

The Third Korea-U.S. West Coast Strategic Forum
November 13-14, 2009
Grand Hyatt Hotel, Seoul, Korea

Executive Summary

The third session of the Korea-U.S. West Coast Strategic Forum, held in Seoul November 13-14, 2009, convened former senior South Korean and American policymakers, scholars and regional experts to discuss North Korean issues, the state of the U.S.-ROK alliance, and prospects for increased multilateral cooperation in Northeast Asia. (Participants are listed below.) The Sejong Institute organized the Forum in association with its American partner for Forum matters, Stanford University's The Walter H. Shorenstein Asia-Pacific Research Center (Shorenstein APARC). A closed workshop conducted under the Chatham House Rule of confidentiality, the Forum allowed participants to engage in frank exchanges on important and sensitive issues.

Participants discussed the full range of challenges posed by North Korea. They considered the level and type of threats emanating from North Korea's continuing nuclear weapons program. They agreed that North Korea was using its nuclear program far more as a political than as a military weapon, and they expressed concerns about North Korea's nuclear proliferation activities to date and the regime's potential for further proliferation. All participants agreed on the importance of the Republic of Korea and the United States maximizing bilateral consensus on policy toward North Korea and on implementing North Korea policy consistently. Participants also discussed the apparent preparations in North Korea for yet another hereditary leadership succession and its implications for North Korea and the regime's relations with the Republic of Korea, the United States, and the international community as a whole.

Participants agreed that bilateral U.S.-South Korean relations had been further strengthened under the Obama and Lee administrations. The two countries' basic stances toward North Korea were in accord, but the difficulty of the North Korea problem argued for even more intensive consultations and deepened cooperation between the South Korean and American governments and societies to come up with a long-term strategy. Participants discussed how South Korea's economic growth and willingness to become a global "middle power" could also strengthen the U.S.-ROK alliance. Participants debated the advantages and disadvantages of keeping to the schedule to transfer wartime operational control over the South Korean military from the United States to the Republic of Korea in 2012, with South Korean participants expressing concerns about a possible reduction in military efficiency, a misleading message to North Korea, and increased costs and budget shortfalls for South Korea. American participants generally argued that the change would not lessen deterrence and would increase the long-term sustainability and effectiveness of U.S. forces in Korea.

Participants were encouraged by recent improvements in bilateral and multilateral relations in the Northeast Asian region. Much of the discussion focused on China's future growth and the extent to which China might in future pose threats to the security or sovereignty of its neighbors and the United States. Participants expressed generally favorable opinions about the foreign policy directions of the new Japanese government. They were hopeful that unresolved historical issues

might be addressed more effectively, which would open more opportunities to deepen regional integration.

Session 1: The North Korea Problem

To introduce the discussion on North Korean issues, an American expert made a presentation on North Korea's nuclear program, and a Korean expert discussed the succession issue in North Korea.

The American presenter provided a detailed technical briefing about the North's nuclear program and offered his views on policy implications for South Korea and the United States. In his estimate, the DPRK currently possessed four to eight primitive bombs. While the first North Korean test of a nuclear device, in 2006, was a partial success, the second one, conducted this year, was successful. The DPRK had not, in his opinion, miniaturized its nuclear devices so that they could be used as missile warheads. To do so, North Korea would most likely have to conduct additional nuclear tests. North Korea had a limited supply of plutonium and, hence, would most likely be limited to one additional test. It was not currently making more plutonium. In his opinion, it had not yet made highly enriched uranium for bomb fuel, in spite of its claims that it had successfully performed some enrichment experiments. His conclusion was that the DPRK might have nuclear "bombs" but did not have much of a nuclear "arsenal."

The American presenter stated that the greatest current threat posed by the DPRK nuclear program was that North Korea would export its nuclear material and technology to other countries and collaborate with other countries to improve its own nuclear capabilities. The Syrian reactor was an example that had already occurred, and the possible two-way nuclear collaboration by North Korea with Iran was extremely dangerous. He argued that South Korea and the United States should seek to contain and control North Korea's still relatively small-scale nuclear program even as we worked to bring about conditions that would allow for realization of a "Grand Bargain" to end all of North Korea's nuclear weapons programs.

