

ASAN REPORT

Eight Priorities for Korean Foreign and Defense Policy

AUGUST 2015



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Foreign and Defense Policy**

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The Asan Institute for Policy Studies

As the Park Geun-hye administration crosses the halfway point of its five-year term, the Asan Institute for Policy Studies has partnered with the *Dong-A Ilbo*, one of Korea's leading national newspapers, to assess the administration's performance on foreign affairs and national security. On April 2, 2015, *Dong-A Ilbo* released the joint investigation's preliminary results in Korean. This report lays out eight key policy proposals that require greater leadership based on an updated assessment of the Park administration's major foreign and defense policies. We hope that this report stimulates public discussion on the future direction of Korea's foreign relations and national security policies.

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1. Three Criticisms of the Park Administration's Foreign Affairs and National Security Policies

The Park administration's foreign affairs and national security policies has received harsh criticism over the past two years. From the government's point of view, these attacks may feel undeserved given that, apart from ROK-Japan relations, there have been notable improvements.

There have not been any major national security incidents like the *Cheonan* sinking or the bombardment of Yeonpyeong Island. Moreover, the Park administration has not supported unsuccessful diplomatic overtures such as blindly giving aid to North Korea. In fact, there has been vigorous diplomacy with the Middle East and Europe, and relations with the United States and China have been strong.

Free Trade Agreements (FTAs) with Vietnam, Canada, Australia, and China are underway, while economic cooperation and investment opportunities with European and Middle Eastern countries have been expanded.

Despite these successes, criticism of the government's foreign affairs and national security policies continue because fundamental challenges have yet to be resolved. There has been little to no progress in ending North Korea's nuclear program, which has been advancing steadily despite international opprobrium. The use of 'strategic ambiguity' to navigate deteriorating ROK-Japan relations and escalating US-China tensions unsettle the Korean public.

There are three reasons for the current state of affairs. First, while the government was successful in fostering short-term favorable attitudes through active diplomacy with the United States and China, it failed to discern overall changing

trends in US-Japan, US-China, and China-Japan relations. Therefore, the administration did not incorporate these strategic undertones into its policies. Although Japan was quick to strengthen ties with the United States and make strides towards achieving the ability to exercise its right of collective self-defense, Korea remained engrossed in issues of history that have put great strain on ROK-Japan relations. In doing so, the Korean government ignored the importance of cooperation for the sake of national security and overlooked the additional burden it would impose on Korea's relations with the United States.

There is also criticism that the Korean government was preoccupied with China at the cost of ignoring the United States, which is gradually re-establishing its position as a superpower. Subsequently, the Korean government did not earn the understanding and support of the United States, and the alliance is under strain.

Second, the Park administration has struggled to implement its vision in policies and actions. Park announced many goals, such as the Trust-building Process on the Korean Peninsula, Northeast Asia Peace and Cooperation Initiative (NAPCI), Eurasia Initiative, and the Unification Bonanza Initiative, but they remain abstract slogans.

For example, North Korea has yet to join the Trust-building Process on the Korean Peninsula and has instead continued with its provocations, such as test firing missiles and threatening to conduct a fourth nuclear experiment. Claiming that its preconditions have not been met, North Korea is refusing to engage in talks with South Korea.

As for President Park's NAPCI initiative, ROK-Japan relations and China-Japan relations have to improve. While ROK-Japan relations are finally progressing, they are far from solid, and China-Japan relations remain cool. The Park administra-

tion should have started addressing these contingent variables long ago to set the stage for NAPCI. If this was not feasible, it should have made the NAPCI initiative a lower priority or revised its framework significantly. The Eurasia Initiative is also beyond implementation until the conflict between Western countries and Russia over Ukraine is overcome. Steady progress is difficult in such a volatile environment where sporadically evolving circumstances undercut long-term policy. This ambiguity fuels skepticism towards the Park administration's policies.

With respect to the Unification Bonanza concept, it remains a vision and not yet a policy. To take the initiative, the Korean government needs to draft critical short-, mid-, and long-term policy goals. The Park administration has instead focused on proposals and frameworks that are principled, even idealistic, and failed to lay out specific action plans that earn support from stakeholders for implementation.

Moreover, some of the visions of the Park administration (i.e., Eurasia Initiative and NAPCI) had been previously set forth and discussed during the Roh administration. Before setting new goals, the Park administration should study similar proposals and try to learn from past failures and successes. It should also build its action plans for long-term sustainability and seriously consider whether they can achieve any tangible success within a five-year presidential term.

Lastly, in the course of proposing goals in the realm of foreign affairs and national security, there are respective issues that inevitably arise. These issues can be mutually complementary or contradicting and conflicting. In the latter case, one must prioritize which policies must be pushed forward. However, there was no system in place to facilitate any of the policy goals, and efforts to build such mechanisms were lacking.

Third, the structure of the decision-making process at the Blue House hinders the policy coordination process. The national security team is divided into the National Security Office and the Office of the Secretary to the President for Foreign Affairs and National Security, resulting in an ineffective control center for foreign affairs and national security. To those working outside the Blue House, the delegation of authority was not clear. Thus, it was challenging for government representatives to convey the president's intentions and explain the government's policies confidently and effectively. Critics contend that the problem of concentrated executive power worsened during the Park administration.

2. Eight Policy Proposals

To address the challenges above and advance Korean national interests, we recommend the Park administration pursue the following foreign affairs and national security policies over the second half of its term.

1) Utilize the ROK-US Alliance

The Korea-US alliance is South Korea's main strategic asset and Seoul should strengthen and utilize it. As China grows stronger and Japan's conservative shift accelerates, the need for an alliance with the United States only grows.

China is pressuring Korea to reject the Terminal High Altitude Area Defense (THAAD) missile defense system to weaken the Korea-US alliance. Meanwhile, Japan's historical revisionism puts strain on Korea-US relations. The Park administration needs to address these problems quickly and strengthen the alliance with the United States to adapt to East Asia's changing political environment.

If the alliance becomes shaky, Korea's position weakens and its strategic value decreases. This will happen simultaneously as China's increasing pressure on Korea becomes harder to withstand. Seoul should not align itself with Beijing in pursuit of economic advantages, as doing so would weaken Korea's diplomatic position.

A strong Korea-US alliance increases the strategic value of Korea, facilitating more effective diplomacy with neighboring countries. It will also help in solving problems with Japan, including historical issues. Moreover, it enables Korea to respond to Chinese pressure through 'strong hedging.' Once the alliance strengthens, Korea can alleviate US suspicions over Korea taking sides with China. Meanwhile, as long as China wants to make Korea a strategic partner, it will continue to offer Korea opportunities.

To strengthen its alliance with the United States and increase its strategic value, Korea needs to invest in the ROK-US Combined Defense System.

