THE BROOKINGS INSTITUTION

DEMOCRATIZING AND GLOBALIZING U.S.-KOREA RELATIONS

AN ADDRESS BY KATHARINE H.S. MOON MARKING THE ESTABLISHMENT OF SK-KOREA FOUNDATION CHAIR IN KOREA STUDIES AT BROOKINGS

> Washington, D.C. Monday, June 2, 2014

Introduction:

STROBE TALBOTT President The Brookings Institution

Opening Remarks:

NEUNG KOO KIM President SK USA, Inc.

HYUN-SEOK YU President The Korea Foundation

Featured Speaker:

KATHARINE H.S. MOON Senior Fellow and SK-Korea Foundation Chair in Korea Studies The Brookings Institution

Moderator:

RICHARD BUSH Senior Fellow and Chen-Fu and Cecilia Yen Koo Chair in Taiwan Studies Director, Center for East Asia Policy Studies The Brookings Institution

Discussant:

HARRY HARDING Dean, Professor of Public Policy and Politics Frank Batten School of Leadership and Public Policy University of Virginia

Closing Remarks:

HO-YOUNG AHN Ambassador Embassy of the Republic of Korea

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PROCEEDINGS

MR. TALBOTT: Good morning, everybody, and what a beautiful morning it is. The Washingtonians in the room are still both celebrating and skeptical about whether winter is really over. I'm Strobe Talbott and it is my great pleasure and honor to open a discussion and an event that has many layers of significance. And all of us at Brookings are both grateful to you for having shown up and grateful to a number of people I will mention in the course of these remarks because this is a day where Brookings is going to add considerably both in terms of the staff of scholars that we have here and also the scope of our work.

I'm going to put in context the immediate business that we have before us today. Brookings for a long time -- we're coming up on our 98th birthday -- we have had an aspiration not just to be a Washington think tank and not just to be a national or U.S. think tank, but to be a global think tank. And that process actually started well before I and another colleague that I will mention in a moment came to Brookings. It started really back in the 1940s when our foreign policy program was put in place, but it also really picked up in the eighties and nineties when people like Harry Harding were leaders of this institution. I'll come back to Harry in a moment.

But what I really want to zero in on is that when we decided to concentrate on a particular area of the world in the globalization of Brookings, we started with Northeast Asia and Asia as a whole, but particularly Northeast Asia. After all, Asia as a whole is where more than two-thirds of humanity lives, but it is made up of very discreet, very interesting, each in their own ways, sub-regions as well as extremely important countries. So it was largely in that backdrop that my predecessor, Mike Armacost, who was an Asia hand himself, working with some other colleagues that are names that I think will resonate in this room -- Mort Abramowitz who remains a good friend to many of us and to this institution today; Richard Haass who was the vice president and director in charge of our foreign policy program, set up the first policy

center at Brookings, which was called the Center on Northeast Asia Policy Studies. And that's important because among other things, we had no policy centers before then and today we have something in the neighborhood of 15. So enter the doors that you just came through back in July 2002, two newcomers to the outfit, myself and Richard Bush who's seated here in the front row. Richard and I literally started on the same day. I'm not very good at dates or anniversaries. Every day in July, and I can't remember which one it was, the first of July, I always get an email from Richard saying "Happy anniversary," and then I write him back "Happy anniversary." And he came to be the director of the Center for Northeast Asia Policy Studies.

Now, over the intervening dozen years, we have added capacity with regard to other sub-regions and specific Asian countries. And today really marks a milestone because today we are doing two things: One institutional and the other very individual and personal. We are inaugurating the SK-Korea Foundation Chair in Korea Studies at the Brookings Institution, and we're announcing the appointment of Dr. Katharine Moon as its first holder.

Now, this leads me to some not only very necessary thank yous, but also to some very sincere ones. The SK Corporation is represented here today by Neung Koo Kim, the president of SK USA; and The Korea Foundation is represented by its president, Hyun-seok Yu. These two outstanding organizations -- one, of course, connected with the ROK itself and the other a major private sector company of great renown, great distinction, and global reach -- have jointly given us the resources so that we will have an endowment that will allow us to have not just a Kathy Moon, but successors of her in the holder of that chair in perpetuity. I've always liked the sound of in perpetuity. It's a luxury allowed to institutions, but not individuals.

We also have some other thank yous that I'd like to express. We have vital operating funds that are going to make it possible for Kathy to jump right in in doing extensive work, and I'm going to name a couple of those that we want to thank in that

regard. The Korea International Trade Association, led by a former ambassador to the United States from the ROK, and there are quite a number of people we have to thank in that category: Duck-soo Han, who is represented here today by the president of The KITA Center in Washington, Young Hwa Sung, who, by the way, like Harry Harding, is an alumnus of this institution. He took part in the Brookings Executive Education Program a decade ago.

We also have another donor who has asked to remain anonymous, but who is a very valued friend of the institution and has added to the resources that Kathy will have at her disposal.

There are some other people I'd like to thank as well. Certainly one of the former Korea Foundation presidents and that's Jong Kook Kim and his successor, Woo-sang Kim. And for those of you connected with SK, I hope you will convey in an email or something later today my special appreciation to a very, very dear friend and colleague, Lee Tae-sik, a former Korean Ambassador here in D.C.