Participants discussed North Korea's possible motivations to possess nuclear bombs, including security, diplomatic leverage, and domestic political benefits. Some Korean participants expressed concern that the DPRK might also regard its nuclear weapons program as a means of supporting a long-term strategy of eventually unifying Korea on its terms. An American participant, however, argued that South Korean conventional military superiority and the American nuclear umbrella over South Korea made it very unlikely that North Korea would try militarily to take over South Korea. The American presenter said that North Korea's nuclear bomb was a "political bomb" rather than a military one. The North used its nuclear weapons program primarily as a tool for "nuclear blackmail," i.e. diplomatic gains.

Participants agreed that U.S. policy over the past couple of decades had been unable to prevent North Korea from continuing to pursue its nuclear weapons program. Both the United States and the Republic of Korea historically had sent mixed messages to the North. North Korea had gotten away with crossing previously delimited "red lines" due to a lack of common ground and international resolve. Both American and Korean participants appreciated the increased bilateral

consultations under the Lee and Obama administrations, but they felt the need for greater bilateral consensus and long-term consistency in dealing with North Korea.

Participants discussed ways to denuclearize North Korea. The American presenter said that, logically, we had to create a situation in which the North judged it would cost it more to keep its nuclear program than to abandon it. Some participants said they believed North Korea would insist on being provided a light water reactor as part of any denuclearization deal. American and Korean participants agreed that the U.S. and South Korea needed a shared understanding of North Korea if they were to pursue a consistent policy.

Recalling Chinese Premier Wen Jiabao's recent apparently friendly visit to Pyongyang, a Korean participant questioned whether China really cared that much if North Korea had a nuclear weapons program. He suggested that China's national interests and the historical relationship between North Korea and China made the PRC relatively relaxed about North Korean behavior. The American presenter also predicted that China would remain reluctant to increase pressure on North Korea for fear of risking instability on the Korean peninsula.

Regarding the apparently ongoing succession process in North Korea since Kim Jong Il suffered a medical crisis last fall, participants shared facts, impressions, and speculation. They noted that Kim Jong-un, the youngest of Kim's three sons, was reportedly being groomed as his successor. Participants discussed the many variables that could impact the succession, including Kim Jong Il's longevity and Kim Jong-un's capability. Participants also noted with satisfaction the media reports that the militaries of the United States and South Korea had developed more detailed planning on how to respond to various contingencies inside North Korea.

A Korean participant, while recalling the inaccurate predictions of a decade ago that the succession from Kim Il Sung to Kim Jong Il would fail and bring about the collapse of the North Korean regime, suggested that there might be greater validity to skepticism about a succession to Kim Jong-un. He offered three reasons. Kim Jong Il had already had twenty-five years of experience working for the regime at the time of his father's death, while Kim Jong-un was both still young and has had almost no working experience. The nuclear issue was now both more difficult and more acute than during the period of the succession to Kim Jong Il. Finally, Kim Jong-un had not demonstrated any particular leadership capabilities so far.

Session 2: The Korea-U.S. Alliance

While acknowledging the existence of difficult issues such as North Korea and the Korea-United States Free Trade Agreement (KORUS FTA), participants were in consensus that the alliance's long history and the common interests of both countries ensured that the U.S.-ROK relationship would remain strong for the foreseeable future.

Regarding North Korea policy, a Korean participant asked if there was a significant difference between President Obama's "comprehensive package" and President Lee's "grand bargain" approaches, as suggested in some South Korean media reports. An American participant expressed confidence there were no major differences, in part because a step-by-step process

toward North Korean nuclear disarmament was no longer politically supportable in Washington in view of North Korea's repeated nuclear tests and authoritative DPRK government statements that it intended to retain nuclear weapons.

An American presenter noted the concern of some South Korean conservatives that the United States might reach a bargain with the DPRK tacitly "accepting" the North's continuing possession of a limited number of nuclear weapons in exchange for a North Korean pledge not to engage in further nuclear proliferation. The presenter emphasized, however, that the United States had made tremendous strategic "investment" in South Korea ever since 1950 and would never sacrifice South Korea's vital interests when dealing with the North. A Korean participant expressed concern that the United States and China might strike a deal on Korean peninsula issues, excluding South Korea. An American expressed skepticism about such a possibility. He pointed out that China was reluctant to discuss North Korea at all with the United States. He argued that it would be beneficial to the United States and South Korea for both to engage China more intensively about North Korea.

