

THE BROOKINGS INSTITUTION

2011 SEOUL-WASHINGTON FORUM:
EXPANDING COOPERATION BEYOND FREE TRADE
AND THE SIX-PARTY TALKS

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PARTICIPANTS:

Opening Remarks:

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The Brookings Institution

YOUNGHEE HAHN
Executive Vice President
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Keynote Remarks:

JIN HA HWANG
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P R O C E E D I N G S

MR. BUSH: Ambassador Hahn, Assemblyman Hwang, Assemblywoman Sung, distinguished guests, ladies and gentlemen, it's my great pleasure to open the fifth session of the Seoul-Washington forum. I'm Richard Bush; I'm the director for the Center for Northeast Asian Policy Studies here at the Brookings Institution. And it's our great honor to collaborate with the Korea Foundation on this important forum.

I would particularly like to welcome all the members of the Korean delegation who came across the Pacific to attend the fifth session. We're particularly pleased to have Assemblyman Hwang, who will speak to us in just a minute on strategic views of the ROK-U.S. alliance. We're also very pleased to have the participation of a number of American specialists who are too many to mention.

As I said, we're very pleased to continue our important collaboration with the Korea Foundation. And this is the fifth session. It's interesting to see how the issues that we have discussed over the last five sessions have evolved from a focus not just on the bilateral, but also to the regional and global.

Not only is this the 5th iteration of the Seoul-Washington forum, it also happens to be the 20th anniversary of the Korea Foundation. Korea Foundation, as many of you know, is a major force in applying Korea's soft power around the world, enhancing knowledge about Korea, and the world would be a different place without it. From policy forums like this one to student exchanges to cultural exchanges, the Korea Foundation is currently making its mark and enhancing the reputation of the Republic of Korea.

And so, it's my great pleasure to welcome and introduce the executive vice president of the Korea Foundation, Hahn Younghee, for a few remarks.

MR. HAHN: Dr. Richard Bush, the honorable Mr. Hwang Jin Ha, the

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honorable Madam (inaudible 00:03:21), His Excellency Ambassador (inaudible 00:03:28), distinguished guests, ladies and gentlemen. It is my great honor to be in this distinguished company today representing the Korea Foundation, and to welcome all of you to this fifth Seoul-Washington forum.

The Korea Foundation has been hosting a series of bilateral and regional forums every year. And this Seoul-Washington forum certainly is one of the most prominent of those. Over the years, the Seoul-Washington forum has served as a crucial venue for leading experts and policymakers from both countries to discuss important issues of mutual interest in an open and frank manner. I believe that this forum has contributed a lot to strengthening intellectual networks and communication channels between our two countries.

For this fifth Seoul-Washington forum, we set several agendas of mutual interest and concern for in-depth discussion and exchange of views. In the security level, we all know that South-North Korea relations have been relatively strained due to North Korea's nuclear ventures, as well as a series of military provocations including, of course, the sinking of the Cheonan warship and the artillery shelling of Yeonpyeong Island last year.

Despite North Korea's continual provocations, South Korea has been genuinely committed to securing peace on the Korean Peninsula, utilizing all viable deployment means. Without close collaboration between Korea and the United States, it would not be possible for us to get out of this stalemate on the Korean Peninsula. In this light, I believe the Seoul-Washington forum should be a venue for drawing collective and common wisdom from the experts of both sides.

We also have important issues related to the Korea-United States free trade agreement. Given the fact that the United States is Korea's fourth largest, while

Korea is the United States' seventh largest trading partner, there is no doubt that both countries stand to gain from the free trade agreement.

Although we have yet to overcome the last-minute political hurdles for this eventual ratification and implementation, I am confident that Korea-United States free trade agreement will get on track as we all clearly see its benefits in our two countries. So, I expect to watch this forum engaged in delving into the issues of post-Korea-United States free trade agreement, as well as the more imminent political hurdles.

I have no doubt that this year's forum will also be another important contribution to the strategic partnership of our two countries. And taking this opportunity, I would also like to thank the Brookings Institution and commend their good work in organizing this forum. Together with all of you gathered here today, I look forward to the lively and the fruitful discussions that I know we will have here.