Additionally, the Park administration needs to systemize mechanisms or inclusive platforms for strategic discussions. By being more active in security cooperation with the United States and Japan, the alliance can be strengthened. China will most likely object to these efforts. However, if the three countries can set the goal for this security cooperation to be the establishment of a global commons rather than a regional security framework (which China may find threatening), and operate through transparent processes, they can reduce opposition from China.

Before taking any action, strengthening the channels for comprehensive foreign affairs and security cooperation should be considered. For example, Korea, Japan, and China are maintaining track 1.5 diplomacy via the Trilateral Cooperation

Secretariat (TCS) in Seoul. It would be helpful if Korea, the United States, and Japan set up a similar system.

Issue-specific cooperation can also contribute to the strength of the alliance. In saying so, the first issue that could be tackled is strengthening the interoperability of the missile defense system. Another issue that should be considered is the systemization of information communication technology cooperation to combat cyber terrorism.

Economic cooperation should also be reinforced. By implementing the Korea-US FTA, both countries can increase trade benefits and people-to-people ties. As the two countries became closer through the FTA, they can prevent market risks by setting up communication channels between the two countries' central banks and facilitate data exchange.

The Korean government should also contribute more to the international security regime led by the United States. By cooperating with the United States on not only international development, climate change, and the environment, but also on non-traditional security issues, such as anti-piracy, pandemic diseases, and nuclear security and energy, Korea will prove itself a reliable partner in the Korea-US alliance.

2) Strengthen National Military Forces

The delay for the transfer of Wartime Operational Control (OPCON) was inevitable. As North Korea continues to develop and acquire more weapons of mass destruction, unease about security has been growing. Therefore, it was reasonable to assess whether conditions have been met before transitioning, without setting a specific date. However, we should not fall into the moral hazard of weak-

ening our defense capabilities and depending solely on the United States for our national security.

Importantly, delaying the transfer of War-time Operational Control is not the solution to the North Korean threat. It simply buys time for us to build up our own defense capabilities. The government must develop a master plan for national security that looks beyond OPCON transfer. The Ministry of National Defense has outlined reforms, focusing on the ability to prepare for North Korea's asymmetric threats, local provocations, and all-out war at the same time. However, the short-, mid-, and long-term tasks do not match the principal direction that the Ministry of National Defense is taking.

Although setting up competent military power and systems to respond to North Korean threats is the most urgent issue, almost all related tasks are categorized as long-term goals. Short- and mid-term tasks are less pressing, such as reform of the Joint Chiefs of Staff, the reserves, unit organizations for civil-military operations, improving the system of mobilization, improving logistics, welfare reforms, and reform of the structure of the military forces. Considering our security situation, it is doubtful whether these short-term tasks are appropriate. While reform of the structure of the military forces is needed, a strong military (via procurement of and training with advanced weapons systems) is a more pressing matter.

Establishing realistic defense reforms, adjusting policy priorities, and efficiently distributing limited resources is the best way to foster a 'Strong Army.' If needed, the budget for national defense should be increased. From 1988 to 2014, Korea spent about 2.9% of its GDP for national defense, on average, while the United States and Israel spent about 4% and 9% of their GDP, respectively.

3) Establish Clear Priorities in North Korea Policy

North Korea's nuclear weapons are the most serious security threat facing Korea. According to a report by the US-Korea Institute of the Johns Hopkins School of Advanced International Studies in February 2015, North Korea will possess at least twenty and up to 100 nuclear weapons in the next five years.

In a testimony before the Senate Foreign Relations Committee, Admiral Cecil Haney, Commander of the United States Strategic Command, stated that North Korea has already succeeded in making small nuclear warheads. This means that, while North Korea has not made significant progress with missile launchers, it already possesses significant nuclear weapons that threaten our security.

Some argue, rather complacently and irresponsibly, that North Korea will not use nuclear weapons against South Korea because the two countries are one people. However, North Korea's high-loft missile tests (고각발사시험) suggests that it is honing its ability to use its nuclear weapons against South Korea. Even if it does not use nuclear weapons on the Korean peninsula, it can still attack South Korea's allies. When North Korea perfects its nuclear weapons, our national security will be severely compromised, and this process is already underway.

The denuclearization of North Korea is the most important security issue, but it cannot be achieved purely through talks and negotiations. It is meaningless to check whether North Korea is interested in denuclearization. North Korea has already emphasized several times that it will not negotiate on this matter.

The South Korean government needs to weaken North Korea's sources of power to force it to denuclearize. As North Korea pursues both nuclear weapons and economic development, we need to impose tougher monetary costs to pressure

the North Korean government. Through such assertive policies, we need to put Kim Jong-un in a situation where he must choose either nuclear weapons or the sustainability of his regime. The ultimate goal of this strategy is to make the North Korean government prioritize economic development over nuclear power, and realize that continued pursuit of its nuclear plans will destabilize the economy and render its nuclear weapons useless.

The framework for this policy is to react to nuclear weapons with denuclearization, and to illicit trade with comprehensive economic sanctions. For denuclearization, the Korean government has devoted effort in development of a complementary missile defense system and Kill Chain. Missile defense protects against projectiles launched from North Korea. The Kill Chain incapacitates North Korean sources of threat if an attack appears imminent.

The extended deterrence that the United States provides against North Korean nuclear threats should also be made clearer. US Defense Secretary Ashton Carter has stated that the United States Forces Korea will be augmented with high-tech equipment, such as F-22 fighters and B-52 bombers. To expand its military power, the South Korean government needs to negotiate with the United States. The Deterrence Strategic Committee (DSC) on April 16 was meaningful in this respect. Although the United States stated that it will provide protection against North Korea's nuclear weapons and missiles through extended deterrence, doubts cast on its effectiveness necessitate further clarity regarding the Committee. The Korea-US alliance and its process of searching and discussing specific strategies together are very important.

Moreover, there has to be stronger economic sanctions against North Korea. Economic development is the only way that the North Korean government can guarantee the regime's longevity. Even if the North Korean economy and its food situ-

ation have been improving for the past few years, it is still far from sustainable.

If North Korea seeks to maintain its regime through economic development, then reconstruction of its social infrastructure and wide-scale influx of foreign investment is necessary. While there is little investment at the moment and North Korea will try to maintain the status quo, the regime will try to find an economic breakthrough eventually. In this case, the South Korean government must demand denuclearization as a precondition for economic cooperation. Accordingly, it is important to uphold the economic sanctions of the May 24 Measures. The suspension of inter-Korean trade and the ban on new investments in North Korea should be maintained so that Kim Jong-Un will consider denuclearization as a way to overcome economic difficulties. The recent Iranian nuclear talks are a good example of how strong economic sanctions can induce denuclearization by creating economic hardship.

