CHAPTER 5.
Implications of the U.S. Indo-Pacific Strategy for South Korea

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The United States and South Korea are longstanding alliance partners with convergent security interests, especially as related to North Korea. Although the 1953 U.S.-ROK Mutual Defense Treaty defines the purpose of the alliance as to provide mutual protection against an “armed attack in the Pacific area,” for most of its history the alliance has been directed almost exclusively toward deterrence against shared security threats from North Korea. 

But the end of the Cold War, South Korea's democratisation, and South Korea’s expanded capacity and broadening of the country’s scope of interests to encompass regional and global concerns have gradually created the basis for an expanded role and scope of application for the U.S.-ROK security alliance. This expansion of South Korean capability and commensurate expansion of South Korean interest and stakes in sustaining global stability has enabled the possibility of U.S.-ROK security cooperation that extends beyond the peninsula.

The expansion of U.S.-ROK security cooperation to the global context seems to imply a deepened basis for cooperation in service of shared regional security interests. However, as a practical matter, prospects for U.S.-ROK regional security cooperation have encountered some serious obstacles stemming from differing views about respective priorities, approaches, and preferred strategies on the question of how to most effectively deal with China.

China has gradually emerged as a possible source of friction within the U.S.-ROK security alliance, particularly due to the growing South Korean economic stake in China. This has heightened tensions for the shared security interests embodied in the U.S.-ROK security partnership, bringing to the fore other differences between the United States and South Korea over how to deal with China.

Emerging gaps in U.S. and South Korean priorities and stakes in dealing with China include the historical South Korean preference for accommodation of Chinese interests due to its weakness relative to China and the inordinately high possible costs of friction with China, versus a greater U.S. willingness to confront China. Another difference relates to South Korea’s need to accommodate China to win Chinese acquiescence to possible future reunification between North and South Korea, whereas the U.S. interest in Korean unification is indirect rather than direct. Finally, relative susceptibility to direct Chinese retaliation has emerged in the context of the controversy over U.S. deployment of a mid-range missile system in South Korea known as the Terminal High Altitude Air Defense (THAAD) system. The United States pushed for the deployment in the name of security and defence against a growing North Korean missile threat, but China made South Korea pay a significant price for that decision through economic sanctions.
Differences in priorities, interests, and preferred methods for managing relations with China will not create tension in the U.S.-ROK alliance so long as the Sino-U.S. relationship is characterised by a mix of cooperation and conflict, in which an emphasis on cooperation leavens areas of conflict. But in the context of an adversarial Sino-U.S. relationship, U.S.-ROK alliance tensions emerge as South Korea finds itself under pressure from both sides to make a choice.

An early indicator of South Korean reluctance to make choices in the event of rising Sino-U.S. tensions surfaced during the establishment of a U.S.-ROK Senior Strategic Dialogue under the Roh Moo-hyun and George Bush administrations in 2004. At the time, South Korea was cautious to avoid any signal of commitment to support the United States in the event of an off-peninsula military conflict between the United States and China. This reluctance extended to concerns about the possibility that the transfer or deployment of U.S. Forces Korea to off-peninsula missions involving tension or conflict with China under the U.S. Global Posture Review which might entangle South Korea in the conflict or induce Chinese retaliation against it. A January 2006 joint statement on the issue gained South Korean acquiescence to strategic flexibility, but also stated that “the U.S. respects the ROK position that it shall not be involved in a regional conflict in Northeast Asia against the will of the Korean people.”

South Korea army visits Thaad site in Guam by Staff Sgt. Alexander Riedel, Source: the U.S. Department of Defense
More recently, South Korea has been perceived as cautious in its support for the principle of freedom of navigation in the South China Sea, especially as the United States mobilised support for a restrictive interpretation of sovereignty in advance of a 2015 ruling by the Tribunal on the Law of the Sea. While South Korean and U.S. positions on maritime delimitation issues largely overlap, South Korea has been more reticent in its willingness to publicly express its position on these issues.