There are three other people with connections to Brookings I would like to thank, one of whom is here in person, and that's Kihak Sung, who is a member of our International Advisory Board, which met last week for three days here in Washington. And Kihak then took off to El Salvador where he has some business interests and has returned to Washington just for this event. So thank you very much for running up some frequent flyer miles on some airline or another.

Dominic Barton, who is the global managing partner of McKinsey and a trustee of the Brookings Institution, has been a provider of very important advice to us as we have gone forward.

Martin Indyck, who has been and perhaps maybe in the future will again be the director and foreign policy director here at Brookings. He's taking a timeout to try to bring peace to the Middle East, which is a tough job, but he had a lot to do with conceptualizing this whole project.

We also are here, of course, to conduct a discussion that will be highly substantive and highly strategic. I was struck when I saw the name that had been given to this project or this discussion this morning, and I'm told actually that Kathy had something to do with the title of the discussion. It's Democratizing and Globalizing U.S.-ROK Relations. That is, I think, an interesting formulation. We know what globalizing means. It means that the United States and Korea are both not just regional players, they're playing a global role. And in Korea's case, it's a global role that it's come into in recent years and it's particularly marked, of course, by Korea's membership in the G-20.

Now, as for the importance of the bilateral relationship between the two countries, I don't think there's any need to go on at length about how important that is. It's obvious from the headlines, which include good news, much of it coming out of the ROK, bad news, much of it coming out of the DPRK, and a lot of rather complicated headlines as well. It's also a manifest, I think, by the degree of attention that the President of the United States has paid to this relationship. I was struck to read that the only country that he has visited more often than the ROK is Mexico, which is a little easier to get to. And I might add the importance of the relationship is also apparent in the attention that we are giving to the ROK, the Korean Peninsula, and that sub-region of Asia here at the Brookings Institution. Now, thanks to you, Kathy, and those in the room who have made it possible for you to join Brookings, we will be giving Korea more attention and that goes for the region as a whole.

Now, Richard is going to introduce Kathy in more detail, but first I would like to acknowledge a couple of additional special friends who are here. Ambassador Ahn, the current Ambassador of the ROK here in Washington, and for reasons he knows, I already have reason even though we haven't spent too much time together to regard him as a personal friend as well as a professional colleague.

And then there is somebody else that I've known for 25 years, if I'm not mistaken, and that's Han Seung-ju, who will be joining us by video from, well, I suppose

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from Seoul, right? Good guess? I got to know him when he was foreign minister and also had what probably was the single toughest job of his diplomatic career, which was singing and dancing at the ASEAN Regional Forum. A number of people are laughing in the room because they know that diplomacy can sometimes produce high or maybe low comedy. And he also has been very active in the Trilateral Commission and was an advisor to the Center on Northeast Asia Policy Studies.

Now, finally, but not least important by any means, Kathy is well represented by her family here today. I'm going to just single out two members of the group. One is Ara Kim, who is an ordained minister and a scholar in the sociology of religion. And then I also want to call attention to the presence here of Theodore, age 3, I think is probably the youngest person in the room. We won't worry about who's the oldest person in the room.

So now I'm pleased to introduce two friends and benefactors: First, Neung Koo Kim, the president of SK USA; and then Hyun-seok Yu, the president of The Korea Foundation. So starting with you, President Kim -- oh, one more thing and I often forget and then when I remember it's still sends a chill up my spine. I used to say please turn these things off. Don't turn them off if you are prepared to tweet from the event. You can give it any hashtag you want. I would suggest #KathyMoon.

MR. KIM: Honorable President Strobe Talbott, Ambassador Ahn Hoyoung, Dr. Hyun-seok Yu, Dr. Katharine Moon, Professor Harry Harding, ladies and gentlemen, first of all, I would like to congratulate the Brookings Institution on the launch of the SK-KF Chair in Korea Studies and express my deepest gratitude to all who made today possible: Members of the Brookings Institution, The Korea Foundation, and SK. On behalf of SK, it is a great honor for me to give my congratulations for the launch of the SK-KF Chair in Korea Studies. My name is Neung Koo Kim, president of SK USA.

There's a long history between SK and the Brookings Institution. For years SK has put the Brookings Institution's research to great use by forming and

executing global business strategy inspired by the research. The intellectual exchange between SK and the Brookings Institution began in earnest in the year 2010 when the chairman of SK, Chey Tae-won, joined the Brookings Institution as a member of the International Advisory Council. Working within the IAC, its meetings have proven to be a significant opportunity in which to share various opinions of international business leaders on pending global issues and to understand the direction of the United States' policies and events.

At the end of 2011, the president of the Brookings Institution, President Strobe Talbott, proposed the Chair in Korea Studies project, which SK considered to be a significant opportunity. With improvement in the relationship between the United States and Korea and the widening state of East Asia in the global world, a program that focuses on a comprehensive range of Korean studies would be significant, especially when it's run by the most renowned think tank of the United States, the Brookings Institution. SK believes that SK-KF Chair of Korea Studies will provide momentum to deepen East Asian studies and provide a foundation toward building cooperation in multiple fields, including, but not limited to, politics and the economy.