China is an important player in the economic sanctions. North Korea's third nuclear experiment confirmed to China that North Korea is threatening peace in East Asia. As a result, North Korea-China trade has slowed since 2013. Also, the investment plans for Hwang Geum Pyong-Rajin Special Economic Zone have nearly been scrapped. The Park administration needs to demand that China strengthen its economic pressure on North Korea. Also, we need to ask other neighboring countries and the international community to refrain from investing in North Korea until Pyongyang promises denuclearization.

Moreover, if North Korea is willing to give up its nuclear powers, then the South Korean government should continue to notify the North Korean regime that it is willing to respond with extensive economic aid and investment.

4) Stop Fixating on an Inter-Korean Summit

South Korea should not stake its diplomatic efforts on dialogue with North Korea. Although the Park administration said that it will not have talks for talks' sake, it seems preoccupied with re-initiating talks with North Korea and improving the relationship to host an Inter-Korean summit. As this obsession grows, the likelihood of talks diminishes, and our negotiating position weakens, thereby undermining the original purpose of having talks with the North Korean government.

It should not be assumed that talks between the two countries will automatically improve their relationship. Unconditional talks with North Korea will give the wrong impression. The South Korean government must create an environment where North Korea will feel the need to come to the negotiating table.

To create a breakthrough in Inter-Korean relations, some say that an Inter-Korean summit is needed. However, we need to consider the costs and benefits of previous summits. If another summit will not bring any tangible benefits, then it is unnecessary (and even counterproductive) to have one.

Although it is necessary to restore communications with North Korea, it should not be rushed. The window for talks should always be open, but the South Korean government need not be anxious, as it would only benefit North Korea. Instead, the South Korean government must be confident and strategic. It should set goals for talks and modes for realizing agreements.

5) Pursue International Aid Diplomacy with North Korea

Policies aimed at improving the lives of the North Korean people should be more

vigorously pursued. The Sunshine Policy failed because the North Korean regime that reaped the benefits, rather than the public. Efforts to expand public health aid for the North Korean people can contribute to real improvement in their lives even while adhering to the May 24 Measures. Public health aid is an effective way of providing humanitarian support because it is hard for the North Korean government to redirect it for private use.

The Dresden Declaration was focused on mother and child health, but the target population needs to be expanded to include vulnerable social groups, such as infants and toddlers, women, and the elderly, for more comprehensive support.

The main support should be vaccinations, because it is a cost-effective way to nurture the next generation of North Koreans, who will be the driving force in the unification process. Vaccines require skill to administer, are not medicines, and are not sold in the black market. The dosage per person is set, so there is little likelihood of abuse. Even if the privileged in North Korea are the first to benefit from vaccines, the "herd immunity effect" of vaccines will spread to vulnerable social groups, thereby benefiting everyone.

After the May 24 Measures, the South Korean government has been sending vaccines through international organizations due to a ban from the North Korean government on direct distribution. The South Korean government should publicly announce that it will fully meet the vaccine demands of the North Koreans, and pressure the North Korean government to accept the deal. North Korea's refusal would only exhibit another aspect of the regime's inhumanity.

Aid for tuberculosis treatment is also much needed. According to the World Health Organization, 100,000 people contract tuberculosis (TB) every year in North Korea. Among these, it is estimated that 3,000 to 4,000 patients have multi-drug

resistant TB, which is hard to treat. The prevalence rate of TB is also high in South Korea compared to other OECD countries. If the exchange between North and South Korea grows, South Korea's tuberculosis problem will likely worsen. Addressing North Korea's TB problem now can prevent future public health problems in South Korea and reduce the cost of unification.

In exchange for family reunions and the return of South Korean prisoners of war, we can also provide food for the descendants of the separated families and fertilizers to the government. This kind of support is an assertive policy that can positively affect the quality of life of the North Korean people.

6) Search for a Breakthrough in Korea-Japan Relations

South Korea's foreign policy toward Japan has failed to make Japan reflect on its actions or improve Korea-Japan relations. It is thus necessary to find a way to move beyond history and improve strained ROK-Japan relations.

The Abe administration's revisionist interpretation of history and right-wing politics should be criticized, but policies that can improve ROK-Japan relations and influence Japan's self-reflection needs to be adopted. The government should reach a settlement through active communication and establishment of concrete guidelines on what Japan can do to apologize.

The two countries need to cooperate closely to resolve North Korea's nuclear threat. Even if the "comfort women" issue is addressed in the manner that Korea wants, a number of other serious points of disagreement—for instance, the Dok-do islets, the East Sea, history textbooks, trade imbalance, the rights of Korean residents in Japan, and security cooperation—remain. These issues require discussion and cooperation between Seoul and Tokyo.

Yet, the ROK government maintains a policy of wait-and-see towards Prime Minister Abe. Not only does this cede the initiative on ROK-Japan relations to Abe, it also postpones a resolution. This also neglects Korea-China-Japan cooperation, thus failing to maintain the momentum of the Korea-led Trilateral Foreign Ministers' Meeting. The government has lingered too long in its foreign policy towards Japan.

Whether the ROK government considers a linkage between its foreign policy toward Japan and ROK-US relations is questionable. Since the beginning, the Abe administration has been consistently pro-American. It has actively contributed to the success of America's rebalance to Asia by reinterpreting the principle of collective self-defense, revising the arms export principles as well as the guidelines for US-Japan defense cooperation. Consequently, Japan's right to collective self-defense was recognized in 2015. The new US-Japan defense guidelines, which incorporate such change, have transformed the Northeast Asian security environment.

Although it repeats statements and actions that aggravate history wars with South Korea, Japan's behavior toward the United States has been more ambivalent. The United States indeed criticizes the Abe administration's historical views, but it separates historical issues from security issues to defend against North Korea's nuclear threat and China's military buildup. As the US-Japan security cooperation is cemented, an increasing number of voices are criticizing the Korean government 'for being passive in ROK-US-Japan trilateral security cooperation due to its preoccupation with historical issues.' This fuels speculation that Japan is America's only reliable ally in Asia, while Korea is balancing between China and the United States in its so-called, 'Pivot to China Policy' (한국의 중국 경사론).

The fact that Japan's diplomacy toward the United States is creating a rift in the

ROK-US alliance can no longer be neglected. Diplomacy needs to be implemented to improve ROK-Japan relations.

The government needs to advance a High Level Bilateral Security Summit to promote dialogue on collective self-defense and mutual guidelines for US-Japan defense cooperation, while excluding the historical issue. It is reasonable to interrogate Japan about changing roles and spheres of activity of Japan's Self-Defense Force as it has a direct impact on Korea's national security.

By limiting the summit agenda to national security issues, the government can dispel worries over Korea's passivity in ROK-US-Japan trilateral security cooperation due to its preoccupation with history. In addition, China will perceive such actions as Korea's determination to promote bilateral cooperation and solve historical disputes.

7) Improve National Security Policy Coordination and Public Communication

Policies for inter-Korean relations and national security can only be effectively implemented with the public's understanding and support. Simply repeating the mantra of 'we are doing our best so trust and support us' without explanation will only generate public suspicion and anxiety.