Several Korean and American participants expressed concern that the United States and South Korea, while now in close accord, might show signs of disagreement if the United States and North Korea engaged in higher-level, more intensive bilateral talks. An American participant said that a long-term strategy was needed to support regime transformation in the North. Participants had varying opinions about the DPRK's long-term intentions toward the Korean peninsula. Some believed it was intent merely on surviving; others felt it had never given up its long-held dream of eventually unifying the peninsula on its own terms.

A Korean presenter observed that a consensus on the future trajectory of the U.S.-ROK alliance was necessary in light of the fact that South Korea was working toward becoming a stronger "middle power" with not only a regional but also a significant global role. As the Obama administration endeavored to reform and advance American foreign policy, South Korea must also consider its role in addressing world issues such as terrorism and economic growth and stability. The presenter suggested setting up an alliance management institution for Korean and U.S. specialists to consider ongoing issues face to face in a sustained way. Several American participants commented that Korea's interest in becoming a middle power would have a positive effect on the U.S.-ROK alliance, making it more interdependent and symmetrical. Another suggested that how South Korea defined itself in positive terms—in contrast to the negative terms such as "anti-communist" or "anti-Japanese" by which it had defined itself in the past—might be key to advancing the U.S.-ROK bilateral relationship to a new level.

One American participant urged increased trilateral cooperation among the United States, Japan, and South Korea. Several Korean participants agreed on the value of such cooperation, particularly on military deterrence, but noted that unresolved historical issues between South Korea and Japan posed an obstacle to closer security ties involving the two countries. A Korean participant said that enhanced U.S.-ROK-Japan trilateral cooperation might induce China to play a more proactive role in dealing with North Korea. Another Korean participant suggested that U.S.-ROK-China trilateral cooperation could help to deal more effectively with the North Korean nuclear issue and other security issues in Northeast Asia.

An American presenter predicted that the Obama administration would uphold the Bush era agreements with the ROK on the realignment and consolidation of U.S. bases in Korea, the transfer of wartime operational control, and strategic flexibility for U.S. forces. The presenter argued that such changes would strengthen the U.S.-ROK alliance over the long term. U.S. military forces would be more effective and base-community relations would improve, ensuring that deterrence is maintained and making the alliance politically more sustainable in South Korea. A Korean participant, however, expressed concerns about the transfer. He felt that keeping to the 2012 schedule would send an incorrect message to North Korea that the United States' commitment to the South might not be as strong or as "automatic" after the change. He also expressed concern that ending the Combined Forces Command and having instead separate ROK and U.S. military commands would reduce military efficiency and effectiveness in the event of conflict with North Korea. He urged that the transfer date be reconsidered in light of North Korean behavior and instability in the region.

Several American participants expressed hope that the U.S. Congress would soon approve the KORUS FTA. An American expressed frustration that President Obama's campaign pledges and concerns about mollifying Democratic Party lobbies had prevented the KORUS FTA from being pushed in Congress. One Korean participant mentioned the Obama Administration's request to East Asian countries to restructure domestic growth models to shift from heavy exports to domestic demand, thereby increasing their consumption of U.S. products. He felt that this might conflict with the demands of an ever-growing Chinese market. An American participant responded that the United States was simply no longer financially capable of consuming as much as before and that an economic structural rebalancing was unavoidable.

Session 3: Korea and the Northeast Asia Region

Participants unanimously agreed that bilateral and multilateral relations among Northeast Asian countries had generally improved recently. Various new institutions promoting not only economic but also regional security cooperation were emerging. An American presenter said that the United States was now more willing to engage Asian countries in a multilateral security system that moved beyond bilateral relationships. A whole series of vigorous trilateral interactions of various configurations were taking place. Some were the outgrowth of bilateral security cooperation between the United States and Japan and between the United States and South Korea. Trilateral cooperation that engages China was also being pursued. South Korea, China, and Japan had held summit meetings recently to strengthen their cooperation and a China-U.S.-Japan trilateral was being discussed. The presenter noted, however, that while prospects for cooperation were generally good, the countries' perspectives on many issues were divergent. For example, China's main objective in North Korea was to maintain stability, while the United States' focus remained on denuclearization. Historical issues between Japan and other Asian countries also remained to be resolved.