Given the current political situation, the launch of SK-KF Chair in Korea Studies is a very timely juncture. In the era of G-2, economic cooperation between the United States and China has been increasing; however, diplomatic conflict between the two countries are also serious. Furthermore, the Asian region today holds great geopolitical risks such as the rise of historical and territorial concerns and competition not only in terms of economics, but also in terms of foreign diplomacy the United States position is expected to exert great influence on Northeast Asia making the research more integral and valuable.

In order to achieve consistent development and mutual prosperity of two countries, technical and systematic cooperation is needed more than ever. In this respect, I believe Dr. Katharine Moon, the Chair of the Korea Studies, is the best qualified

individual to lead the research in the current situation. SK is much honored to sponsor this project with such significance, and is assured that Dr. Moon as the chair will act as a solid bridge for the intellectual interchange between the United States and Korea with her years of experience, reputation, and capacity as a researcher. SK has been at the forefront of executing its social responsibility as shown through various activities. SK places a high value on corporate social responsibility and is widely recognized on corporate social responsibility it extends to the community.

For example, SK launched the nation's largest social enterprise in 2012 as noted by the U.N. Secretary-General, Ban Ki-moon, who described SK as the spearhead for corporation social contribution activities. SK has established a solid foothold internationally with its exemplary contribution to the society. Today's launch of the SK-KF Chair will go down in history as a monumental event for SK's social contribution on a worldwide level. This cooperation will eventually elevate the prestige not only of SK and the Korea Foundation, but also the Brookings Institution. Through clear cooperation among SK, KF, and the Brookings Institution, I expect the Korea Studies to achieve many things that will bring a new period of peace and prosperity.

Once again, I congratulate all the members of the Brookings Institution, the Korea Foundation, and SK for the successful launch of the SK-KF Chair in Korea Studies. I wish this collaboration all the success. Thank you very much.

MR. YU: Good morning. President Strobe Talbott, His Excellency Ambassador Ahn Ho-young, Mr. Neung Koo Kim, president of SK USA, and Dr. Katharine Moon, distinguished guests, and ladies and gentlemen, it is my great honor and pleasure to be a part of this meaningful occasion to launch SK-Korea Foundation Chair in Korea Studies at Brookings. I'd like to send my sincere congratulations to Katharine Moon for her appointment as the inaugural holder of the SK-Korea Foundation Chair at the Brookings Institution.

Here in this conference room at Brookings, the number one think tank in

the world, not just in 2013, but five years in a row, the presence of these distinguished expert scholars and policymakers in international relations is a clear indication of the critical role that Brookings and this newly created chair is expected to play in the Korea-U.S. relationship.

In recent years the Korea Foundation has been working with the Brookings Institution on a variety of projects relating to the Korea-U.S. relations. And to upgrade this partnership, we now have an opportunity to establish a critical position here at Brookings thanks to the financial assistance by the SK Group of Korea along with the forward-looking vision and the dedicated efforts of the Brookings Institution, of course, led by President Talbott, and Dr. Richard Bush. On behalf of the Korea Foundation, I would like to express our gratitude for the generous support of the SK Group and other donors, such as the Korea International Trade Association. Special thanks to the concerted effort of Brookings and its staff for making this Korea Chair a reality. I'm highly confident of Dr. Katharine Moon's capability to fully utilize her appointment to strengthen Korea studies at Brookings and further reinforce the Korea-U.S. relationship through the advancement of our mutual interests.

Before concluding, I would like to make note of the key words that Brookings used to define itself; that is quality, independence, and impact. In today's real world, making a true impact can only result from the honest efforts put forth by dedicated professionals. As such, I look forward to seeing how Dr. Moon and the Brookings Institution can work together so that they can make a real impact on the future direction of the Korea-U.S. relation in the realm of regional study and global challenge.

Again, congratulations, Dr. Moon, and thank you very much. AMBASSADOR HAN (VIA VIDEO): Hello. I would like to congratulate Brookings for the inauguration of the Korea Studies senior scholar position and for

installing Kathy Moon as its first chair.

I've known Kathy since she was a young State Department intern at the

U.S. Embassy in Korea. I saw how bright and motivated Kathy was, and I knew then that she would achieve a lot and get somewhere. But I did not quite realize that she would become such a good scholar and now a chair in Korea studies at the Brookings Institution. Kathy has written important books, including most recently *Protesting America: Democracy and the U.S.-Korea Alliance*. As a scholar in comparative social movements in East Asia, Kathy understands that Korea studies involve a lot more than security and trade issues, alliances, and North Korean nuclear weapons. Korea is a dynamic and rapidly changing society, and Kathy understands how politics and the economy, social and human affairs, and relations with the outside world evolve and change. That is why I think Brookings and Kathy Moon are a perfect match. Together, they will accomplish a lot and contribute greatly to understanding what's happening in Korea and explaining why it is happening.

MR. BUSH: I'm Richard Bush, the director of the Center for East Asia Policy Studies here at Brookings. It's my great pleasure to welcome all of you here today. It is a great day; we establish our chair and we present Kathy Moon as the first holder of the chair.