The government should gather public opinion data before announcing policies. It should not ignore criticism, but analyze why such criticisms arise. The government needs to clearly convey to the public how it assesses the situation, what problems exist, and what measures will be taken, rather than making ambiguous proclamations.

The internal control tower of the Blue House needs to be unified, while strengthening the collaborative network. There is concern that an invisible barrier exists between the Security Office (five Secretaries: policy coordination, security strategy, risk management, intelligence situation and cyber security) and the Secretary Office (three Secretaries: unification, foreign affairs and national defense). Hence, a system to promote close cooperation and discussion is necessary. One way is to institute an issue-oriented task force, while maintaining the existing organizational system. The goal is to simultaneously exchange information among relevant institutions and individuals.

The Security Office needs to strengthen its planning, coordination and supervision functions, whereas government departments focus on administration. The Security Office should bridge the President and government departments. Going beyond being a simple secretary, the Chief of Security should assume the role of strategic advisor to the President.

8) Expand the Reach of Policy Initiatives

The target and agenda of Korea's foreign affairs and security policy have continued to expand. With the end of the Korean War, Korea's initial foreign affairs and security policy objective was to embrace liberal democracy, centered on the ROK-US alliance. Half a century later, Korea's diplomatic objectives have widened from bilateral to multilateral diplomacy, encompassing not only the region, but also Southeast Asia and Europe. The agenda has also broadened from focusing on issues of hard power (i.e. military and political issues) to include soft power initiatives (e.g. trade, finance, human rights, environment and climate change).

The effectual reach of our foreign and security policy has been diminishing, as it is comprised of executive orders that lack clear and consistent aims. NAPCI,

which sought to address non-traditional security challenges such as the environment, disaster management, nuclear safety and cyber security, or the Eurasia Initiative, which encompasses Siberia and Europe, were announced during the President's initial years in office. However, they lack practicality and content.

The actual realization of NAPCI and the Eurasia Initiative requires a diversion strategy. For example, in regards to NAPCI, Korea can strengthen bilateral relations with either Mongolia or Russia, which seek further cooperation with Korea, in the presence of conflict among the six Northeast Asian countries. We can also make use of our diplomatic assets to better draft and successfully advance policies in non-traditional security fields.

For Korea to live up to its global status, it needs to enhance its middle-power diplomacy. Before the launch of the new climate system, Korea should reassume the mantle as the leading middle power on 'international cooperation on climate change'. Furthermore, Korea needs to strengthen its political power within the G20 system by further cultivating MIKTA cooperation.

To enhance middle power diplomacy, Korea also needs to pay attention to non-traditional security threats and uphold values like humanitarianism. The problem, however, is that the government does not value these endeavors because they do not produce measurable results in the short term or huge economic gains, and they do not draw much attention.

Nonetheless, middle power diplomacy should be pursued not only for Korea to carve its niche as a responsible actor in the international community, but also for its long-term national interests and pending issues on the Korean Peninsula. If the government clearly defines its stance on key international issues and shows initiative, it will accrue more international support for its own peninsula agen-

da. Toward these ends, the government should make definitive policy judgments and concrete actions in international affairs.

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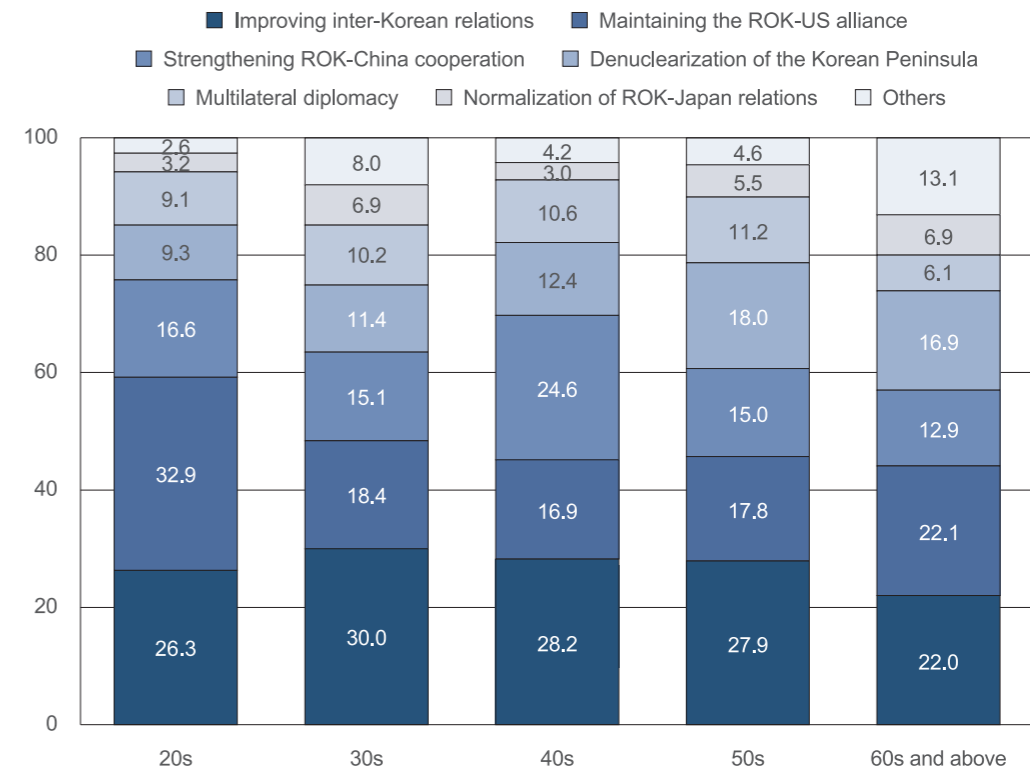
3. Public Opinion on Korean Foreign and Security Policy

Entering its third year in office, the Park administration’s foreign affairs and security policy is facing numerous challenges. The country has struggled with questions of joining the Asia Infrastructure Investment Bank (AIIB) and the deployment of the Terminal High Altitude Area Defense (THAAD) missile system. The government’s policy of ‘strategic ambiguity’ has also increased public frustration. Foreign Minister Yun Byung-se’s opening remarks before the Diplomatic Missions Meeting on March 30 further raised public concern when he stated, “receiving love calls from both China and the United States is neither a trouble nor a dilemma, but a blessing.” Moreover, just as public sentiment was cooling, North Korea launched four short-range missiles on April 3, escalating nuclear and missile tensions. Japan’s historical distortions followed: on April 6, the Japanese Ministry of Education, Culture, Sports, Science and Technology distributed middle school social studies textbooks criticizing ‘the Korean government for illegally occupying Dokdo islets, which are Japanese territories.’

The Park administration continues to be plagued by problems, putting Korean diplomacy on shaky ground. How does the public perceive this? The Asan Institute for Policy Studies conducted research on public perception of foreign affairs and security issues.

