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The Shifting Environment in Northeast Asia and Our Responses

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The environment has become turbulent in Northeast Asia. The great power competition between the US and China is becoming fierce. The US employs more aggressive measures while China and Russia appear to be hunkering down. The environment has become much more complex as Japan proceeds to elevate its position in the region while South Korea announced its desire to not renew GSOMIA with Japan. North Korea has also contributed to this chaos by conducting a series of provocation through its missile tests in hopes of maintaining nuclear weapons. The current situation seems extremely unfavorable for South Korea as it aims to sustain economic growth in a stable regional environment. To overcome these difficulties, South Korea must maintain a more flexible approach to its national security. The following issue brief diagnoses the current health of Northeast Asia, challenges, and its associated responses.

The shifting environment in Northeast Asia

There are four noticeable trends in Northeast Asia. One is intensifying great power competition between the US and China. In response to a rapid rise in China's economic and military power, the US has been implementing more aggressive policies. On the other hand, realizing that its own capabilities are insufficient, China has been strengthening its ties with Russia. Secondly, the relationship between Japan and South Korea has further exacerbated. The disputes over history have developed chasms in their economic, diplomatic and public relations and neither side is willing to make any concessions. Thirdly, the trilateral cooperation between North Korea, China, and Russia may be adding some strategic value to North Korea. Lastly, the ROK-US alliance is weakening. President Trump is more interested in collecting a greater amount of contribution from Seoul for the

USFK rather than maintaining firm security guarantees for its ally. Seoul also appears to be more interested in talks with North Korea.

Intensifying power competition and responses from China and Russia

There is nothing unusual about the power competition between the US and China. China's BRI is a challenge to the US supremacy and the Indo-Pacific Strategy is the US response. In particular, the Trump administration is implementing more aggressive policies compared to its predecessor, which was less confrontational with China.

The competition is most evident in the economic domain. The dispute began with the US blaming China's unfair trade practices. The US imposed a series of tariffs against Chinese products while also putting pressure on Huawei. The US urged the world to stop using Huawei products, claiming that its products could have serious security implications¹. It also added that Huawei has provided technical supports to North Korea and violated economic sanctions against Iran. Believing that the Trump administration would not want to sacrifice the economy before the election, China may have reasoned that the US will not take excessive measures. However, it remains uncertain that this prediction by China will prove to be true.

The trade dispute between the US and China is starting to affect the currency market as well. With China taking measures to remedy the damages from the tariffs by lowering the exchange rate down to 1 dollar to 7 Chinese Yuan, the US Treasury decided to designate China as a currency manipulator. Indeed, there are not many options for the US to put additional pressure on China as the level of tariffs against Chinese products is high already. However, it is necessary to monitor the situation as financial disputes between these two countries can be the source of problems in the international economy².

It is unclear how the trade war would unfold. Continuation of this war would only cause damages to both nations. Unlike Xi who maintains a solid authority in the Communist Party, Trump has an election next year, and it may put him at a disadvantage, causing him to slowly reduce the level of pressure. However, as his aggressive policy against China seems to have gained bipartisan support, Trump may decide to add even more pressure to win over voters. In this case, the dispute between these two nations will last for a significant period of time.

Relationship between South Korea and Japan is deteriorating

A major challenge for South Korean diplomacy and security stems from a deteriorating relationship with Japan. Although the two nations share some ideological values such as free democracy and market economy, the historical grudges have prevented full cooperation. Threats from the communist

bloc and North Korea's nuclear program have provided the grounds for security cooperation. However, this relationship is waning with the disputes over the forced labor issue.

The decision made by the Korean Supreme Court in October 2018 which confirmed the victims' individual rights to claim compensations for forced labor during the occupation in spite of the treaty of 1965, soured the relationship between Japan and Korea. Nippon Iron and Steel Co. told the press that it found the decision regrettable and would coordinate with the Japanese government³. Since the ruling, the two governments have shown disagreements over the implementation. Initially, the Japanese government requested a diplomatic talk to find a solution earlier this year⁴, only to be rejected by the South Korean government. This was followed by economic measures on Korean exports to Japan, further worsening the relationship. Instigated by this series of events, the South Korean public initiated a boycott against Japanese products, dubbed the "No Japan Movement". Currently, the Japanese government is rejecting South Korea's requests to discuss the forced labor issue.

