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Reshaping U.S.-ROK Relations

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The United States and the Republic of Korea (ROK) recently pledged to strengthen and broaden their alliance, moving beyond traditional security concerns around the Korean Peninsula to regional and global issues. The broadly worded U.S.-ROK Leaders' Joint Statement in May called for expanding security cooperation into the space and cyber domains. It also highlighted increased cooperation on climate issues, nuclear and alternative energy development, pandemic response, and the semiconductor supply chain.

As U.S.-ROK relations continue to evolve, we expect areas of continued alignment, although there are also some potential friction points. Washington and Seoul have differing views and priorities when it comes to China, and deteriorating US-China economic and trade relations may put South Korea in a difficult spot when it comes to maintaining economic ties and being part of both countries' supply chains.

RANE (powered by Stratfor) and the East Asian Institute (EAI) teamed up for this special edition webinar where our panelists addressed both traditional security issues and non-security issues.

Moderator and Stratfor Senior Vice President for Strategic Analysis at RANE, **Rodger Baker**, began the webinar addressing the expanding international partnership between South Korea and the United States, in a global context. In May, South Korean President Moon Jae-in and U.S. President Joe Biden released a joint statement defining increased cooperation and allyship. The panelists discuss that summit, as well as traditional security and areas of relations between the two countries.

Co-partners of the event, Ambassador Ahn Myung-Soo, Consul General of the Public of Korea in Houston, and **Dr. Yul Sohn**, President of the East Asia Institute, was then introduced.

- **Ambassador Myung-Soo** explained how since the Alliance was formed between the two nations, Korea has developed politically and economically exponentially

as the leader in industries such as electronics, semiconductors, automobiles, shipbuilding and steel production.

Ambassador Myung-Soo explains how the summit confirmed South Korea's security interests, expanding outside of the peninsula and into the broader Indo-Pacific region. Part of these talks were to deepen economic cooperation, especially within the supply chain. The meeting established South Korea on a global scale, while emphasizing its partnership with the United States in anticipation of foreign threats from China and North Korea.

- **Dr. Sohn** agreed with the ambassador that the "joint statement is a milestone." He also points to bilateral cooperation, specifically "from conventional merchandise trade to technology and supply chain resilience including semiconductors and batteries," and how that has an impact in the States.

Baker then asked the panelists to discuss some of the traditional security dynamics in South Korea, in light of changes from North Korea, the U.S.'s pullout from Afghanistan, and the U.S.-China strategic competition.

- **Dr. Seong-Ho Sheen**, GSIS, Seoul National University, asserted that the joint statement released by Moon Jae-In and Biden was the most “comprehensive ever produced.” Even though Korea had established a good relationship under the Trump administration, it is more agreeable under Biden, with a continuing focus on diplomacy. The summit also was “the first time the South Korean government jointly mentioned... Taiwan[ese] issue[s].”
- **Eric Gomez**, Director of Defense Policy Studies, Cato Institute, noted that Nuclear Diplomacy has been quiet, and while the U.S. and South Korea want to move forward, North Korea is at a stalemate. **Gomez** adds that the U.S. has “overestimated the amount of leverage [it has] over North Korea,” while noting South Korea and Japan’s emphasis on denuclearization may be too narrow minded.
- In regards to China, a dominant motivation for U.S. military strategy in Asia, **Gomez** wonders if the Biden administration will continue with Trump’s policy, and the motivation for the change is something to watch. He rounds out his presentation of current affairs addressing policy makers and experts to “do a better job of understanding where the Republic of Korea’s domestic politics are and how it impacts the Alliance.”

Baker then asked **Dr. Seungjoo Lee**, Chair of the Trade, Technology, and Transformation Research Center at EAI, to expand on the

non-traditional security dynamics and the expanding relationship between the two countries.

- **Dr. Lee** believes that “the spread of economy-security linkage is triggered by the US- China strategy competition,” and under Biden, this is being taken seriously through supply chain review. He notes that given that some industries rely on “limited domestic suppliers,” the global supply chain can be disrupted more aggressively. It is why the Biden administration is looking to diversify them. **Dr. Lee** stresses bilateral partnership between Korea and the U.S. in a “broad context of regional and multilateral cooperation,” while Korea “promotes cooperation with other middle powers,” “promotes cooperation with other middle powers”, and establishes a “domestic institutional foundation.”
- **Matthew Bey**, Stratfor Senior Analyst at RANE, suggests that since South Korea has such a significant economy with innovative companies, partnership with the United States is imperative. Additionally, “cybersecurity cooperation between the US and South Korea is going to become more important as we start to see China become more aggressive in its ways that it tries to really seize and access technology.” South Korean companies are investing in the United States, and as China aims to compete, the United States needs to ensure their relationship is solid.

Baker asked the panelists if there is a non-traditional arms race between North Korea and South Korea and how they think the United States should react to North Korea’s testing of long range weapons.