Thank you. (Applause)

MR. BUSH: It is now my great honor to introduce our keynote speaker, Assemblyman Hwang Jin Ha of the ROK's National Assembly. Assemblyman Hwang represents the city of Paju in Qyeonggi Province. He's a second-term member. Prior to that, he served 39 years in Korea's armed forces, rising to the rank of lieutenant general. Assemblyman Hwang serves on the foreign affairs, trade, and unification committee of the National Assembly, and he's vice chairman of the intelligence committee. In his grand national party, he has been responsible for coordinating national policies with the government in fields of foreign affairs, national security, unification, and intelligence.

General Hwang will speak on strategic views of the ROK-U.S. alliance. Please join me in welcoming him. (Applause)

MR. HWANG: Thank you, Dr. Richard Bush, for your kind introduction. And I prepared a script for presentation. And I will give you a reading -- my script for you

all.

Good afternoon. Dear director, all of Center for Northeast Asian Policy Studies of the Brookings Institution, Richard Bush. Executive vice president of the Korean Foundation, Ambassador Hahn Younghee, distinguished Korea and U.S. participants of fifth Seoul-Washington forum, and guests.

It is my great pleasure and honor to be invited to the fifth Seoul-Washington forum and have a chance to deliver the keynote speech. I am currently serving at the committee of foreign affairs, trade, and unification at the National Assembly of the Republic of Korea.

Taking this opportunity, I would like to sincerely appreciate the Brookings Institution and the Korea Foundation for organizing this meaningful and timely forum. Today, I will discuss -- and I will focus my remarks on reviewing the past and present of ROK and U.S. alliance, which has sustained for more than half a century, after the ROK and U.S. Mutual Defense Treaty in 1953. I will then propose goals of a future-oriented global alliance and what to do for attaining these goals.

I characterize the ROK-U.S. alliance as a blood alliance, under which we fought shoulder to shoulder in major wars such as the Korean War, the Vietnam War, the Gulf War, the Iraq War, and the Afghanistan War. A glorious alliance which we must take pride in for its remarkable contributions to the stability and peace of the Korean Peninsula, and the region.

A hope alliance which we are transforming for promoting global peace and prosperity. In this respect, I first would like to introduce what we have achieved through successful development and the sustainment of the ROK-U.S. alliance of more than half a century. Among many successful outcomes of the ROK and U.S. alliance, three main attainments are, first, the ROK and U.S. alliance has successfully achieved

the stability of North Asia region, and preventing a war from occurring on the Korean Peninsula.

Although North Korea has conducted military provocations more than 2,500 times on South Korea since the Armistice Agreement in 1953, Korea and the United States have maintained peace and stability over the peninsula by successfully managing and overcoming these provocations with an unprecedented bilateral combined defense posture.

Second, the ROK and U.S. military alliance achieved two miracles, such as a remarkable economic growth and the political democracy of Korea today, which was completely turned into ruins because of the Korean War. Korea's pro-capita GDP has increased to over \$20,000 from \$67 in the 1950s. Now, Korea ranks number 15 in the world by nominal GDP.

Korea's free democracy is a role model for undemocratic and democratizing countries in the world. The Economic Intelligence Unit released its 2010 edition of the Democracy Index Survey, which it ranks Korea as number 1 in Asia and number 20 in the world.

Third, Korea and the United States have achieved a most successful alliance despite many challenges which were overcome owing to mutual understanding and trust between the two nations. This successful alliance gives the two nations great pride and confidence, and the conviction of a firm and solid alliance. Our close partnership of such a short period of half a century has evolved into a bilateral, regional, and, finally, global alliance. Which is, I believe, an unprecedented and remarkable history in the world.

With bearing in mind that these achievements, it is very crucial for us to assess the current situation surrounding the ROK-U.S. alliance when considering the

future shape of alliances. We are required to pay special attention to unchanged conditions which, I think, are to be overcome. And these conditions should be considered as core issues for resolving problems on the Korean Peninsula which, I believe, lead the future development of ROK's Korea-U.S. alliance.