The future of this relationship has become even murkier with South Korea's decision on August 22nd to end GSOMIA. Although Japan expressed concerns, it is likely that it would try to put pressure on Korea through the US by channeling the message that Korea is hurting the trilateral security cooperation. If true, the situation appears to be developing according to Japan's plans. The Trump administration has expressed "strong disappointment and concern⁵" over the decision by South Korea. It is obvious that the US did not want to hide its discontent.

As the relationship between South Korea and Japan becomes more challenged, the security cooperation among South Korea, Japan, and the US also weakens. It should be alarming as this may lead to a decrease in the capability to deter North Korea. Whether the talks to denuclearize North Korea succeed or not, recovery of the relationship between South Korea and Japan is necessary. Even if the negotiations turn out to be successful, cooperation with Japan is still inevitable to promptly resolve the issues related to North Korea. Therefore, any deterioration of the relationship between South Korea and Japan is a major challenge for both countries' policies toward North Korea.

Changes in the relationship among North Korea, China, and Russia

While the relationship between China and the US is becoming more tense, China is strengthening its ties with Russia. On July 23rd, China and Russia conducted a combined air exercise, breaching KADIZ in the process. Russia, in particular, conducted military provocation by flying over Korea's sovereign airspace twice near Dokdo island. It appears to be a test to see how the allies may respond to such maneuver. A key takeaway is that this may not be a one-time event; it is reasonable to assert that the cooperation between China and Russia will further strengthen in order to counter US influence in the region. Additionally, military tension in Northeast Asia will only intensify if reports of a possible military cooperation treaty between these two nations turn out to be true⁶.

North Korea may look for moments of opportunity in the midst of these recent developments. The summit last April with Russia along with President Xi's visit to North Korea last June showed that the North Korea issue might serve as a bargaining chip in the diplomatic negotiations with the US. North Korea is likely to engage in tightrope diplomacy to gain maximum advantage and establish a diplomatic foundation to become a nuclear nation.

In addition, coordination among these three nations needs to be closely monitored. North Korean KPA's General Political Bureau Director Su Gil Kim held a meeting with Miao Hwa, a director of the Political Work Department of the Chinese Central Military Commission in Beijing on August 16th. In the meeting, they expressed the commitment between two nations to "develop bilateral military cooperation to the highest level in accordance with the intentions of their leaders."⁷ In other words, this talk was in line with the understandings from the summit in June, demonstrating that the military cooperation between China and North Korea will consolidate and evolve beyond simple, friendly coordination. It may even indicate a reestablishment of North Korea-China alliance. As it is highly likely to become a problem for South Korea in the future, it needs to be cautiously monitored.

KJU and President Putin held a summit last April, but it did not lead to any favorable outcome for North Korea. There was no impressive economic outcome, nor did Russia support the stance of North Korea on the nuclear issue. However, it is still assessed that North Korea achieved what it had hoped for as it escaped diplomatic isolation⁸. Due to North Korean nuclear issue, their relationship was stagnant in the past, but without having to take any practical measures to denuclearize, North Korea was able to improve the relationship. Considering the fact that Russian Iskander missiles were the prototypes of North Korean short-distance ballistic missiles that were recently launched, military cooperation between these two nations needs attention as well.

If China and Russia decide to support North Korea, the denuclearization process will become even more complicated. It is likely that North Korea would remain adamant on the key issues such as a staged denuclearization process or safety guarantee for the regime if China and Russia decide to provide supports. In this sense, their strengthened ties will become a challenge for us.

The Weakening of ROK-US Alliance

For South Korea, there is nothing new about aggressive diplomatic actions from Russia and China or worsening relations between China and the US or between South Korea and Japan. However, a decline in ROK-US alliance is unexpected; hence, many concerns are raised over South Korea's future.

The alliance is in decline due to two reasons. One contributing factor is President Trump's America First diplomacy. It seems that he mistakenly views the combined exercises to be expensive and unnecessary, and he demands excessive payments for the USFK in South Korea⁹. The alliance and

the USFK work in favor of both South Korea and the US. They operate as essential factors in maintaining the US-led order in Northeast Asia by holding China in check. The combined exercises are fundamental to the alliance. However, President Trump has devalued the exercise and wrongfully described it as an expensive war game. Such a view would not only disappoint the allies but also send wrong signals to North Korea. It may lead North Korea to believe that the alliance will wither itself so North Korea should remain patient without engaging in the denuclearization process.