The most significant example of South Korea’s vulnerability to conflicting U.S. and Chinese positions involves the U.S. deployment of its THAAD system to the Korean Peninsula despite public objections from China. China asserted that the THAAD radar could be configured to gain intelligence about Chinese launch capabilities in areas near the Korean Peninsula, however the United States and South Korea pursued deployment of the system to counter North Korea’s growing threat capacity. Following the U.S. deployment of THAAD in Seongju, South Korea, China launched a retaliatory economic campaign against South Korean businesses in China and restricted Chinese tour groups, costing South Korea upwards of $15 billion in 2017 alone. The tensions and costs surrounding THAAD deployment have induced South Korean caution and reveal gaps in U.S. and South Korean preferences and priorities regarding confrontation with China.

While the United States and South Korea have significant overlapping interests vis-à-vis China, due to their geographic position, different preferences for how to approach China, and relative need for cooperation with China to achieve national objectives, the United States and South Korea must coordinate closely to remain on the same page in their respective regional policies.

Moreover, South Korea will weigh cooperation with the United States in the Indo-Pacific in the context of its own diplomatic interests and objectives in the region, which may overlap with but not replicate those of the United States. These objectives are encapsulated by South Korean President Moon Jae-in’s formulation of his own policy toward the region: the New Southern Policy (NSP). The NSP provides an opportunity for the Moon administration to bolster and broaden South Korean foreign policy beyond its traditional focus on relationships with the four major powers (United States, China, Japan, and Russia), while also recognising that South Korea’s economic relationship with the Association of Southeast Asian Nations (ASEAN) has emerged as one of its most vibrant trade relationships.
In particular, the South Korea-Vietnam trade relationship has benefited from substantial South Korean investment in the country as part of an effort to reduce dependency on China as an essential part of South Korea’s supply chain. South Korea’s NSP constitutes a hedge against Sino-U.S. confrontation independent of the security alliance with the United States, while also offering opportunities to diversify South Korea’s Asian diplomacy.

An additional element of the NSP involves South Korean efforts to share best practices in development and innovation with Southeast Asia through investment and aid to Southeast Asia and through the promotion of knowledge exchange and capacity-building programs in areas where South Korea has excelled. Buoyant economic exchange has primarily driven South Korean investment and development interest in Southeast Asia, but the NSP marks an acknowledgement in South Korea that relations with Southeast Asian nations also hold potential political significance, although the definition and coherence of those political relationships remain relatively undefined and underdeveloped.

**South Korean Views of the U.S. Indo-Pacific Strategy**

The 2017 U.S. National Security Strategy characterises national security challenges as a return to strategic competition among major powers and emphasises China (along with Russia) as U.S. adversaries, thus framing the U.S. Indo-Pacific Strategy within the focus of an adversarial relationship with China. While South Korea shares common values with the United States and recognises the need to reinforce the rule of law, the Moon administration took a relatively cautious approach toward the Indo-Pacific Strategy and refrained from comment during 2018 and the first part of 2019.

The Moon administration’s initial reticence regarding the U.S. Indo-Pacific Strategy likely reflected caution about China’s response to South Korean cooperation with the strategy rather than differences over specific elements of the strategy. South Korean senior foreign ministry officials reflected broad agreement with U.S. objectives on Indo-Pacific policy related issues, but showed reluctance to endorse or join in highly public components of the policy, seemingly out of concern with how China might respond. South Korean officials deferred initial overtures from the United States by waiting to see the specific contours of the strategy when it was announced during President Donald Trump’s November 2017 visit to South Korea and four other Asian countries. Rather than signing on early, South Korea has seemingly preferred a low-key and practical exploration of areas of overlap and cooperation with the U.S. Indo-Pacific framework versus a top-down politically driven process.