First, the Korean Peninsula remains divided. There has been no change at all since the Armistice Agreement in 1953. Despite strenuous efforts for securing a peace treaty to supersede the Armistice Agreement, it comes to see that our efforts would not bring about any improvements or progress unless North Korea changes itself. It's neither a goal nor a solution that the division of the Korean Peninsula becomes permanent.

Second. Military and non-military threat posed by North Korea is still present and imminent. And further, it escalates the level of its threats. North Korea's unification strategy for communizing South Korea and building a socialist state in the south still remains the same in the North Korean constitution, and the work of parties' bylaws. In addition, North Korea reinforced a family-based power succession system, even tougher.

Since the end of the Korean War in 1953, North Korea has continued the provocations on South Korea. And the recent provocations such as a plan to torpedo attack on South Korean naval vessels and artillery attack Yeonpyeong in 2010 were an uncontroversial act of war. Which is by no means acceptable to the international community.

North Korea's current threat is a core cause of destabilizing the peace and security on the Korean Peninsula, the region, and the world. I strongly believe that North Korea would not abandon its plans and programs of building up its conventional and non-conventional military capabilities, developing nuclear weapons, and the ballistic

missile, and the uranium enrichment activities on these -- attaining these strategy goals.

Third, it becomes much clearer to us that the stability on the Korean Peninsula has been a lynchpin for regional stability and peace. In the past, before the outbreak of the Korean War, the Korean Peninsula has been invaded from outsiders more than 930 times. So, the peninsula was key ground of a power struggle among regional powers. A Cold War remnant division of the peninsula and North Korea's constant provocations are the most serious destabilizing factor to the security environment of Asia, and the world.

Thus, in the past and the present, the stability of the Korean Peninsula is a crucial determinant of regional peace and stability. These are unchanged elements which are still threatening us and, on the other hand, adversities to be overcome. And we need to look at changed elements owing to our mutual efforts and successful alliance, and newly emerging powers in the region.

First, North Korea's national -- excuse me. First, Korea's national capability and the international status are remarkably changing. Korea currently ranks 15th in the world by nominal GDP. In terms of political development, Korea is illustrated is one of the most successful democratized countries. Korea is now very actively and pro-actively participating in international communities. As you all are aware, Korea successfully hosted the G-20 summit last November, and will host the Nuclear Summit next year.

The Korean government prioritizes a national goal of increasing international contributions to the (inaudible) community. These contributions include increasing official development, assistance, ODA, expending, keeping operations, transferring and sharing economic development experiences, and knowledge, and others.

Second, power and the center of international politics shifted to Asia from the West. We are saying that the 21st Century is the Asia and Pacific era. Asian Development Bank, ADB, released its report, *Asia 2050: Realizing the Asian Century*, last May and speculates that if Asian countries -- the current trends of economic growth, Asia would occupy more than 50 percent of world GDP, trade, and investment by 2050.

In political areas, Asian countries make strenuous efforts to overcome their differences and promoting political integration through diverse functions of regional government and non-government organizations. Third, the rise of China is a formidable element to be strategically considered. It is not doubtful that the rise of China is the most significant change of the international politics in the 21st Century. Owing to efficient economic growth, China replaced Japan as the number 2 economy in 2010.

In terms of politics, recent patterns of foreign policy are uncovered as an aggressive stance on international issues directly related to China's national interest. As a regional and global power, China spurs military modernization and development of high tech military weapons.

Although the size of China's annual military expenditure, now number two in the world, is nearly one-fourth of the U.S. military budget, China has maintained a double-digit increase of its military budget since the mid-1990s. It is commonly understood that China will stick to strengthening its national power and expanding fear of influence in dealing with international issues.

Distinguished ladies and gentlemen. Now it's our responsibility to further develop our alliance partnership in a strategic context of the said unchanged and changed elements. And we have to pass down a successful partnership to a following generation. In this respect, I would like to stress a few issues in need of a new perspective and bold action for creating a successful future-oriented global alliance.

First, I'd like to emphasize ROK and U.S. alliance should be even further developed as a more comprehensive one. Through ratification of current FTA and implementation of this trade agreement, to be more comprehensive relationship between Korea and the United States.