Secondly, South Korea also appears to place less value on the alliance. The Moon administration's policy to prioritize the improvement in its relations with North Korea has negatively impacted the relations with the US. The gap between South Korea and the US revolved around the issue of relaxing sanctions on North Korea. After the summit in Pyongyang last year, the South Korean government suggested that it was necessary to relax the sanction, only to face criticisms from the international community. When suggested by President Moon, the leaders of the UK, France, and New Zealand rejected such a proposal¹⁰. During these events, the credibility of the Moon administration declined. A similar story followed in the negotiation over the payments for the USFK. It would have been more reasonable to sign a longer-term contract during last year's negotiation. Instead, the two countries agreed to a one-year deal. Considering the excessive demands that have been made by President Trump, it was clear that renewing the terms yearly would become a problem in the future, especially when Trump has an election in 2020. However, the current administration accepted yearly renewal, and it is now faced with a lot of pressure to radically increase the amount of contribution for stationing US forces. It was a regrettable decision.

Domestic factors have also negatively affected the relationship. Both administrations put more emphasis on their domestic achievements, namely Trump's America First policy or South Korea's prioritization of North Korea. Both nations show little consideration for their counterparts. Therefore, the situation has become too volatile, making predictions even more difficult. Although the alliance appears ironclad on the surface, in reality, there are serious damages to the bilateral relationship. It would be no exaggeration to assess that South Korea is facing the worst diplomatic environment, especially when North Korea is making progress with China and Russia.

Challenges to security and diplomacy in the future

The return of arms race and coercive diplomacy

The great power competition between the US and China or the challenges by China and Russia against the US are no longer just diplomatic issues. Considering the economies of the US and China, it seems that the current trade war cannot last for a very long time. However, it may continue in other areas, especially in the area of military competition. While South Korea is neglecting this issue, the US, China, and Russia have already made great efforts to develop the next generation of missiles, initiating another arms race.

The Trump administration announced its withdrawal from the INF treaty this February. Although some may blame the US for initiating the arms race, the usefulness of the INF treaty has been questioned for a long time as Russia proceeded with its development of Iskander and a new version of cruise missiles from the early 2000's. The US assessed that these developments violated the terms in the treaty and demanded Russia commit itself to the treaty. The US also claimed that Russia was fielding its SSC-8 cruise missiles (Russian designation Novator 9M729) and demanded that Russia adhere to the INF and dispose of these missiles. When Russia rejected these demands, the US quickly withdrew from the treaty¹¹.

It is estimated that China also influenced this decision in Washington. While the US has restrained itself from developing mid-range missiles in accordance with the INF treaty, China has diversified its arsenal to promote anti-access area denial strategy (A2AD). One essential element of this strategy is DF-21D, or "carrier killer" which is a type of anti-vessel ballistic missile with a range of 1800-3000 km. These missiles can be equipped with nuclear warheads. It can also be utilized as a ground to ground missile, enabling China to target Japan and the US base in Okinawa from mainland China. In addition, China has also fielded DF-26, which is described as the "Guam killer" as its range extends to 3000-4000 km¹².

The US is attempting to replace the INF and create a new treaty to include China.¹³ China will not accept this treaty easily, so the US also seeks to find a place in Northeast Asia to deploy its medium-range missiles. Per its multi-domain concept of combat, the US has been developing deep strike missile with a range of 700 km, strategic strike cannon artillery with a range of 1600 km, and strategic fire missiles that can reach as far as 2500 km. These advanced weapon systems would reinforce the US capability to counter missile threats from China. China, Russia, and the US are racing against each other to achieve strategic superiority by developing various kinds of mid-range missiles and hypersonic weapon systems as shown in the <Table 1>.

<Table 1> Arms race among the US, China, and Russia¹⁴

Hypersonic Weapons from US, Russia, China						
Data from KIDA						
	Type	Nation	Range	Speed (Mach)	Launch platform	Deployment
Hypersonic Glide Vehicle (HGV)	AGM-183A	US	-	20	B-52, F-35C	In 2021
	Avangard	Russia	20,000km	20	ICBM	In 2019
	DF-ZF	China	2,000km	9	Dongfeng-17	2020-2030
Hypersonic Cruise Vehicle (HCV)	HCSW	US	-	13(?)	Fighter, Destroyer	2022
	Kinzhal	Russia	2,000km	10	MIG-31	Deployed
	Zircon	Russia	500km	5-8	Cruiser	Under deployment
	Xingkong	China	-	6	Ballistic missile	Under testing

The arms race in Northeast Asia would elevate coercive diplomacy. The division among powerful nations will also put pressure on neighboring countries to choose sides. The US would want nations like Japan, Australia, South Korea, Taiwan, and Vietnam to participate in the Indo-Pacific Strategy, whereas China would warn them of the consequences of following the US. The US can also differentiate the advantages that it would offer in terms of the security commitments to East Asian nations. On the other hand, it is highly probable that China would take the measures to punish these nations if they actually host US missiles on their soil by, for example, imposing economic sanctions. Depending on the side these nations take, whether it is the US or China, one of these two great powers will become a rival threat.