- Sample size: 1,000 adults above 19 around the nation
- Margin of error: 95% confidence level ±3.1% points
- Survey method: RDD phone for mobile and landline telephones
- Period: March 18 - 20, 2015
- Organization: Research & Research

Figure 1. The most important issue for Korean foreign policy? (Unit: %)



Poll data reveals that the public identifies the following as President Park’s top foreign policy priorities: improving inter-Korean relations (26.8%), maintaining the ROK-US alliance (21.4%), strengthening ROK-China cooperation (16.9%), denuclearization of the Korean peninsula (13.8%), multilateral diplomacy (9.4%), and normalization of ROK-Japan relations (5.1%). Settling North Korean issues, such as improving inter-Korean relations, maintaining the ROK-US alliance and denuclearization of the Korean peninsula, comprise 62% of the public’s desired policy focus. It is interesting that while the public is concerned about ROK-Japan diplomacy, they do not attach much weight to it.

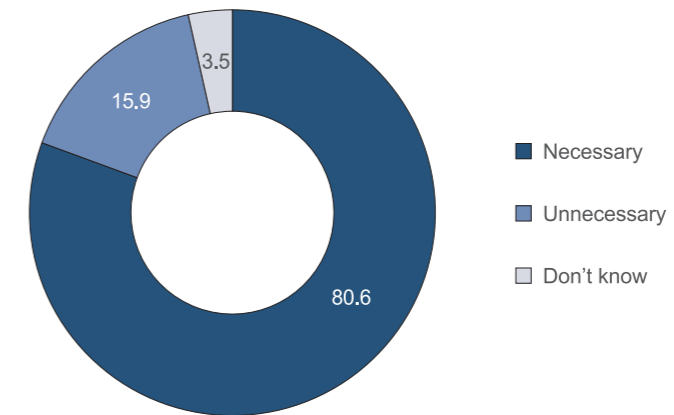
1) Making Progress with North Korea

According to the same poll, 30% of those in their 30s, 28.2% in their 40s and 27.9% in their 50s chose ‘improvement of inter-Korean relations’ as the ‘most critical foreign and security issue.’ It is notable that those in their 20s regarded ‘maintaining the ROK-US alliance’ to be more critical than ‘improvement of inter-Korean relations (improvement of inter-Korean relations - 26.3%, continuation of ROK-US alliance - 32.9%).

The fact that the majority of participants (26.8%) chose ‘improvement of inter-Korean relations’ shows that the public is craving tangible outcomes through practical policies, not abstract values such as ‘trust.’ Yet, there is a difference of opinion between progressives and conservatives in regards to inter-Korean relations issues (e.g. the resumption of Mt. Geumgang Tours and lifting of May 24th Measures).

◆ **“Inter-Korean Summit is necessary”** = 80.6% of participants agreed that an “Inter-Korean Summit is necessary.” By age demographic, the approval ratings of the 20s (81.7%), the 40s (85.8%) and the 50s (82.2%) are particularly high, and those of the 30s (78.4) and above 60s (75.1%) are also high, exceeding 75%. By ideological interest group, the approval ratings of progressives (88%) are much higher than those of conservatives (75.6%). Overall, regardless of gender, education, region, occupation and income, the call for inter-Korean talks is widespread, reflecting the public’s frustration over stalled progress in inter-Korean relations and the government’s call for a breakthrough via an inter-Korean summit.

Figure 2. Is Inter-Korean Summit necessary?



◆ **Resumption of Mt. Geumgang tours** = Calls for the resumption of tours to Mt. Geumgang, which halted since the death of Park Wang-ja in 2008, are very high. 65.4% of participants agreed, while 27% disagreed. There is no big difference between age groups (the 20s - 63.2%, the 30s - 65%, and the 50s - 67.8%). The approval ratings of the 40s (72.4%) are the highest, while those of the 60s are the lowest (58.7%). Meanwhile, the progressives’ approval reached 77.6%, higher than those of conservatives (55%).

Figure 3. Should we resume Mt. Geumgang tour?

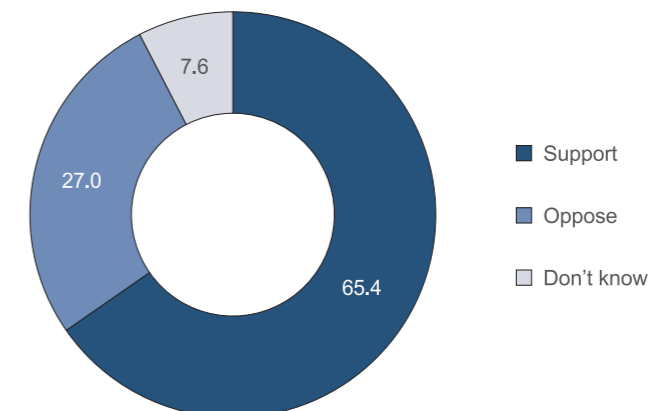
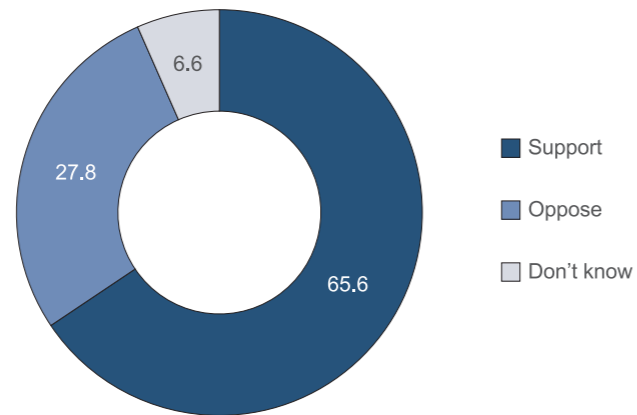


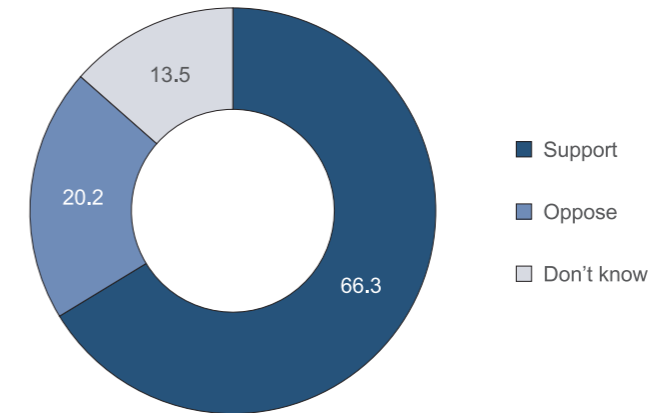
Figure 4. Should we attempt to reunite the separated families even if North Korea demands economic support?