By Trump’s June 2019 visit to South Korea following the G20 Summit in Osaka, Japan, Moon publicly stated that “under the regional cooperation principles of openness, inclusiveness and transparency, we have agreed to put forth
harmonious cooperation between Korea’s New Southern Policy and the United States’ Indo-Pacific Strategy,” linking the respective U.S. and South Korean strategies for the first time. But Moon has refrained from publicly linking the two strategies in subsequent meetings with Southeast Asian leaders, referring only to the New Southern Policy as the primary foundation for South Korea’s diplomatic approach to Southeast Asia.

Moon’s NSP incorporates a range of South Korean investment, development, finance, and capacity building priorities that in large part parallel major elements of the U.S. Indo-Pacific Strategy. As their respective policy approaches toward Southeast Asia have evolved, the United States and South Korea have identified and agreed to pursue parallel elements. The main questions were the extent to which the respective policies would be interlinked and whether those interlinkages would be publicly acknowledged. The U.S.-ROK Joint Factsheet issued on November 2, 2019 formally and publicly identifies those interlinkages in detail, as described below.

**U.S. Views of South Korean Openness to Cooperation on the Indo-Pacific Strategy**

The Trump administration views the main elements of its Indo-Pacific Strategy as critical to U.S. leadership but also as essential to the interests and objectives of its allies under the leadership of the United States. Therefore, there has been a broad assumption within the Washington security community that U.S. allies in Asia are like-minded on the challenges of dealing with China and that they will be willing and eager partners in support of the Indo-Pacific framework. This assumption that allies will support the United States in the framing and objectives of the Indo-Pacific was indeed reflexive with Japan, especially since the framework borrowed much from initial ideas and priorities previously developed under Japan’s Prime Minister Abe Shinzo. Likewise, Australia and India have shown sufficient degrees of willingness to reanimate the Quadrilateral Security Dialogue (Quad) meetings, although with varying degrees of enthusiasm and slightly differing objectives. Indeed, the United States asserts that the Indo-Pacific Strategy aligns closely with Japan’s Free and Open Indo-Pacific concept, India’s Act East Policy, Australia’s Indo-Pacific concept, the Republic of Korea’s New Southern Policy, and Taiwan’s New Southbound Policy. But Moon did not initially volunteer for an active public role in the U.S.-led Indo-Pacific framework, instead preferring to establish his own New Southern Diplomacy framework.

The Trump administration’s first push to draw allies and partners into its Indo-Pacific Strategy came during Trump’s visit to Asia in November 2017. Under the rubric of promoting a free and open Indo-Pacific region, the White House characterised Trump’s visit to Asia having “strengthened existing relations
and advanced high-standard rules that will enable regional development and prosperity. In South Korea, Trump’s major contribution to the goal was to underscore that “the alliance between the United States and the Republic of Korea will be strengthened and grounded in shared values and mutual trust.” But the Moon administration mainly deferred tangible commitments to support the Indo-Pacific concept by indicating a need to wait and see the framing of specifics of the concept before endorsing or joining the initiative.

South Korea’s hesitation generated raised eyebrows among American security analysts who see U.S. leadership in response to China’s rising influence as critical and perceive China’s weaker neighbors as poised to pay a high price if they do not join in solidarity with the United States. Some analysts interpret South Korean reluctance to join the Indo-Pacific Strategy as evidence of the progressive Moon administration’s potential willingness to sacrifice the alliance with the United States to pursue either greater autonomy or closer cooperation with China. South Korean conservative critics of Moon have amplified these concerns by painting him as weak or soft on China to draw the United States into Korean politics on the conservative side.

One year later on the sidelines of the 2018 East Asia Summit, the United States, Japan, and Australia signed a joint statement committing to trilateral infrastructure investment in the Indo-Pacific, but South Korea did not join. Instead, the United States and South Korea handled these commitments strictly bilaterally and signed investment cooperation agreements a year later in advance of the 2019 East Asian Summit. This approach signals South Korean caution about cooperation and hesitancy to join in multilateral efforts seen as targeting or encircling China, but also recognition of South Korean interests in not being left out of the U.S.-led strategy for the Indo-Pacific. The agreement creates the structure for South Korea to participate in U.S.-led Indo-Pacific infrastructure projects, but from a South Korean perspective may not preclude South Korea from also joining in Chinese-led Asian Infrastructure Investment Bank (AIIB) projects or even from joining Belt and Road Initiative (BRI) projects.
Working Level Cooperation and U.S.-ROK Convergence of Indo-Pacific and New Southern Diplomatic Strategies