Fixation of North Korean nuclear capability

Intensifying great power competition would make the nuclear crisis a relatively low priority issue. Since China, Russia and the US will be busy competing with each other, North Korea is likely to see this as an opportunity to solidify its status as a nuclear power. If the US fails to break North Korea's intention and continue with temporary measures that only suit domestic political needs, the very efforts that have been put forth to denuclearize North Korea for the last thirty years can go on in vain.

The ultimate goal of North Korea is to downgrade the ROK-US alliance through its nuclear negotiation with the US and to lift sanctions. Once North Korea ceases to increase the military tension and returns to the denuclearization working group, the Trump administration may be willing to accept

something less than complete denuclearization. Although the US has persistently rejected this possibility and continues to state that it demands a decision from North Korea,¹⁵ the reelection scheduled next November may cause President Trump to act otherwise.

Different interests that the big powers have in the region guide the prospect of North Korean nuclear issue. While the US wants to resolve any military threats from North Korea, including the nuclear threat via cooperation with nations in the region, Russia and China see the strategic value in decreasing US influence in the region. Make no mistake. These two nations also do not favor the development of nuclear weapons in North Korea. Successful negotiation between North Korea and the US can weaken ROK-US alliance and decrease the legitimacy of stationing US forces in South Korea.

China, in particular, seeks to solidify its position in the region by using North Korea in its competition with the US. The collapse of a North Korean regime or a sign of submission by KJU would increase the influence of the US in the Korean peninsula. The negotiation will be impossible if there is hidden support from China to keep North Korea under its influence, resulting in a prolonged and fruitless negotiation. If the US administration exhausts itself to a point where it makes concessions in the negotiation, any hope for a complete denuclearization will be forever gone.

The crisis of security cooperation among South Korea, Japan and the US

Trilateral cooperation between South Korea, Japan and the US is multifunctional. The US not only aims to deter the North Korean threat but also wants to keep China at bay. Additionally, it wants to build a friendly network that includes Australia, Philippines, Vietnam, Singapore, and India¹⁶. Based on this strategy, the US has exerted significant effort to strengthen the trilateral cooperation system. However, there are many indications that the system is debilitating mainly because of the recent developments in each nation's domestic affairs, including the America First policy, historical revisionism in Japan, and prioritization of North Korea under the Moon administration.

The America First policy and strengthening of alliance network are contradictory. Instead of providing incentives for the allies to strengthen the network, the US emphasizes contribution from allies. For example, both South Korea and Japan are under a lot of pressure to increase the amount of payment for stationing the US forces. The situation is not too different in other nations. It has led the questioning of US leadership.

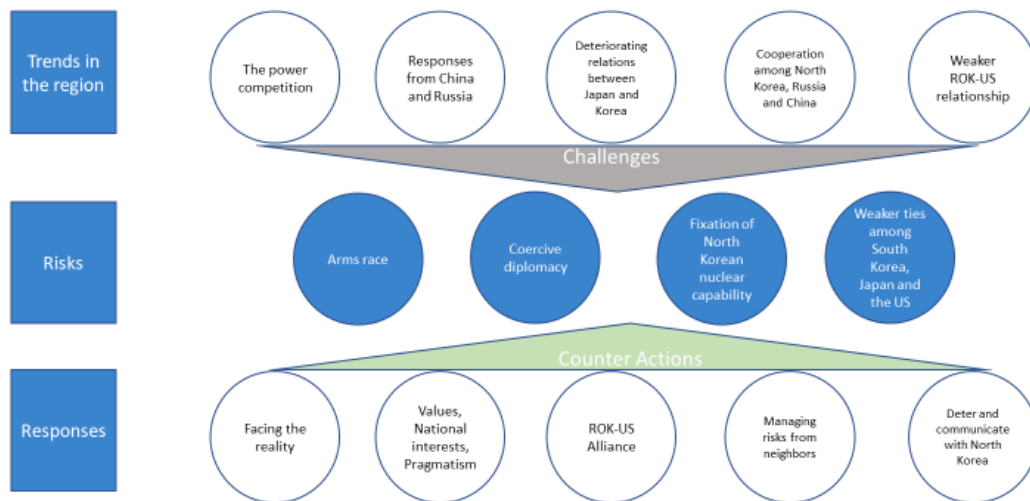
The rise of historical revisionism in Japan is also an obstacle to security cooperation between Japan and South Korea. Ever since Prime Minister Abe took office, the relations between the two nations have been turbulent. Of course, it would not be fair to say that the measures from Seoul have always been adequate. Not only did Seoul deliberately dismiss Prime Minister Abe, but it also ignored requests for consultation from Japan over the South Korean Supreme Court decision on the forced