◆ **Falling expectations about family reunions** = The percentage of those who approved of reunions is still higher (65.6%) than that of those who disapproved (27.8%). Nevertheless, compared to last year's survey (agree: 72.0%; disagree: 15.3%), negative sentiments have increased. North Korea's neglect of the South Korean government's offer to resume reunions deepened the public's resentment.

◆ **Approval for sending a special envoy to North Korea** = 66.3% of the respondents agreed that a special envoy to North Korea should be dispatched to improve inter-Korean relations, while only 20.2% disagreed. This seems to reflect hope for improvement in South-North Korean relations in parallel with a call for an Inter-Korean Summit. The approval of progressives (76.0%) is higher than that of conservatives (65.6%). By age demographic, the approval rating by the 50s (76.8%) is the highest. In contrast, the 20s are the most opposed to this measure (agree: 57.3%; disagree: 29.9%).

Figure 5. Should we send a special envoy to North Korea?



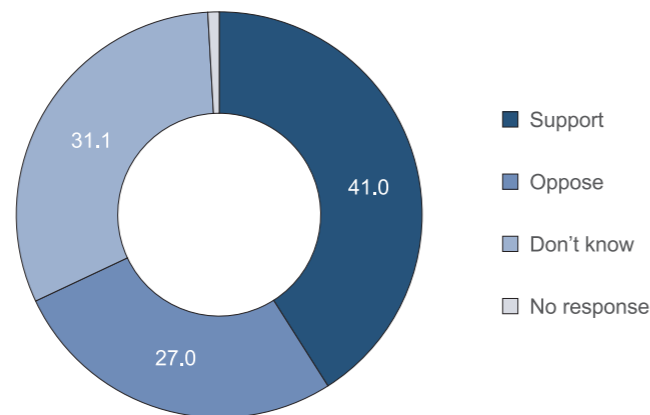
◆ **Should the May 24th Measures be lifted?** = On March 26, President Park attended the fifth memorial ceremony of ROKS *Cheonan* sailors at the National Cemetery in Daejeon. President Park stated in her speech: "Five years ago today, we lost the noble lives of warriors on the ROKS *Cheonan* who were serving their duty of safeguarding the West Sea on the frontlines ... Only when North Korea abandons its isolation and identity can we pave the way to construct a new peninsula."

Just three days later on March 29, the North Korean National Defense announced, "the ROKS *Cheonan* Sinking and subsequent May 24 Measures are strategic ploys planned by an atrocious Lee Myung-bak gang," and "if the South was interested in talking and improving relations with us, they should have abandoned such measures." Such statements reflect North Korea's resistance to the May 24 Measures; a similar internal conflict is also present in our government.

May 24 Measures = Sanctions against North Korea that came into effect on May 24, 2010 after the ROKS Cheonan Sinking. The main issues are: i) prohibit North Korean vessels from navigating in South Korean seas; ii) suspend Inter-Korean trading; iii) prohibit South Korean citizens from visiting North Korea; iv) prohibit new investment in North Korea; and v) suspend economic support to North Korea with the exception of vulnerable social groups.

In response to a poll entitled 'Should the May 24 Measures be lifted', 41% of survey respondents agreed, while 27% disagreed. By ideological association, the difference between progressives (54.9%) and conservatives (38.1%) is 16.8% points, explaining why the tension between the right and left wings has been so heated. By age demographic, the 50s show the highest approval rate (50.4%), while the 60s express the lowest (26.7%).

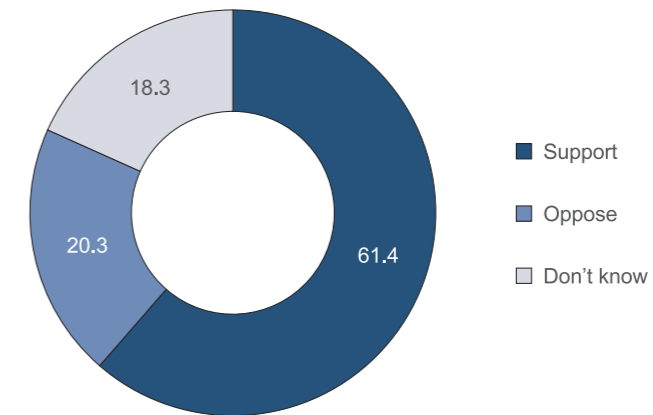
Figure 6. Should the May 24 Measures be lifted?



However, unlike public opinion on other issues, many respondents abstained from taking a stance on sanctions. 31.1% of the respondents said 'they are not sure,' revealing that many in the public do not know well about the May 24 Measures.

◆ **THAAD placement issue** = Progressives and conservatives were split over this issue. 61.4% of respondents agreed with the placement, showing that the majority of the public wish to retain a strong military deterrent against North Korea's armed provocations, while hoping for improvements in inter-Korean relations. Out of this group, 71.9% identified as conservatives, while only 49.4% were progressives. The THAAD placement issue incurred the greatest ideological differences among other South-North Korean issues.

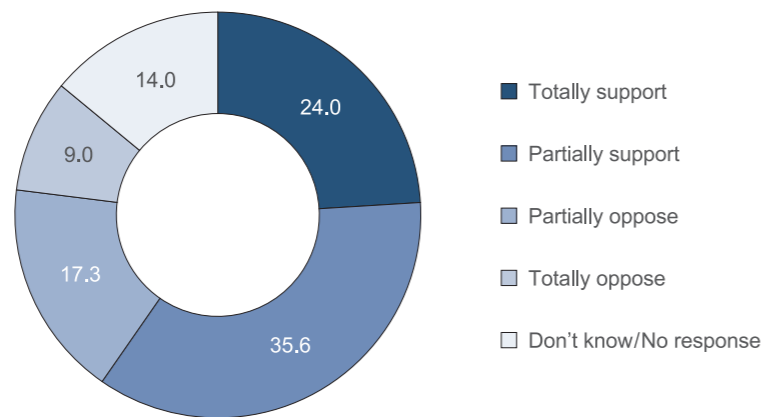
Figure 7. Is THAAD placement in US forces in Korea necessary to constrain North Korea's threats?



◆ **Approval for unification by absorption** = 59.6% of respondents agreed to South Korea-led unification by absorption, which is more than double the disapproval rate (26.4%). 24% 'strongly agree,' while 35.6% 'somewhat agree.' By age demographic, the approval rate is as follows: the 20s (64.4%), the 30s (53.1%),

the 40s (63.5%), the 50s (63%) and the 60s (54.4%). By ideological interest group, 67.1% of conservatives agreed, while 58.9% of progressives agreed. According to the annual survey conducted by the Asan Institute for Policy Studies, the most favored unification method by Koreans are South Korea-led absorption unification (52.1%) and federal unification (46.1%).

Figure 8. What are your thoughts on South Korea-led absorption unification of North Korea?