Secondly, the issues on the current peninsula are no longer dependent variables on U.S., Asia, and global strategy, but should be considered as independent variables on designing U.S. strategy. Korea is a core country with Japan and China for U.S. strategic context in the region. As I explained before, during more than 5,000 years, it should be remembered that when peace and stability on the Korean Peninsula, the region was stable and peaceful.

Third. It should be (inaudible) that our mutual relationship is dependent on one party's decision. I am confident that making decisions through closed consultation and wide support from the public will make better balanced decisions for doing better our job. We have experienced recent difficulties, and never forget the lessons given.

The fourth. The ROK and the U.S. government must work together to demonstrate a strategic synergy of the alliance. Finding a way of integrating each country's different capabilities and strengths lead us to increase the roles and the responsibilities of the alliance at the global community. We are well aware of the strengths and the weaknesses of our nations. I believe that when merging our strengths, we gain more strength and overcome our difficulties.

Ladies and gentlemen, we have a strong will and obvious goal for the future of the ROK and U.S. alliance. The joint vision signed in June 2009 by President Barack Obama and President Lee Myung-bak clearly stated our strong will and obvious goals. Although I do not interest details of the joint vision here, our fundamental will and

goals are primarily contributing to peace and security for the Korean Peninsula, promoting and strengthening our partnership for a peaceful reunification of the divided South and North, and with a solid foundation of respecting and pursuing common values of free democracy and market economy. The ROK and U.S. alliance must move toward promoting and increasing its responsibilities and roles for global peace and prosperity.

Distinguished guests, there are 28 -- 290,000 U.S. servicemen and women currently serving together shoulder to shoulder with Koreans for the defense of Korea. All of them shout out in chorus, let's go together.

And we have our precious assets to keep and develop. More than 2 million Korean Americans living in the United States, more than 1.5 visitors traveling every year between the 2 nations. And we have more and more precious assets of sustaining the ROK and U.S. alliance and its future development.

Together with them and you here, I would like to shout out. Join me, join me. Let's go together.

Thank you very much for your attention. (Applause)

MR. BUSH: Assemblyman Hwang has agreed to take a couple of questions. This is your chance to ask a question of someone who is obviously a deep and thoughtful expert on these issues.

Chris, please. Chris Nelson. Okay, yeah. Speak louder. Why don't you stand up?

MR. NELSON: Okay. Is there a microphone?

MR. BUSH: Here comes a mic. The mic is coming.

MR. NELSON: Thank you so much, Assemblyman, for a very comprehensive speech.

What is your sense of how the politics of this is going to play out next

year with your election process coming up? Is there a risk or a danger that there will be increasing criticism of both the Lee Administration and the United States for what some on the more liberal side see as a refusal to try to engage the North Koreans because we see an advance of their conditions are not acceptable? Do you see there's some risk of that? And what is your response to people who urge that?

Thank you.

MR. HWANG: As Korean incumbent government, Lee Myung-bak clearly mentioned that we are ready and we are always preparing any candid dialogue with the North. But as we had in several very kind of tragic instances in the past, even further, we don't -- as we don't find any kind of positive progress in the North in terms of stability and security of the Korean Peninsula.

We are asking them genuinely as kind of objectives to dismantle their nuclear ambition, and also provocative activities to the South, which destabilize the stability of the region. Regrettably, they don't express any further that kind of positive progress. And so we are working very closely together with China and also our allied country, the United States, together to persuade North Korea to be positive -- change their position.

But, as you mentioned, they are continuing the criticism of the opposition party members and the other organizations in the South who have, you know, very strong kind of -- supporting North Korea's policy or instigated groups in the South who are criticizing civilly about Lee Myung-bak's administration as too much hawkish.

But, you know, we are thinking from the public support we are taking two tracks. The first one, continually persuading North Korea to be positively changing their attitude. And secondly, we are keeping blunt security readiness, together with combined forces in Korea.

MR. BUSH: Thank you. Richard Shin.

MR. SHIN: Hi, Richard Chin with the Economists Incorporated. I have a question about the -- I mean, you already mentioned that North Korea's nuclear weapons destabilize the region. And you're also trying this policy of making them into a non-nuclear country.