- **Gomez** says he worries that recent developments mirror events from the 2010 crisis. He notes it will be difficult to combat “because as North Korea tests more and more of these systems, they’re busting through technical barriers to improvements in their arsenal.”
- **Dr. Sheen** claims there is an arm’s race, and South Korea’s defense budget reflects this, as it is expected to surpass the Japanese defense budget by 2023. He adds a regional complexity is that often North Koreans say that South Korea is a “puppet of [an] American master.” Dr. Sheen argues that South Korea needs to develop an independent voice when dealing with North Korea to counter these perceptions and to be taken seriously.

In agreement with the comments, **Baker** notices that “there’s actually an expansion of South Korea’s indigenous defense capabilities” under liberal governments. He then asks the panelists their thoughts on South Korea joining the Quad, what risks or benefits come with that, and how South Korea can balance that security relationship with the United States and the region and its relationship with China and the ability of China, as we’ve seen many times in the past, to utilize economic tools, to punish those who are perceived as going against Chinese interests.

- **Dr. Sheen** remarks that the question of joining the Quad has been quite a controversial issue in South Korea. He points out that China has been going after both South Korean and American firms, highlighting risks associated with being caught in the middle.
- **Dr. Lee** agrees with **Dr. Sheen**, adding “Korea can find a very constructive way of integrating the bilateral cooperation with the U.S. into Korea’s regional policy,

going beyond the issue of joining or not joining the QUAD.” He points out it is necessary for Korea to take advantage of the flexible nature of QUAD as Korea and the U.S. could adroitly find new areas of cooperation under the changing regional environment.

- To round out the responses, **Gomez** adds that he finds the Quad unclear and is being used by the U.S. to approach China through a “great power competition lens.”

Building on the responses, **Baker** goes further questioning if there is any potential looking more ambitiously beyond the Quad and in perhaps the Five Eyes.

- **Gomez** agrees that while it would be beneficial to integrate South Korea, he does question what it can offer that Five Eyes does not already have.
- **Dr. Sheen** emphasizes a “broad area of cooperation when it comes to intelligence sharing, not necessarily about China per se, but also it could be again about North Korea. It could also be cyber security issues, it could be any other global intelligence sharing.” He says based on this, Korea should consider joining Five Eyes and not the Quad, but would do so by invitation only.

Lastly, **Baker** asks how the ROK or U.S. can deal with dual stress in terms of corporation and economic nationalism.

- Korea has approached supply chain issues through diversification, observed **Dr. Lee**, something that started before the pandemic. He adds that “the Korean government, as well as Korean companies do not consider the cooperation with the US governments issuing policy as a necessary means, the exit China strategy.”

- Agreeing, **Bey** adds that the U.S. policy is “driven by concerns about economic security from the imports of raw materials, or materials or components that might be from China or anywhere else.” Domestically, the U.S. is dealing with the political consequences of their focus to “hollow out” manufacturing.

ABOUT THE EXPERTS

Rodger Baker is Stratfor Senior Vice President for Strategic Analysis At RANE. He has spent more than two decades with Stratfor focused on the Indo-Pacific region, with special attention to China and the Korean Peninsula. He addresses the strategic dynamics of an evolving world system, looking at great power competition, the role of middle powers, and the impacts of technological, environmental, and demographic changes on geopolitical relationships. His core emphasis is the multidisciplinary approach to geopolitics and the evolution of international relations to develop mid- and long-term forecasts to assist companies, governments, and other globally engaged organizations make informed decisions. Mr. Baker is a Senior Fellow at the George H. W. Bush Foundation for U.S.-China Relations, a Steering Fellow for the Mackinder Forum, and teaches a certificate program in Geopolitical Analysis at Florida Atlantic University.

Ambassador Ahn Myung-Soo is the Consul General of the Republic of Korea in Houston. He is a 40-year veteran of the Ministry of Foreign Affairs of the Republic of Korea. His diplomatic work has primarily focused on international and multilateral trade.

He served as Ambassador to Turkmenistan from 2011 to 2014. Ambassador Ahn retired from the Ministry in 2015, but returned to duty as a diplomat representing Korea after being appointed by President Moon Jae-in as the Consul General of Korea in Houston in April 2020. Ambassador Ahn previously served as a Minister at the Korean Embassy in the Republic of Indonesia. Prior to that, he was the Director-General of the Multilateral Trade Bureau and the Head of Legal Service for International Trade at the Ministry of Foreign Affairs. From 1987 to 1989 and from 2002 to 2004, he served at the Korean Permanent Mission to the UN Offices in Geneva, Switzerland. He has also previously served at Korean Embassies in Brunei and Mauritania.

Yul Sohn is President of EAI and professor at the Graduate School of International Studies at Yonsei University. Sohn has served Dean of Yonsei GSIS (2012-2016) and President of the Korean Association for Contemporary Japanese Studies (2012). Before joining the faculty at Yonsei, he was professor of international studies at Chung-Ang University and visiting scholar at institutions in the University of Tokyo, Waseda University, the University of North Carolina at Chapel Hill, and the University of California at Berkeley. Sohn has written

extensively on Japanese politics and foreign policy, international political economy, and East Asian international relations. His most recent book publications include *Japan and Asia's Contest Order* (with T. J. Pempel) and *Understanding Public Diplomacy in East Asia* (with Jan Melissen).