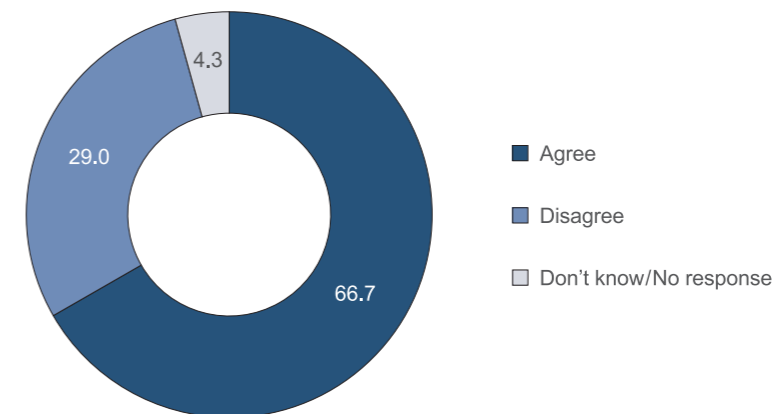
In regards to the ‘exceptionally’ high approval rating of the 20s, Dr. Bong Youngshik of the Asan Institute for Policy Studies argues that, “the 20s lack not only hope for North Korea’s change, but also a vision for North Korea,” and “thus, it is difficult for them to expect any plan other than absorbing North Korea under our system.”

2) Resolving Historical Disputes with Japan

Historical conflicts between South Korea and Japan are negatively affecting ROK-Japan relations as well as ROK-US relations, which concerns the general Korean public. According to the survey, the majority called for dialogue with Japan to

resolve historical conflicts between South Korea and Japan. 66.7% of respondents said South Korea should make efforts to improve ROK-Japan relations, even if Japan is denying the past and provoking us. This is more than double the response (29%) of “there is no need for improvement.”

Figure 9. Do you agree with the assertion that we need to improve ROK-Japan relations since this year is the fiftieth anniversary of the establishment of diplomatic relations between the two countries?

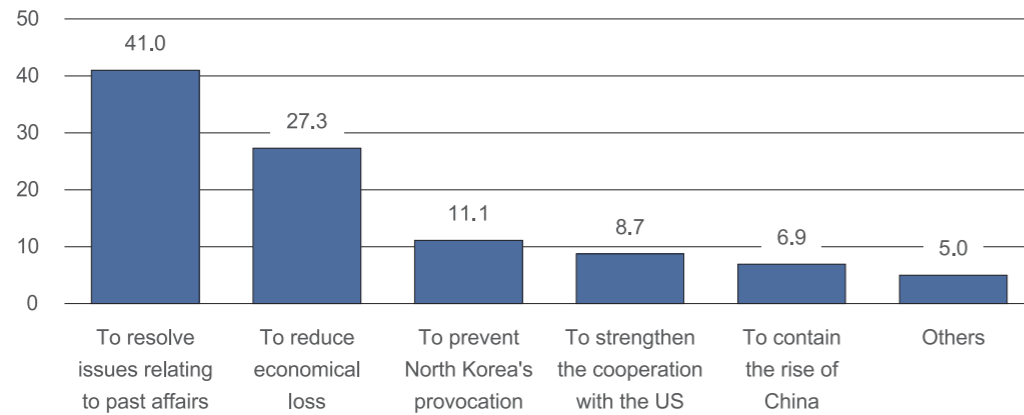


◆ **Improve ROK-Japan relations** = Regardless of age, ideology, education and region, the majority was calling for improvements in relations. The approval rating of the 20s age group was 72.5%, the 30s was 66.2%, the 40s was 62.1%, the 50s was 67.9% and above 60s was 65.8%. One way of interpreting the high approval rate of the 20s demographic is to attribute it to this age group’s inexperience with the Japanese colonial era and exposure to Japanese culture as they grew up.

◆ **Purpose of improving relations** = The reasons given for improving Korea-Japan relations are telling. 41% of survey respondents attributed their decision ‘to resolv[ing] historical conflicts.’ This is different from the government’s stance to

avoid 'moving to improve relations with Japan due to unsolved historical conflicts.'

Figure 10. Why do we need to improve ROK-Japan relations?



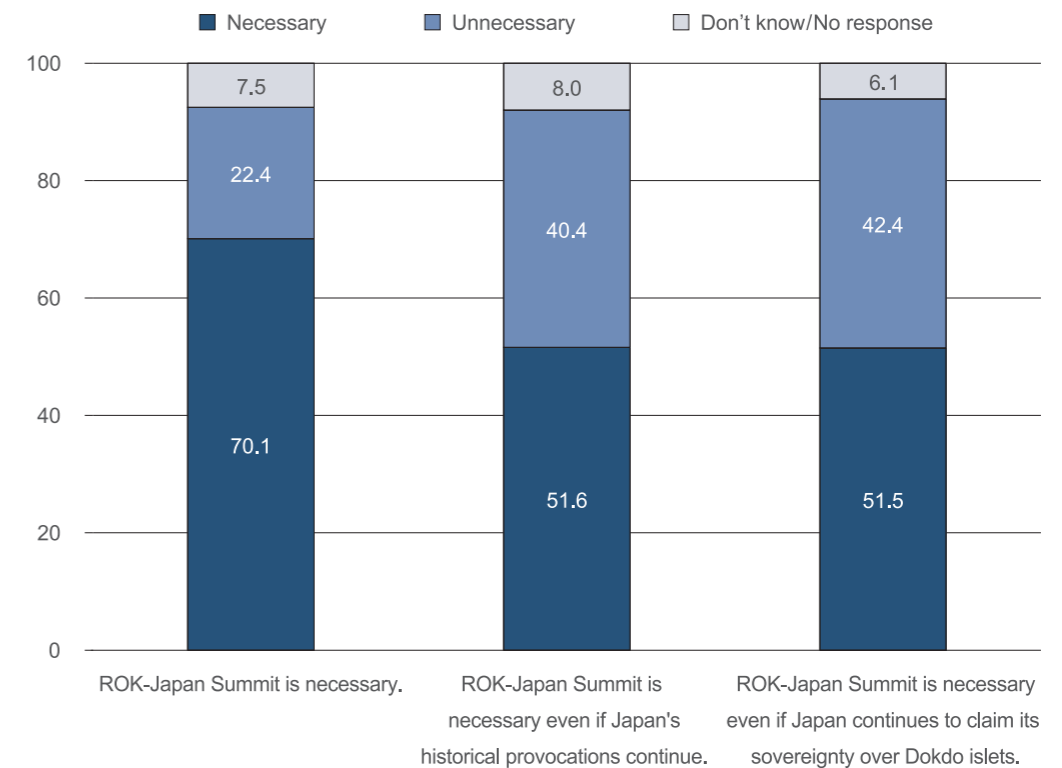
The fact that the majority wishes 'to resolve historical conflicts' infers that the public does not associate the security issue with the improvement of Korea-Japan relations. In fact, the low percentage of respondents who attributed their desire to see improved Korea-Japan relations 'to reduce economic loss (27.3%),' 'to counteract North Korea's provocation (11.1%),' 'to strength cooperation with the United States (8.7%),' and 'to contain the rise of China (6.9%)' demonstrates that historical conflicts are prioritized over economy and security issues. This also shows that Korea-Japan military cooperation will be difficult without resolving historical conflicts first. The public is implicitly ordering the government to disassociate Japan's historical distortions from other pending issues such as ROK-US or ROK-China relations.