labor issue. Although the two nations have the potential to build a closer relationship as they share similar values, the dispute over history complicates the situation.

The robustness of security cooperation is also hampered by the fact that Seoul is more focused on talks with North Korea rather than engaging in trilateral cooperation. Considering the capability that North Korea has managed to develop, it is hard to say that South Korea has the ability to deter North Korea by itself. However, Seoul appears less focused on deterrence and more on diplomacy with North Korea.

Terminating GSOMIA highlighted the recent difficulties, further raising concerns over the possibility that trilateral cooperation may wither. The limits of TISA which is a non-legally binding MOU level agreement signed by South Korea, Japan, and the US in 2014 to enable sharing of military information necessitated a signing of another agreement that would allow a direct communication between South Korea and Japan. GSOMIA addressed these limitations. Prompt and effective sharing of military information have once again become a challenge due to South Korea’s decision to end the agreement.

<Exhibit 1> Challenges in the Region and Strategies for South Korea



Strategies for South Korea

Facing the reality

Every good policy starts by acknowledging fact. It is necessary to recognize trends and understand the demands from neighbors and estimate the North Korean strategy. We must refrain from making rosy predictions.

For now, it seems that every nation in the region would be more focused on its own interests rather than a collective benefit. Consequently, South Korea should be more concerned about pressures from its neighbors or the possibility of North Korean provocation.

The US is likely to put pressure on South Korea. This includes direct demands over sensitive issues such as burden sharing, strengthening of trilateral security cooperation, and the deployment of mid-range missiles on the peninsula. China and Russia are likely to pressure South Korea to follow Sino-Russian interests. It is reasonable to assume that China would continue to make use of its “sharp power.” The existence of North Korea and the US naturally prevents China and Russia from siding with South Korea. Japan, along with the US, will also make demands on South Korea. Though Japan is likely to cooperate with South Korea, there is a possibility that Japan may also seek to isolate South Korea. Without strong ROK-US alliance, South Korea is unable to respond to diplomatic pressure from Japan.

North Korea may also decide to change course. It is working to create a favorable environment for itself by restoring cooperation with China and Russia. North Korea will attempt to turn denuclearization talks into talks about nuclear security. For this purpose, North Korea is likely to engage in negotiations only if the US is willing to accept a step-by-step plan for denuclearization along with an early lift of economic sanctions. If the US rejects these conditions, North Korea, backed by China and Russia, is likely to sit out of the talks. Regardless of the outcome, the ultimate goal of North Korea is to be a nuclear power. South Korea has little leverage to persuade North Korea otherwise. Therefore, though it is already a little late, South Korea needs to shape a proper strategic condition on the basis of crude reality.

Pragmatic diplomacy to promote national interests based on values

South Korea must reaffirm its principles in its foreign policy. Its recent activities seem to lack these values. It is important that South Korea builds a solid basis for its policy by consistently promoting the principles of free democracy, market economy and the human rights because these values will become the cornerstone of South Korean foreign policy. A nation without solid diplomatic principles tends to experience a discontinuity in its policy.

Diplomacy also needs to revolve around national interests. As the trend indicates that neighboring countries are more focused on their own interests, South Korea must avoid neglecting its own. With respect to the ROK-US alliance, the government should safeguard its interests in burden-sharing negotiation, transfer of the wartime operational control, and deployment of mid-range missiles. At the same time, it should implement measures to decrease the level of economic dependency on trade with China. With regards to Russia, the approach should revolve around the promotion of economic cooperation as we have seen the efficacy in negotiation. Lastly, South Korea should maximize its national interests by separating historical disputes and cooperation in economy and security. The government should expand the scope of cooperation with Japan to defend free democracy and human rights while delegating the history issue in the hands of non-governmental organizations.

