile programs. Another American argued that for strategic reasons the United States and the ROK should reduce their excessive economic dependence on the PRC.

A Korean commented that the future of the alliance might depend on the development of the U.S.-PRC relationship. South Korea could not help but consider both sides, because it sought to ensure its own survival as the China and United States vied for regional dominance. For Korea, the normative character of the two dominant powers was an even more important factor than the power politics equation. In regard to issues such as THAAD, for example, South Korea should decide what was right as well as what was required for its security and then implement it, as Japan had done with THAAD. An American commented that he would find it baffling if South Korea gave in to Chinese pressure on the THAAD issue, thus allowing North Korea to continue to threaten it with missiles.

Regarding the sustainability of the alliance, a Korean argued that it was more a matter of U.S. will than of capability. The Obama administration seemed to be losing the

will to maintain the balance of power. The Obama administration needed to strategically communicate its intentions better and thereby increase the confidence of its regional partners. Regarding an American comment that there was a military necessity to integrate missile defense systems among Japan, the United States, and the Republic of Korea to deal with the North Korean missile threat, a Korea stressed that that was not politically possible because of China's opposition.

Another Korean said that the Trans-Pacific Partnership (TPP) was key to the U.S. pivot to Asia. The TPP could play a central role in developing a new order in the region. If the TPP failed, the United States' position at the center of the global economy could be profoundly weakened.

An American predicted that the new Republican-controlled Congress would cooperate with the White House to manage the issue of defense spending sequestration for the remainder of President Obama's administration and might well help speed the conclusion of TPP. There would likely be a reduced role for U.S. ground forces in the region but increased U.S. investment in maritime and air power. South Koreans should fully understand the gravity of the North Korean threat and be willing to cooperate more on security matters with Japan. Meanwhile, in a worrisome development, Xi Jinping's and the party's ability to exercise civilian control over the People's Liberation Army had weakened.

PARTICIPANTS IN THE THIRTEENTH FORUM: REPUBLIC OF KOREA

Yun Duk-min, Chancellor, Korea National Diplomatic Academy (KNDA)

Shin Bongkil, President, Institute of Foreign Affairs and National Security (IFANS), KNDA

Hyun Oh-seok, Distinguished Professor, KNDA

Jun Bong-Geun, Professor, Director-General, Department of National Security and Unification Studies, IFANS, KNDA

Kim Hyun-Wook, Professor, Director-General, Department of American Studies, IFANS, KNDA

Shin Sungwon, Professor, Director-General, Department of International Economy and Trade Studies, IFANS, KNDA

Ko Jae-nam, Professor, IFANS, KNDA

Kim Dongryul, Professor, IFANS, KNDA

Choi Wooseon, Professor, IFANS, KNDA

Lee Ji-yong, Professor, IFANS, KNDA

Cho Jung-hyun, Professor, IFANS, KNDA

Yoo Joonkoo, Visiting Professor, IFANS, KNDA

Koo Jaseon, Visiting Professor, IFANS, KNDA

Chung Kuyoun, Visiting Professor, IFANS, KNDA

Park Joon-woo, Former Senior Secretary for Political Affairs, Blue House

Choe Sang-hun, Seoul Correspondent, New York Times

Chung Jae Ho, Professor, Seoul National University

Hwang Ji Hwan, Professor, University of Seoul

Lee Geunwook, Professor, Sogang University

Lee Heajeong, Professor, Chung-Ang University

Lee Sang-Hyun, Director, Security Strategy Studies, Sejong Institute

Sheen Seong-ho, Professor, Seoul National University

PARTICIPANTS IN THE THIRTEENTH FORUM: UNITED STATES

Michael H. Armacost, Distinguished Fellow, Shorenstein Asia-Pacific Research Center (Shorenstein APARC), Stanford University

Karl Eikenberry, Distinguished Fellow, Shorenstein APARC, Stanford University

Thomas Fingar, Distinguished Fellow, Shorenstein APARC, Stanford University

Siegfried S. Hecker, Professor, Senior Fellow, Freeman Spogli Institute for International Studies, Stanford University

Yong Suk Lee, SK Center Fellow, FSI and Shorenstein APARC, Stanford University

T.J. Pempel, Professor, University of California, Berkeley

Kevin Shepard, Deputy Director, Combined Forces Command C5 Strategy, U.S. Forces Korea

Gi-Wook Shin, Professor; Director, Shorenstein APARC, Stanford University

Daniel C. Sneider, Associate Director for Research, Shorenstein APARC, Stanford University

David Straub, Associate Director, Korean Program, Shorenstein APARC, Stanford University

Stanford | APARC Walter H. Shorenstein Asia-Pacific Research Center | FSI Freeman Spogli Institute for International Studies

The Walter H. Shorenstein Asia-Pacific Research Center | Freeman Spogli Institute for International Studies
Encina Hall E301 | Stanford Univerity | Stanford, CA 94305-6055 | http://aparc.fsi.stanford.edu