A Korean presenter elaborated on South Korea's regional integration policy in the context of the current atmosphere of increased global cooperation. South Korea was making efforts to create a Northeast Asian economic community and strike FTA agreements with countries around the world. It was also pushing a green growth agenda for mutual benefits and prosperity. The

presenter proposed that a United Nations Environment Agency be established and headquartered in the Demilitarized Zone to symbolize the two Koreas' commitment to maintaining peace and to help establish an inter-Korean environmental community.

A Korean participant raised the issue of China's future prospects. Would it continue to rise as a superpower while the United States' relative influence in Asia declined? Or would the PRC's continued growth be stymied by domestic problems such as authoritarian rule, corruption, and minority issues? Another Korean participant felt strongly that China's power would continue to grow. He argued that the United States and China's neighbors thus needed to maintain strong alliances. An American participant said, however, that China's phenomenal growth might not continue and the United States was warranted in applying a strategy of both "engaging and hedging." He proposed engaging China, including through trilateral meetings involving the United States, Japan, and China, while hedging against China in trilateral relations among the United States, Japan, and South Korea, and also the United States, Japan, and Australia.

Participants discussed the implications for Japan-South Korean ties of Japan's recent change of government. Several American participants agreed that this might be a golden opportunity to resolve or at least mitigate historical issues involving Japan. Japanese Prime Minister Hatoyama was seeking closer ties with Asian neighbors and showing a willingness to express formal contrition for Japan's past actions. They urged South Korea and other Asian countries to take the "olive branch" that the current Japanese government was offering. A Korean participant agreed it would be wise to seek reconciliation as the centennial of Japan's colonization of Korea approached in 2010.

The new Japanese government's rhetoric about having a less dependent relationship on the United States was also discussed. Many American participants expressed confidence that the U.S.-Japan alliance would remain strong. Several Korean and American participants regarded Japan's current stance as stemming primarily from apprehension about China's growing influence. They viewed Japan's moves toward creating a stronger Asian community as intended to moderate China's influence rather than to achieve distance from the United States.

A Korean presenter urged the United States, China, and Russia to cooperate more to resolve the North Korean nuclear issue. He felt that China's cooperation had become all the more important since talks between the United States and the DPRK were almost at a standstill. He also expressed concern that North Korea might be becoming too economically dependent on China. An American participant responded that Americans and Chinese had different views on North Korea, making it quite difficult for the two countries to cooperate effectively. He said that China was not as concerned about North Korea's nuclear capabilities as it was about possible U.S. military intervention in the DPRK or a decision by Japan to "go nuclear" in response to the North's actions.

A Korean participant speculated on the impact of the current global crisis on Northeast Asian politics. Another Korean participant responded that monetary exchange agreements established after the Asian economic crisis had helped countries in the region to overcome the recent financial crisis and economic recession. He felt it was too early to tell how such agreements might influence military and political ties. An American participant agreed that Asian countries were indeed coping relatively well with the current global financial and economic problems. He

predicted this would give Asian economic planners the confidence to advance their own economic models in the future, with less reference to the United States.

Participants

Korea

Gong, Ro-Myung	Chairman, The Sejong Foundation
Song, Dae Sung	President, The Sejong Institute
Lee, Su-Hoon	Director, IFES, Kyungnam University
Yoo, Ho-Yeol	Professor, Korea University
Kim, Yong-Ho	Professor, Inha University
Nam, Sung Wook	President, Institute for National Security Strategy
Son, Gi-Woong	Senior Research Fellow, Korea Institute for National Unification.
Cho, Yun Young	Associate Professor, Chung-Ang University
Shin, Youseop	Professor, Yonsei University
Park, Yong-Ok	Research Fellow, The Sejong Institute
Lee, Sangho	Research Fellow, The Sejong Institute (Program Coordinator)

United States

Michael H. Armacost	Shorenstein Distinguished Fellow, Shorenstein APARC
Mike Chinoy	Senior Fellow, U.S.-China Institute, University of Southern California
Chaibong Hahm	Senior Political Scientist, The RAND Corporation
Siegfried S. Hecker	Co-Director, Center for International Security and Cooperation, Stanford University
T.J. Pempel	Professor, University of California, Berkeley
Gi-Wook Shin	Director, Shorenstein APARC
Daniel C. Sneider	Associate Director for Research, Shorenstein APARC
David Straub	Associate Director, Korean Studies Program, Shorenstein APARC
Philip Yun	Vice President for Resource Development, Asia Foundation

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