I would like to acknowledge the presence of Jeff Frankel, Kathy's husband, who slipped in while Strobe was speaking. I want to echo Strobe's gratitude on behalf of the institution for our donors and also for the work of Martin Indyck. The staffs at both the Korea Foundation and SK have been absolutely outstanding in getting us to this day.

Strobe was actually quite modest -- that's the kind of guy he is -- but he failed to tell you about his own role in getting us to this day because it was a number of years ago that he set this as an objective for Brookings, and he himself worked very hard to realize it. He supported us every step of the way, those of us who were working on it on a more regular basis, and we really appreciate what he's done. I also need to acknowledge the hard work of our development department and my own staff at CEAP.

Today really represents a quantum leap in Brookings' capabilities concerning the Korean Peninsula, which is one of the most interesting, but most important, parts of the world today. We could think of no better person than Kathy to hold this chair. Her expertise is deep, broad, and nuanced. Her reputation within both the scholarly community and the policy community is outstanding. She embodies the Brookings' core values of quality, independence, and impact. She's already begun work on a couple of projects for Brookings; one on the role of North Korean defectors in South Korean life, and the other on dimensions of demographic change in South Korea. And you'll see the results of these efforts later on.

Kathy Moon was born in San Francisco. She grew up both in South Korea and the great state of New Jersey. She graduated from Smith College and got her Ph.D. from Princeton where she was a fellow student of our own Michael O'Hanlon and Cheng Li. She's been a professor of political science and holds the Edith Stix Wasserman Chair of Asian Studies at Wellesley College where she's taught since 1995. As Ambassador Han said, she's written extensively on the interplay between domestic politics in South Korea and the institutions of the U.S.-ROK Alliance.

Please join me in welcoming to Brookings and Washington, D.C., Dr. Katharine Moon.

DR. MOON: I'm going to pour my water out of respect for our Korean guests since Americans are well known for drinking out of the bottle.

I am so happy to be here today with you all at Brookings and to be surrounded by three or four generations of family. You'll get to meet them -- my father-inlaw is here; my mother; and, of course, Theodore; my sister- and brother-in-law; and my cousin, two nieces. And out of the three young ones today, I guarantee you at least one, if not all, will end up doing something at Brookings, probably interning, and coming to Washington to serve in public service or some other area of life that perhaps will touch upon U.S.-Korea relations. So I am very glad to introduce them to Brookings and to

Washington for their future and for our collective future as well.

I'm a long-term thinking kind of gal. I'm not a short-term person. I think about the short term always in the context of the mid and long term, and I think those will be strengths I bring to Washington since we all know, Washington thinks mostly short term. It's inevitable and I understand that. I've worked in government in the State Department in the past to know that that is just the way it works, but our job here at Brookings is to do more than short-term thinking and short-term reacting. So I look forward to that challenge.

I'm also very thrilled that my husband, Jeff Frankel, woke up at 5:00 in the morning today and tried two flights to get here. He is the best husband in the entire world and if he didn't agree to my doing this job and support me so fully, well, we would have had some difficulties negotiating ourselves. And I'm really happy to see my dear old colleagues, and I mean old not by age, but people I've known since I was in my twenties -- Victor Cha, Scott Snyder, James Pearson -- well, I'm a little older than you are, but -- Shelia Smith, I don't know if she's here, the senior Japan scholar from CFR. I see several of you out here who I have worked with and grown up with in a sense, and so I feel I won't be alone and that we in a way will have our own little think tank together and build a stronger team in Washington. Koreans and Korean-Americans working on U.S. relations with Korea, as well as Americans in the U.S., have tended to be out there on their own for decades and decades. And I think now Korean-Americans and other Americans, we are all coming of age to be able to say we have the training, we have the expertise, we have the vision, and also mostly we want to serve. So I'm really glad to see you all out there.

Jeff and I had lunch with Dr. Han just two weeks ago in Seoul. As Dr. Han mentioned in his video greeting, I have been working on U.S.-Korea relations officially since I was 21 years old. As an undergrad at Smith College, I worked in the political section of the U.S. Embassy in Seoul. I was then very excited to be in the midst

of real-life politics as well as cocktail parties. They seemed very glamorous to me at that time and then I grew up and realized it's all part of the job. It was 1985. Two days after I began my post, drama unfolded on May 23. Seventy-three college students broke into the U.S. Cultural Center and occupied the library. I witnessed at the age of 21 firsthand the dedication of the embassy staff to resolve the crisis in a peaceful and safe way -- round-the-clock negotiations, sleepless nights, and unceasing determination to hear out the students and their passion for democracy as well as to maintain stability between Seoul and Washington, D.C.

Kathy Stevens, now former Ambassador to South Korea, and Ed Dong, currently Minister Counselor at the Embassy in Seoul, were part of that hardworking team. They were awfully young. They are now leaders in the U.S.-South Korea foreign policy field, and I feel privileged to have known them for close to 30 years. That was my initiation into foreign policy and diplomacy.