Matthew Bey is a Stratfor senior analyst at RANE where he covers a wide range of topics in international relations. Matthew has focused heavily on geopolitical, political, economic, and security issues in the Middle East and Africa. Matthew also covers several international topics relating to global governance, technology, trade, and the oil and gas industry. Matthew has a bachelor's degree in mathematics from Texas Lutheran University and a masters degree in mathematics from the University of Texas at Austin.

Eric Gomez is director of defense policy studies at the Cato Institute. His research focuses on the U.S. military budget and force posture, as well as arms control and nuclear stability issues in East Asia. In 2020, Gomez was a member of the Project on Nuclear Issues Nuclear Scholars Initiative program, where he conducted research on the impacts of U.S. intermediate-range missiles on U.S.-China strategic stability. He received a Master's of International Affairs degree from the Bush School at Texas A&M University and a BA in International Affairs from the State University of New York, College at Geneseo.

Seong-Ho Sheen is Professor of International Security and East Asia at the Graduate School of International Studies and former Dean for the Office of International Affairs at Seoul National University. Professor Sheen was a visiting fellow at the East-West Center DC, a CNAPS fellow at the Brookings Institution, an assistant research professor at Asia-Pacific Center for Security Studies (APCSS), Honolulu, Hawaii and a research fellow at Institute for Foreign Policy Analysis (IFPA), Cambridge, Mass, the U.S. He has taught at Univ. Mass Boston. In addition, he advised various government organizations including ROK National Ministry of Defense, Ministry of Foreign Affairs, Ministry of Unification and Committee on Foreign Affairs and Unification, the ROK National Assembly. His area of interest includes International Security, US Foreign Policy, Northeast Asian Politics and the Korean Peninsula. Professor Sheen received his Ph.D. and M.A. from the Fletcher School of Law and Diplomacy, Tufts University and his B.A. from Seoul National University.

Seungjoo Lee is Chair of the Trade, Technology, and Transformation Research Center at EAI and professor at the Department of Political Science and International Relations at Chung-Ang University. His area of interest includes East Asian regionalism, mega FTAs and economy-security nexus, international economic order in cyber space, digital trade policy, and middle power diplomacy. His publications include "Institutional Balancing and the Politics of Mega FTAs in East Asia," *Northeast Asia: Ripe for Integration?* and *Trade Policy in the Asia-Pacific: The Role of Ideas, Interests, and Domestic Institutions*. Professor Lee received his Ph.D. in politics at the University of California at Berkeley.

ABOUT RANE

RANE (Risk Assistance Network + Exchange) is networked-based risk intelligence company that connects business leaders to critical risk insights and expertise, enabling risk and security professionals to more efficiently address their most pressing challenges and drive better risk management outcomes. RANE clients receive access to a global network of credentialed risk experts, curated network intelligence, risk news monitoring, in-house analysts and subject matter experts, and collaborative knowledge-sharing events.

ABOUT EAI

The EAI (East Asia Institute) was established as an independent think-tank dedicated to developing ideas and formulating policy recommendations on the main challenges facing the region. Through hosting scholarly seminars, forums, education program and various publications it can achieve these aims in creating influential products. The EAI is conducting research activities along with six major projects, which are conducted by the eight research centers. Also through the utilization of the research task force team, the EAI addresses imminent and critical issues. In this way by working together with recognized scholars and leading policymakers, the EAI is at the center of producing research outcomes reflecting innovation and influential policy debate. As one of the leading think-tanks in Korea, the EAI is fulfilling the way in forming a true knowledge-net community in Northeast Asia by setting up a system of joint research and scholarly exchanges in the U.S., China, and Taiwan as well as many other countries.

ABOUT THE THE CONSULATE GENERAL OF THE REPUBLIC OF KOREA IN HOUSTON

The Consulate General of the Republic of Korea in Houston covers a consular jurisdiction over five South Central states in the United States: Texas, Arkansas, Oklahoma, Mississippi, and Louisiana.

Around 180,000 Koreans reside in these five South Central states, making positive contributions to the regional economy and society in wide range of areas including medical, scientific, and energy fields. Also, a growing number of second and third generation Korean Americans from the region are taking the lead to promote friendly cooperation and solidify relationship between Korea and the U.S. The Consulate General of the Republic of Korea in Houston will spare no effort in assisting our compatriots as they play various roles as responsible members of the U.S. community and a bridge to strengthen the Korea-U.S. alliance, and I will do my very best to actively communicate with our compatriots and be a reliable partner for our community. In addition, I am honored to have this opportunity to share Korean culture with our friends in the U.S., as well as strengthen the political and economic ties to realize full potential of bilateral relations between our two countries.