◆ **Hold a Korea-Japan summit** = Support for holding a Korea-Japan Summit (70.1%) is triple the disapproval rate (22.4%). Compared to a February 2014 survey by the Asan Institute for Policy Studies, the approval rate (54.9%) has increased by 15%,

while the disapproval rate decreased by 16%. Interestingly, while Korea-Japan relations have deteriorated over the past year, support for a summit has risen. This indicates the public's desire to resolve Korea-Japan relations, as this year marks the seventieth anniversary of Korea's liberation from colonial rule and the fiftieth anniversary of the normalization of diplomatic relations between Korea and Japan.

77.3% of the 20s demographic agreed with the need for a Korea-Japan Summit. 58.6% of this age group also argued that 'the Summit is required even if Japan's historical provocations continue.' 61.8% answered that 'the Summit is necessary even if Japan continues to claim its sovereignty over Dokdo islets.' In all, the 20s

Figure 11. Is a ROK-Japan Summit necessary?



age group expressed the highest approval rate out of all respondents.

On the other hand, respondents in their 60s are the most disapproving about holding a Korea-Japan Summit in the face of Japan's provocations. This demographic has the lowest approval rate (44.8%). Only 45.9% answered that 'the Summit is necessary even if Japan continues to claim its sovereignty over Dokdo islets.' While the 60s (an age group that experienced the Japanese colonial era and period before the establishment of diplomatic relations with Japan) do agree on the need to improve Korea-Japan relations, they are not willing to concede on historical issues.

Since Abe's return to office in 2012 and subsequent deterioration of Korea-Japan relations, the Korean government has held fast to a stance that 'Japan needs to adopt correct historical consciousness.' However, Japan continues to undermine this position and provoke Korea. Despite the public's hope for normalization of relations, Korea-Japan relations will continue to face challenges and political volatility.

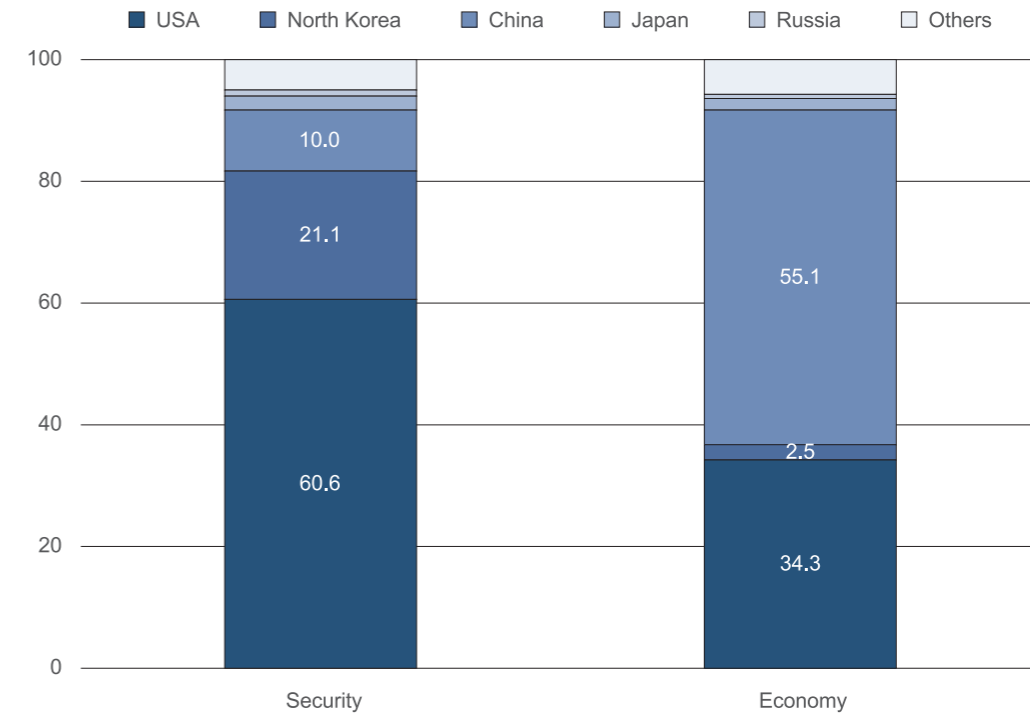
3) Identifying Countries of Importance to Korea

The survey results suggest the public's choices are clear. In regards to security, the most important country is the United States, and in regards to economy, China; in sum, 'Security America, Economy China.' This reflects conflicts over the issues of THAAD and the AIIB. 60.6% of survey respondents said, 'the United States is the most important in regards to security,' followed by North Korea (21.2%), China (10%) and Japan (2.3%).

By age group, 66.1% of the 60s and 64% of the 50s agreed that 'the US is the most important in regards to security.' Meanwhile, only 57% of the 20s and 51.9% of

the 30s agreed, which make up the lowest percentages and reflect the younger generation's increasing conservatism.

Figure 12. Which nation is the most important for ROK?



Concerning economy, China (55.1%) was selected as the most important country, followed by the United States (34.3%). Japan (1.9%) ranked fourth, lower than North Korea (2.5%).

Nevertheless, 55.2% of the 20s age group said 'the US is more important than China economically;' 40.4% chose China. The percentage of respondents belonging to the 20s demographic who said 'China is more important economically' is the lowest out of all age groups, showing their pro-America stance.

On the other hand, respondents in their 40s and the 50s regarded China as the more economically important country (40s: China - 67.2%, the US - 23.2%; 50s: China - 65.9%, the US - 25.6%), reflecting how the 40s and the 50s are more sensitive to the economic climate.

On the economy, North Korea (2.5%) has hardly any influence. However, it ranked second (21.1%) after the United States (60.6%) for security, confirming its position as 'an unhelpful country with many pending issues.'

(The Korean version of this article was originally published on May 13, 2015.)

ASAN
REPORT

Eight Priorities for Korean Foreign and Defense Policy

by **The Asan Institute for Policy Studies**

First edition August 2015

Publisher Hahm Chaibong

Published by The Asan Institute for Policy Studies

Registration number 300-2010-122

Registration date September 27, 2010

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Book design EGISHOLDINGS

Copy-editor Kim Kildong

ISBN 979-11-5570-122-5 93300

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Printed in the Republic of Korea



9 791155 701225 비매품
ISBN 979-11-5570-122-5