Thirty years later here I am at Brookings, embarking on a great adventure. In the months I have been working with my Brookings colleagues, I have come to realize that this is my dream job. I truly feel that this job was made for me and that I was made for it. Both Brookings and I take seriously scholarly depth and integrity and we work with the conviction that good scholarship can educate the larger public and accurately inform policy.

I plan to focus my initial work on three main areas, again initial work. There'll be many other things to do. One, issues of democracy in Korea; two, a more global approach to North Korea; and three, a broadening of the U.S.-ROK Alliance. Today, the Republic of Korea boasts a dynamic democracy; per capita income rivaling many European countries; leadership in telecommunications, of course; hot cultural exports; a green-growth strategy to which both the government and many in the private sector are committed; a film industry that enjoys international acclaim; world-class divas who perform at grand opera houses around the world; students who rank at the top of

international test scores; and the largest number of international students per capita in the United States, particularly in graduate studies.

We all know Koreans are world famous for working hard, but they also play hard. Singing and dancing, and Strobe already gave us an intimation of that at ASEAN. I cannot imagine Dr. Han Sung-joo singing and dancing. It is just not -- it is beyond my imagination, and I have a pretty good imagination. Nevertheless, he is Korean, so I guess he had to sing and dance because doing so it's practically part of the Korean DNA and I am no exception. I once wanted to be a Broadway star when I was in high school. My parents quickly disabused me of that idea.

Although I am a San Francisco native, I spent my early childhood in the 1960s in the home of my maternal grandparents for which I will be eternally grateful in perpetuity. I was a physical appendage to my grandmother, Kim Ya-young, when she went to the Korean mountains and stream sides to picnic with her friends. They played (Korean), Korean cards, and danced to the throbbing beat of (Korean), the hourglass drum. I so appreciated the heart-throbbing beat of traditional Korean music and the wisdom of simply enjoying life even through the very hard times that her generation lived through -- the Japanese Colonial rule, Korean War, the beginnings of industrialization -- it was a tough time, but they laughed and they danced and they sang.

Korea's probably the only society where tone-deaf people go to school and pay a lot of money to have buckets put over their heads in order to learn how to sing. Of course, many of you here are experts in dancing the (Korean) style. What you may not know is that in Poland in 2012, beauty contestants for Miss Poland had to perform (Korean) style on stage in bikinis. If you're curious, look it up on Google Image. It is hilarious, strange, and also really interesting.

What you also may not know is that Kapop and the Korean wave are, of course, pervasive around the world, but that recently Thailand created an entire Thai drama about watching Korean dramas. Do you understand? It's meta-drama, okay? My

friend, David Kong, whom I really wish, and I know Victor would wish, would join us here, but he's in happy Southern California. He gave me that little tidbit to throw into my address and to entertain you with. Even Egypt holds Kapop competitions. A teenager named Emon Bader won in 2011. Egyptian newspapers noted that she is "self-taught in Korean reading, writing, and speaking" -- this is Egypt -- "and dreams of one day living in South Korea."

This is Korean soft power at work and a Korean dream spreading globally. But the reality of the Korean dream, like the counterpart in America, is challenging. Disappointment is part of the challenge. Thousands of defectors and refugees from the DPRK enjoy legal citizenship south of the 38th parallel. A few among them have become leaders in the ROK government, and one among them, among more than 25,000 defectors, is in the National Assembly as of 2013.

But most experience discrimination and dislocation in their adopted country. How will this group of marginalized Koreans develop a national identity that aligns with the domestic and foreign policies of the Republic of Korea? Right now most defectors tend to vote conservatively and oppose the DPRK regime, but will that continue? How these "new Koreans" regard the United States and the alliance overtime, perhaps as a hindrance to reunification or as inadequately dealing with Pyongyang or something else, we do not know. In the mid to long term their minority status will compel them to force changes in Korean democracy, and I'm studying this right now. If they remain on the margins of society, what kinds of interpreters of democracy might they become to their kin and colleagues in the North, especially if and when reunification begins?

Defectors already have become vocal demanders of human rights protection for North Koreans in China, and Korean legislators have added their support. Americans have provided funding and training for defector groups. When Pyongyang protests balloon launches that rain down propaganda and transistor radios in North

Korea, not only the defectors, but Americans, too, get implicated. Such new actors complicate the U.S.-peninsular relationship. Can our respective democracies be flexible to accommodate new actors and new issues? What kinds of challenges and opportunities will new demographic factors present to the U.S.-Korea relationship? And while Koreans protest China's unjust treatment of North Korean border crossers, tens of thousands of Chinese cross into Korea to earn higher wages and develop skills. They are joined by tens of thousands of other foreign nationals from the Philippines, Vietnam, Indonesia, Mongolia, Pakistan, and Nepal, to name just several. And they are not necessarily temporary migrants. Many are the spouses, mostly wives, of Koreans. They become naturalized as ROK citizens and rear children who are bi- or even multi-racial and cultural, and they are fully Korean, the children. They speak perfect Korean. When you hear them, they sound Korean. When you look at them, they are new Koreans, a different sort.