The United States has actively sought South Korean cooperation on the Indo-Pacific Strategy while noting similarities and overlap with the NSP. While coordination toward North Korea captured the spotlight of political attention between Trump and Moon, the U.S. and South Korean governments made gradual working level progress toward forging a practical understanding of where and how South Korea’s NSP might fit into and reinforce the main elements of the Indo-Pacific framework. This work occurred primarily during the latter half of 2019, and culminated with the release of a Joint Fact Sheet on Regional Cooperation Efforts on the margins of the East Asia Summit on 2 November, 2019\textsuperscript{105}.

The Joint Factsheet identifies areas of convergence between the New Southern Policy and the Indo-Pacific Strategy based on principles of “openness, inclusiveness, transparency, respect for international norms, and ASEAN centrality.” It frames cooperative efforts in areas of promoting prosperity through energy cooperation, infrastructure and development finance, and the digital economy (Prosperity), civil society capacity building, good governance programming, and development of people-to-people ties (People), and by building capacity in water management, maritime security, climate change response, and healthcare (Peace). This formulation, reflecting areas of convergence between the two approaches, highlights private investment and public goods provision in Southeast Asia, but omits any explicit framing of such cooperation as motivated by competition with China.
Specific areas for cooperation outlined in the Joint Factsheet include the following:

- In the area of energy infrastructure, the U.S. Asia EDGE (Enhancing Development and Growth Through Energy) Initiative efforts to expand Indo-Pacific energy infrastructure and South Korean renewable energy capacity building efforts in Melanesia are parallel and complementary.

- In the area of infrastructure finance cooperation, the U.S. Treasury and the ROK Ministry of Economy and Finance have signed an MOU to Strengthen Infrastructure Finance and Market Building Cooperation, enabling U.S.-ROK cooperation in support of infrastructure development in the Indo-Pacific region.

- To promote private sector investment, South Korea’s Overseas Infrastructure and Urban Development Cooperation (KIND) and the U.S. Overseas Private Investment Corporation (OPIC) are developing an MOU to promote closer cooperation.

- On smart cities, the U.S.-ASEAN Smart Cities Partnership is working with the Korea International Cooperation Agency (KOICA), including on a flagship project in Vietnam’s Quang Nam Province.

- On the digital economy, the United States and South Korea are working together to provide joint training for ASEAN member countries and Indo-Pacific partners to build cyber capacity and to build policy frameworks for support of 5G development.

- KOICA and the U.S. Agency of International Development have signed an MoU to expand collaboration on development in areas such as women’s empowerment, digital economy, the youth, health, and education sectors, and the promotion of democratic and responsive governments.

- To ensure peace and security, the United States and South Korea continue to work together to support effective water management in the Mekong region, sustainable development, climate change response, and health care capacity building projects in the Pacific Islands, and to strengthen maritime law enforcement capacity in Vietnam and Pacific Island countries.

- The Korean and U.S. Centers for Disease Control and Prevention signed an MoU in Korea in October 2019 to promote collaboration throughout the Indo-Pacific in the field of disease control and prevention.