As for the policy towards North Korea, South Korea must adhere to the principles of complete denuclearization as it considers the pace with which it promotes economic cooperation with the North. The South Korean government should be wary of the possibility that political events may only serve the interests of North Korea. Should North Korea remain adamant about a step-by-step plan for denuclearization, Seoul needs to show patience through its policy, as any concession made just for the sake of negotiation can result in a total failure of denuclearization.

South Korea must stay pragmatic. South Korea should strengthen ROK-US alliance but should not entirely depend on it. It is crucial to create an environment in which the US needs South Korea as a part of its strategy by carefully handling relations with China, Russia, and Japan. At the same time, it is also important to establish a solid position with its neighbors. It will help South Korea avoid any unnecessary problems. South Korea must voice its opinions and concerns about the arms race in Northeast Asia but must not isolate itself.

The deployment of mid-range missiles is likely to pose a significant challenge to South Korea. If China decides not to participate in the new missile treaty, the demand for US deployment on the Korean peninsula will become stronger. It would also be desirable for South Korea to become the last one to accept missiles from the allies. When faced with a difficult decision, South Korea should promote transparency and predictability.

Search for ways to strengthen the alliance

South Korea should strengthen coordination with the US. Considering the strategic status of nuclear North Korea, the ROK-US alliance is a necessity. The capability provided by the US in the deterrence of North Korean nuclear threat has become indispensable as the Korean military itself does not have proper measures to counter it. In addition, the strong diplomatic influence of the US is crucial for promoting denuclearization. Therefore, South Korea must calibrate its messages with the US through coordination and avoid creating unnecessary gaps in policy.

The coordination should revolve around principles of complete denuclearization. It is likely that North Korea would repeatedly make threats and conciliation as a part of its strategy to solidify its possession of nuclear weapons. It is essential for South Korea to uphold its principles in the face of military provocation or peace offensive and understand underlying intentions behind such actions to form a calculated response. In order to resolve this crisis, the coordination for denuclearization must focus on “principles of complete denuclearization”, not “talks for the sake of talks.”

If denuclearization is not possible, the focus should be on building deterrence capabilities. South Korea needs to consider options such as restoring ROK-US combined exercises or postponing OPCON transfer and search for ways to deter proliferation. As KJU mentioned, he would wait until the end of this year. It is reasonable to assume that North Korea may be willing to take a new approach next year. If North Korea decides not to give up its nuclear program by then, the combined exercises should be restored to its previous level, starting next summer.

The condition for OPCON transfer is not yet sufficiently met. Therefore, instead of pushing for OPCON transfer imprudently, it would be wise to postpone the transfer until the environment is stabilized and the capabilities are strengthened. Because the return of OPCON itself does not promote South Korea’s national power or its fate, a careful calculation is necessary before making the final decision.

Lastly, in order to deter proliferation, the EDSCG, or Extended Deterrence Strategy and Consultation Group, can be expanded to function like NATO’s Nuclear Planning Group. In addition, South Korea should coordinate with the US about sharing nuclear weapons in contingency by employing them on ROK Air Force assets. Independent development of nuclear weapon should be considered when the security commitment from the US becomes fragile. Redeployment of tactical nuclear weapons on the peninsula is not a suitable option either, considering the current political environment. Therefore, based on the fact that sharing nuclear weapons may be the only viable option South Korea has, the government should make preparations accordingly.

With respect to sharing the costs for the USFK, South Korea should participate in the negotiation on the basis of past principles. In accordance with the Mutual Defense Treaty and the Status of Forces Agreement, the payment should be limited to the amounts required for stationing the US forces. It would be inappropriate for the US to demand South Korea pay for the deployment of strategic assets or the salaries of the USFK personnel. Although there are several reports about the US demanding five billion dollars¹⁷, it is possibly just a negotiation tactic from the Trump administration to set the demands high and gradually decrease the amount in order to maximize the benefit.

V The cost of deploying strategic assets could be shared with South Korea by creating a separate conditional clause designated for it, rather than including it in the cost-sharing agreement. For example, Japan and the US have agreed on the “sympathy budget.” The concept is to support the US in consideration of its asset operations. However, there is no legitimate cause or any practical benefit for South Korea to pay for the salaries of the USFK personnel.