But we know it has failed, and we know it's not going to happen any time soon. Maybe it's time for a radical change in policy? Rather than South Korea always taking the hit from North Korea, maybe it's time that South Korea may want to get nuclear weapons of its own, and maybe that will create a more counterbalancing -- maybe even a stabilizing effect in the region.

Did you have any thoughts about that and would you comment on that?

MR. HWANG: As you are fully aware, Korea is keeping as a democratic country. So there can be many opinions. Somebody wants to have our own nuclear capability; the other one wants to have relocation of the -- some tactical nuclear capability in Korean Peninsula. And thirdly, about to take the extended nuclear umbrella.

Those kind of opinions are coming together. But the decision is, our government's position, is to maintain nuclear umbrella based over the nuclear security. And so, there can be many, many opinions to be raised. But the final decisions we are keeping is, extend the nuclear umbrella as our policy.

MR. BUSH: One more question? Right here. Right there, stop.

Thanks.

MR. CHER: My name is Hi So Cher. I'm just a, you know, consultant in the Washington D.C. area.

I have a question just, you know, from your comments on the, you know, inauguration or, you know, the era, the period of Asia, you know, by 2050. Considering,

you know, that context here in the United States, there are some arguments whether U.S. is, you know, downside, you know, decline. Or still U.S. is, you know, the only powerful nation in the world.

And just, you know, I want to have your advice what's the weakness of the United States. Just, you know, vis a vis Asia. Like countries China, or Korea, or Japan. And what kind of role that Korea can play in complimenting such, you know, down trend degradation, as you mentioned. Just, you know, when you talk about inauguration of the Asian era.

Coupled with this question, I want to ask you the domestic Korean politics. I think, you know, the struggle in the history just, you know, as we know -- you know, the era of Asia means it's a competition -- you know, regional competition. But in Korea, there is, you know, competition between South and North, which is, you know, peninsular conflict. But there are also, you know, South-South or even within the domestic politics there are very severe, you know, struggle. And what do you think about, you know, the end or the status of the struggle in South Korean politics? And thinking about the transparency which is demanded a lot in the, you know -- even the U.S. course, FTA, or a lot of transactions.

Please explain to us your insights about that matter. Thank you.

MR. HWANG: First question, what do you think -- what I think about the vulnerability or weakness point of the United States. I think the United States is actually keeping the superpower in the world, but there are some changing partners there. Increasingly, experiencing some kind of difficulties to fully arrange international leadership.

My point is that so far, in terms of international order, we were used to kind of Western-focused, Westernized international order. But after the Vietnam War or

after the Korean War, there was slowly, slowly change to international order as kind of -- in terms of content or in terms of the meaning of how to arrange international order.

While it was spreading and expanding international in the community, the culture itself became more plural or diverse, kind of the contents to maintain the international order. So that's why U.S. is experiencing not simply economic power or military power, but those kind of newly introduced kind of concepts of contents to arrange international order -- U.S. is facing that kind of difficulty.

I'm not sure. That's my opinion. And so in that regard, as we are -- as I mentioned already how to arrange emerging China. I think as an Oriental country and as we are keeping -- historically and philosophically, religiously, as an Oriental country, in some respects we can compliment the U.S. as -- it will be difficult to mention them as a weak point. But I think we can compliment to meet international challenges toward free democracy and the open market system, so on and so on.

And second question, domestic politics related to neighboring countries and Asian countries. We understand we are still a developing country. Not fully developed or a developed country already. And so we do our best, not simply in South Korea alone. But we understand how difficult it would be -- but a peacefully united Korea will make a little further as kind of strengthened -- as kind of a unified Korea.

It will take time, but we'll do our best. And also, we are doing best to collectively and to work very closely together with my neighboring countries like China, Japan, and even Russia. And so our continued effort in two tracks, North and South. Kind of the development and the improvement of our relationship in-between two countries, North and South. And improving our relationship and working together with our neighboring countries -- major powers.

MR. BUSH: Assemblyman Hwang, I think your remarks have given us

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an excellent start for our Seoul-Washington forum. And I would like to thank you very much. Thank you. (Applause)

MR. HWANG: My pleasure.

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