In sum, the Joint Factsheet establishes the blueprint for parallel and interlocking implementation of the U.S. Indo-Pacific Strategy and South Korea’s New Southern Policy, but does not restrain either party from working independently to achieve shared objectives of building prosperity, people-to-people exchanges, or supporting peace in the Indo-Pacific region.
Implications of U.S. Indo-Pacific Strategy for the Alliance and South Korea’s New Southern Policy

The U.S.-ROK Joint Factsheet linking the U.S. Indo-Pacific Strategy and South Korea’s New Southern Policy represents a first step in alliance coordination to enable cooperation in Southeast Asia, while also allowing both countries to independently pursue parallel policies in the region. The highlighted activities provide a framework and an aspiration for cooperation and outline areas of convergence in the approaches of the two countries. The Factsheet represents a concrete step toward application of U.S.-ROK alliance-based cooperation to regional challenges, consistent with the 2009 and 2013 U.S.-ROK alliance vision statements. But the level of coordination represented in the Factsheet best resembles a scaffolding rather than a finished structure, and it remains uncertain whether the relative weight placed on cooperation by either government proves sufficiently consequential to establish a strong foundation for such cooperation.
The United States and South Korea will need to more effectively stitch together a set of durable and aligning priorities in their respective policies toward China. South Korean sensitivities regarding entrapment in an adversarial dynamic between the United States and China remain high. South Korea’s New Southern Policy has been conceived more as a hedge and buffer against the consequences of Sino-U.S. confrontation than as a mechanism by which South Korea intends to take sides in the confrontation. Yet the establishment of linkages between the NSP and the U.S. Indo-Pacific Strategy reflects South Korea’s fundamental agreement that the values of openness, inclusiveness, and transparency should shape the architecture of the region, with “inclusiveness” a critical signal that such cooperation is seen as anti-China.

Because South Korea’s Northeast Asian vantage point is distant from the Indo-Pacific and its immediate focus and interests are much more narrowly aimed at Northeast Asia rather than the Indo-Pacific, it is hard to imagine that South Korea would independently engage in Indo-Pacific activities or see those activities as central to its national interests. In fact, concern about the implications of Sino-U.S. rivalry serves as the primary catalyst for South Korean openness to the establishment of relationships with other “middle powers” in the Indo-Pacific as a hedge against the consequences of conflict.

But the South Korean concept of outreach to other Indo-Pacific actors is nascent, and it is unclear whether other Indo-Pacific actors on South Korea’s radar such as Australia, Vietnam, India, or Indonesia share the same views or can develop sufficient cohesion to serve as an effective buffer. South Korea’s strategy also reveals that it may not be completely in lockstep with a U.S. view of the Indo-Pacific as a hedge against the expansion of Chinese strategic influence across the region. Indeed, the Joint Factsheet only scratches the surface by establishing a cooperation framework. The allies will have to do considerable work to build on the structures envisioned in the Joint Factsheet, and durability of these efforts is not guaranteed.

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95 Ministry of Foreign Affairs Republic of Korea, ”3rd ROK-US Senior Economic Dialogue to Take Place,” December 4, 2018. Accessed on March 13, 2020 at http://www.mofa.go.kr/eng/brd/m_5676/view.do?seq=320259&srchFr=&amp;srchTo=&amp;srchWord=new%20southern%20policy=&amp;srchTp=1&amp;multi_itm_seq=0&amp;itm_seq_1=0&amp;itm_seq_2=0&amp;company_cd=&amp;company_nm=&amp;page=7&amp;titleNm=
Ministry of Foreign Affairs Republic of Korea, "4th ROK-U.S. Senior Economic Dialogue Held," November 6, 2019. Accessed on March 13, 2020 at http://www.mofa.go.kr/eng/brd/m_5676/view.do?seq=320812&srchFr=&amp;srchTo=&amp;srchWord=new%20southern%20policy=&amp;srchTp=1&amp;multi_itm_seq=0&amp;itm_seq_1=0&amp;itm_seq_2=0&amp;company_cd=&amp;company_nm=&amp;page=2&amp;titleNm=
Chapter 6


108 Before Kim Young-sam became president, he was considered a progressive during both Park Chung-hee and Chun Doo-wan (1980-1988) authoritarian rules because anyone opposed to authoritarian governments were considered progressive.


113 The Park government still focused on non-security MIKTA activities involving Mexico, Indonesia, South Korea, Turkey, and Australia

114 Author’s interviews of a leading South Korean progressive scholar, January 2020.

115 Author’s interviews of key South Korean officials, 2019-January 2020.