Estimates show that by 2020, these new Koreans will exceed 1.5 million in a population of 50 million in addition to over 1 million foreign nationals working in Korea today. By 2030 immigrants could make up more than 6 percent, and by 2050 about 10 percent of the entire population in South Korea. This is brand new territory for a nation with a self-identity as (Korean) -- one ethnicity, one heritage, one people. The need for foreign labor and for human reproduction is critical in a country with the lowest birthrate in the world, excepting only Singapore, and with one of the fastest aging populations. By 2050 the elderly will comprise 40 percent of the population. Each will depend on two young people to support them economically. Compare that with 2010, just a few years ago, when about 15 young people were working to support each of the elderly. The working-age population will peak in 2016. We're very close to it. In 2050, 5.5 percent of GDP will go to pensions while the growth rate is expected to plummet dramatically.

We know that elderly populations tend to be politically and economically conservative. What might be the implications for Korea's foreign policy and specifically

U.S.-Korea relations? How can and will the new Koreans participate in democratic life? This includes the question, what foreign policy preferences they will espouse. And how willing and able would elderly and hyphenated Koreans be to support government assistance to refugees and potentially millions of refugees should there be a crisis along the border on the peninsula or a reconciliation or reunification that cannot be managed? How willing and able would they be to calculate their individual and family budgets and needs in contrast to the need to support for increased burden-sharing in the alliance with the U.S.? As students of democracies, we have to study the obvious and not so obvious manifestations of these and other societal changes.

Although strategic alliances are rooted in geopolitics, they cannot endure and thrive unless domestic publics support them. Koreans and Americans need to invest in domestic assets that tie the two peoples together -- democratic values and governance, aspirational norms that include equality in gender, ethnicity, and class, and nondiscrimination as well as people-to-people diplomacy among various professions, age groups, and, of course, issue areas.

In order to make bilateral relations even more productive, the U.S. and Korea also need to think and act globally together. In the 2000s with the rise of China and the economic decline of Japan, regional changes became more important in calculating the purpose and capabilities of the alliance. The Iraq and Afghanistan wars showed how the alliance and the military preparedness of both countries needed to be more globally connected. In the current decade, an increased focus on and expansion of U.S. military strategy and assets called reposturing touches the security and politics of numerous nations in the Asia Pacific.

I'm glad that Dean Harding is with us today. I originally entered my Ph.D. studies to specialize in Chinese politics. And I want you to know this; when I was in college from 1982 to '86, I could not study Korea. There was no Korean language to learn, although I'm very much self-taught in my Korean and also my parents. They

pressed me and forced me. We had nothing on Korea to study in the 1980s, so the best we could do was study Chinese politics and Japanese politics. And so I am an East Asianist by training with a focus on Korea, and I studied Professor Harding's work when I was in college and graduate school. I thought he was a really old man because he had written so much, until I actually met him 10 years ago and realized he's not an old man at all. But to let you know, I benefitted a lot from those studies and it did not go to waste.

My paths in Chinese studies, Japanese studies, both languages and the substance, will come in handy in my work at Brookings. Today we all think about China with respect to North Korea. China's focused on domestic stability, its own domestic stability, and allegiance to its treaty obligations to Pyongyang, making Beijing in my opinion an unlikely candidate to lead the way in opening up the North. The U.S. and the ROK have been, again in my opinion, too dependent on China with few constructive outcomes to show for their hopes and expectations. We, of course, need to maintain good working partnerships with China and Japan, but we need to learn from those who actually have been able to make peace and diplomatic headway with Pyongyang -- Europe, Australia, Canada, Southeast Asia, and South America. At least 45 European countries as well as the European Union have diplomatic ties with North Korea, including those allies who are very close to the United States -- the U.K., Germany, the Netherlands, Poland, Turkey -- and to the south, Brazil, Mexico, and over 20 Latin American countries engage the DPRK.

In Asia almost all the members of ASEAN work with North Korea legally and with established protocol. When I was in the North last summer on a research trip with academics from the United States and Canada, I was startled to see cans of Coca Cola at restaurants in Pyongyang. I studied one can like it was some strange artifact, looked at it, observed it, and I found <u>www.cocacola.it</u>. Italy buys Coke from the U.S. and then sells it to North Korea. Is the U.S. really free of trade with the DPRK? Officially, yes, but North Koreans drink American Coca Cola, which is a prized, expensive drink by

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the way. Malaysian fruit drinks flood the North Korean market, and Mongolians, whose economy is fast growing, work with North Koreans on mining technology, tourism, and other enterprises.

North Korea is not as isolated as some might want it to be, and frankly, other countries are securing their market share with a long-term view in mind. President Park Geun-hye has already moved to connect the ROK's economic and geopolitical interests with Europe and with Southeast Asia. The VIP policy, reaching out to Vietnam, Indonesia, the Philippines -- you get it, V-I-P? -- is a significant start.

Increasingly, Korea's global reach extends farther and farther in geography and issues. In 2010 it became the first non-G-7 country to host a summit meeting of the G-20 countries. One of the most substantive accomplishments at that meeting was the plan for IMF reform, particularly an expansion of quotas and reallocation away from overrepresented European countries to underrepresented Asian countries. Many nations host these meetings; very few are able to get an issue on the table and move it forward. It happened in Korea. This was a big leap forward in influencing global governance.