Preparations for the relations with China, Russia, and Japan in the advent of the new Cold War

South Korea should prioritize strengthening ties with its neighboring countries. First, the restoration of relationship with China is necessary. The two nations share some common grounds in terms of the approaches to denuclearization and peace. By emphasizing the importance of positive inputs from China, South Korea should strengthen ROK-China cooperation. South Korea should wait on its decision on Huawei in order to secure space for talks with China. At the same time, South Korea should make it very clear that it will not make any concessions over the North Korean nuclear issue. Additionally, it should also be clearly expressed that South Korea has no other option but to strengthen the ROK-US alliance and limit the scope of cooperation with China if China decides to support North Korea. In this case, investments made in China should be reallocated to Southeast Asia in order to decrease the economic influence China has over South Korea.

Secondly, practical cooperation with Russia should be developed in order to encourage Russia's cooperation on the North Korean issues. Russia and China are different. China may see its influence over North Korea as a right, but Russia does not. Russia just wants to confirm its influence in Northeast Asia. Therefore, South Korean diplomacy should actively target Russia to turn it around or to make it neutral. With regards to the nuclear issue, Russia and China appear to have different positions. As per the summit between China and Russia last April, Russia seems to take its duty seriously as a nuclear power in the process of denuclearization. Utilizing this difference, South Korea can find ways to form meaningful cooperation.

Lastly, the relationship with Japan should be improved. Ignoring the recent fall out leaves no benefit for either nation. As the Moon administration indicated in its agenda, South Korea should adopt a two-track approach. Therefore, South Korea needs to find a solution for the forced labor issue. Through consultation, it would be ideal to agree on a "1+1+@" solution which includes funds from both Korean and Japanese companies and participation by the Korean government. In order to push forward with this plan, South Korea should first get the US on board to form a united front against Japan. When the forced labor issue is resolved, both nations must lift the retaliatory measures that were imposed recently. If the agreement can be made before November 23rd, the decision to end GSOMIA should be withdrawn accordingly. In addition, Japan and South Korea should take measures to strengthen cooperation against threats from North Korea.

Promotion of reciprocal relationship while maintaining firm deterrence posture

We learned last year that "the talks for the sake of talks" would only benefit North Korea. For this reason, South Korea must stick to fundamental principles of denuclearization and encourage North Korea make the right strategic decision. If North Korea is willing to negotiate, the roadmap for denuclearization can be realized. However, if North Korea persistently rejects a comprehensive agreement and demands partial agreement, it would be fair to state that North Korea is only engaging

in negotiations for tactical reason to solidify its possession of nuclear weapons. Therefore, South Korea must continuously put forth its denuclearization roadmap, which includes comprehensive agreement and step-by-step implementation.

Should North Korea reject denuclearization, South Korea needs to strengthen the ability to deter North Korea and view the situation in terms of crisis management. North Korea should be warned of the difficulties it would face in case of failed negotiation. South Korea, in the meantime, should prevent further provocation from the North and monitor the implementation of sanctions. It would be foolish to accept North Korean demands just to avoid conflicts. On the basis of reciprocal principles, South Korea should practice coercive diplomacy if North Korea does not give up its nuclear capabilities. When North Korea decides to give up, the scope of cooperation can be gradually expanded.

The agreements made by the two Koreas must be viewed with a balanced perspective. It seems that the implementation of the Panmunjom Declaration has worked only favorably for North Korea. Therefore, in accordance with the Declaration, South Korea should demand that North Korea promptly withdraw guard posts along the DMZ. Without sincere actions from North Korea, South Korea is only hindering its own ISR capability. The clauses stated in the annex to the Pyongyang Declaration are detrimental to South Korea's national interests without practical measures to build trust. By pointing out the fact that South Korea can also walk away from the agreement, it should urge North Korea to put more energy into the implementation of previous agreements. Furthermore, South Korea should have a firm stance on the reunion of separated families and human exchanges.

North Korea refuses to talk because it actually does not want to engage in the talks, not because of the combined exercises or delay in negotiation. It is not unusual to see North Korea changing its position. It may want to engage in talks later even though it appears to be avoiding it at the moment. The important task is to strengthen the ROK-US alliance, restore South Korea's relationship with Japan and improve the relations with China and Russia. South Korea will encounter a greater challenge if it continues to undervalue diplomacy with its neighbors while holding onto a false hope in North Korea.

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