Last, Korea's Miracle on the Han, which we all know about, extends to the environment and offers lessons for multilateral cooperation. As in many other rapidly developing countries, Korea's air and water pollution had risen intolerably with rapid industrialization. But in the 1990s by which time income had reached the threshold of about 7 million won per capita and democracy had taken place, Korea raced back down the far side of the environmental Kuznets curve. Sulfur dioxide concentrations in Seoul peaked in 1991, but fell 85 percent by 1997, six years; it's a very short time. These days air in Korea is again turning brown. We were just there. We experienced it. And it is because partly as a result of the pollution blowing across the Yellow Sea from China, thus embodying the trans-border phase of environmental issues. When dealing with the global commons, national efforts have limits; therefore, Korea's leadership on the

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environment is most welcome. Hopefully, the United States will follow suit.

In closing, the U.S.-ROK Alliance is bilateral, of course, but the way the world works is multilateral and global. The U.S. and Korea must find ways to expand common interests to make them globally more relevant.

I want to thank our generous donors to the new Korea Chair. As you have heard from me, I am a living example, as is Victor, Scott, and all the others here who didn't have the opportunity to learn about Korea in our undergraduate days. We are now able to help provide that education to others and to the public in general, and we are very grateful to you all for making that possible.

I also want to thank the Brookings Board and Strobe for prioritizing Korea studies. I have been building, trying to build, Korea studies on my own at various institutions and everybody says oh, funding is the key. But funding is not the key. Institutional will is the key. Without institutional will, you can have as much funding offers as possible, but if an institution chooses not to prioritize a particular country, region, or issue, no matter how much money is spent, it just won't get done. So, Strobe and the Board, thank you very, very much.

To Richard Bush and Kevin Scott for their ceaseless support and care; I feel so much a part of this family at the CEAP already. I can't tell you how I look forward to joining the larger family there come June, July. And all those at Brookings who are working behind the scenes to make today and the study of Korea a success, I thank you.

I also want to thank some of my former Wellesley students that I have caught the image of out there in the audience. I am grateful. Teaching at Wellesley has been and is a tremendous joy, one of the most rewarding things one can do in life, to educate young people. And I'm happy to say many of them are in Washington, in the State Department, in Congress, and they will keep going on.

Most of all I want to thank my late father, Douglass Kwan Hong Moon, for having encouraged me to serve as a human bridge between the United States and Korea

since I was a small child. He taught me this every single day; that this was my duty and mission in life, and for having instilled in me the greatest good, the importance of education and public service. Thank you very much.

MR. BUSH: Thank you very much, Kathy. I think we're off to a good start. For concluding remarks, we have two very important individuals. The first is Dean Harry Harding of the University of Virginia and as Strobe mentioned a former senior fellow here at the Brookings Institution; and Ambassador Ahn Ho-young who represents President Park Geun-hye and the Republic of Korea here in Washington, D.C. First, Harry.

PROFESSOR HARDING: Thank you very much, Richard, and good morning, everybody. As a Brookings alumnus, I'm absolutely thrilled by the establishment of this new chair in Korean studies and excited by the appointment of Kathy Moon as the first chair holder. Having read an advance draft of her speech and now having heard an even better version, she is truly an ideal choice and I congratulate both Brookings and her for this very exciting development.

In a concise, but very wide-ranging inaugural lecture, Kathy has given us an impressive introduction to herself and to the kinds of research she intends to do at Brookings at least initially because I know that with a very rapidly moving mind and rapidly changing world, she will indeed be evolving intellectually from the moment she arrives here.

She has suggested that her work will focus on three areas: Issues of democracy in South Korea, a more global approach to North Korea, and a broader definition of the purposes of the U.S.-ROK Alliance. And these are obviously very, very important issues, but what I find particularly exciting is that in so doing she promises to explore some significant concepts that I believe have not been adequately emphasized in the study of either comparative politics or international politics -- national identity, the impact of generational change and immigration, and soft power. And she has also shown

that she will not hesitate to take on some of the most sensitive issues regarding policy towards the Korean Peninsula.

In describing the development of her own identity as a Korean-American and then in providing a brief, but insightful analysis of national identity in South Korea, Kathy has underscored the important role that identity plays in domestic politics based not necessarily on a common ethnicity, although such is very important in Korea, but also on a shared commitment to a set of social and political values and political institutions.

Identity is also very important in international relations since another aspect of national identity is the shared understanding of relationships past and present with other countries, especially in the case of South Korea with China, Japan, and the United States. But Kathy also emphasizes how national identity can change and points to the importance of generational change and immigration in this regard. She has identified a driver in Korean politics and foreign policy that I had not understood before, the growing numbers of immigrants and defectors from North Korea and immigrants and migrant workers from China and indeed from the rest of Asia. And she asks whether those drivers will further consolidate or perhaps erode South Korean national identity, and if it causes change, in what directions?

With regard to soft power, another I think underemphasized factor in much analysis of international relations, Kathy begins by reminding us of the enormous impact of Korean popular culture on the rest of the world, particularly the rest of East Asia. I can think of few other societies the size of South Korea that have had this degree of impact in the contemporary world, especially when that impact as in the case of Korea has spread beyond a single ethnic group. Hong Kong has influenced the rest of China. South Korea has influenced the rest of Asia and to some degree the rest of the world.

But Kathy reminds us that there are other forms of soft power, including the ability to develop solutions to important global and regional problems, including in Korea's case economic development and climate change. She believes that South

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Korea can serve as what some might call a policy entrepreneur in these areas and that this should become a more important aspect of the U.S.-ROK Alliance.

And finally Kathy has taken up the controversial issue of American policy towards North Korea. She calls for an approach that is both more global and more flexible. The call for flexibility will not go over well with some, but she makes a compelling case that the present strategy of trying, perhaps unsuccessfully, to isolate Korea diplomatically and economically and hoping that China will be willing and able to promote domestic reform and more responsible foreign policy behavior, this strategy has not been effective.

This is a very exciting research agenda, not only for the issues Kathy raises, but the concept she seeks to apply to understanding them. And I look forward to seeing the results of her research in the months and years to come. I am confident that they will make a great contribution to the policy communities in the United States, in South Korea, in the rest of Asia, and indeed around the world.

Congratulations to both Brookings and Kathy. Thank you very much.

MR. BUSH: Thank you very much, Harry, and for the last word, Ambassador Ahn.

AMBASSADOR AHN: Well, some of the words we used this morning -milestone, exciting, what a day. Then I guess it was a quite exciting morning, but at the same time I realized it was a long morning as well, wasn't it? So I guess I've got to be as quick as possibly I can be, but at the same time I wish to make three quick points.

My first point is thank you. And then we have been talking about institutionalization of Korean studies at Brookings and then we have been talking about individual achievement that has been made by Kathy, so they're all important. But at the same time, I should be telling you this, which is that having a Korean Studies Chair at the Brookings Institution, that has been my dream for the past 25 years. I'm not joking. Twenty-five years ago I used to be a young diplomat. Yes, 25 years ago I used to be

young, right? I used to be a young diplomat working for the Korean Embassy, and I used to come by the Brookings Institution from time to time. And at the time we had this gentleman, Harry Harding, as China Chair. And at the time we had somebody called Ed Lincoln as Japan Chair. And I was asking myself, where is Korea Chair, where is he? But I didn't know it was going to be where is she? So today, after 25 years, we have Kathy and then we have Korea Chair, which is going to be here in perpetuity. So thank you so much. Thank you so much. There is my first point, thank you.

My second point is congratulations. And, of course, congratulations must go to everybody, to Strobe, to Richard, to everybody, Harry Harding, but most significantly to Kathy. Several months ago we met up in Boston and then Kathy said, oh Mr. Ambassador, to tell you the truth, as a matter of fact, I wanted to become a diplomat. And at the time I didn't know what she meant by it, but today I'm learning she used to be a Department of State intern when she was 21 years old. So she was serious in thinking about Korean diplomacy. What did I say in response to Kathy? I wonder if you remember it. What I responded was well, as a matter of fact, it was a good idea for you not to join the world of diplomacy. Why? Because you are in my mind overqualified. That's what I said. Do you remember that? And the reason why we are congratulating Kathy is because she is coming to a position for which even Kathy cannot claim I am overqualified. Isn't it something great? I mean isn't it something great that you can work on something for which you can truly say, I am not overqualified. There is something more I should be doing. Isn't it great? So that's the reason why I say I really, really have to congratulate Kathy.

And then, of course, Harry, Harry Harding, Dr. Harding. Of course, he has been talking about international relations. He has been talking about comparative politics, and then he has been talking about something plus. Well, some of the problems that we have, the scholars of international relations, some of the problems that we have is that we try to look upon the things from the point of view of international relations

alone. And then from the more classical study of political science and then they say well, if you do that, then your analysis cannot but become rather shallow. So you need to go skin deeper, a layer deeper, which is the world of comparative politics. And then what did Harry Harding say? Well, I listen to Kathy. She talks about international relations. She talks about comparative politics, but there's even more. I mean immigration and soft power, et cetera, et cetera. So when I say congratulations, I really mean it.

So my third and last point would be an invitation, invitation to all of you in the sense that well, of course, we know for now that Korea Chair is going to be at the Brookings Institution for a long, long time. And then we know that Kathy among others will be the best person to be the first person or academic to be occupying that chair. But at the same time, even Kathy, with all her qualifications, can do only so much by herself. Who are the graduates of Wellesley? Raise your hands. Only one? But Kathy said it all when she said that well, we need funding, we need institutional will. But I think something I should be adding to that would be people. So we need funding. We need institutional will. But on top of it, we need people. Where do we have the people? It's you. So let me invite you to work with Kathy, work with Richard, work with Strobe so that this Korea Chair for the time being, it is the youngest chair. But at the same time, in several years we will be able to truly say it may be the youngest, but at the same time, the most productive.

But first of all and the most important this morning, we should be beginning once again congratulating Kathy so would you join me in giving a big applause to Kathy.

MR. BUSH: Thank you, Ambassador Ahn, for those inspiring words. Thank you all for coming and for your support of this endeavor. And I'm sure we will be together many times in the future. Thank you again.

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