



**US-Korea Relations:
Under the Shadow of 2010**

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The US and South Korea continued strong solidarity and close policy coordination on North Korea in early 2011. The US made repeated calls for North Korea to improve its relations with South Korea and show sincerity about denuclearization before the Six-Party Talks can resume. The Hu Jintao visit to the US in January paved the way for the first inter-Korean talks since the Yeonpyeong shelling, although they collapsed on the second day as the two Koreas could not resolve their dispute over the sinking of the *Cheonan*. While inter-Korean dialogue stood at a standstill, the US and South Korea agreed to pursue a UNSC Presidential Statement that would denounce North Korea's uranium enrichment program. Possible resumption of US food aid and Jimmy Carter's Pyongyang visit were new variables, although neither brought any change. The good news is that the KORUS FTA looks to be near its long-awaited passage in the Congress. With both the Obama and Lee administrations making final efforts to clear all political barriers, it appears that the measure will be passed in both countries in the coming months.

Obama-Hu summit

The Washington summit between President Barack Obama and Chinese President Hu Jintao on Jan. 19 was a focal point in US-ROK relations in the beginning of the quarter. Given the tensions created in China-US relations by North Korea's military provocations, a great deal of attention was focused on whether Obama and Hu could narrow their differences on recent developments on the Korean Peninsula and find a common approach to deal with the North's recently unveiled uranium enrichment program (UEP). In the run-up to the meeting, experts and pundits in the US and South Korea predicted little meaningful progress on the issue. They suggested that the Obama-Hu summit would be a litmus-test for China's intentions in the region and its North Korea policy. Also, given North Korea's proposal for inter-Korean talks in early January, there was growing speculation whether exchanges between Hu and Obama in Washington could pave the way for the resumption of North-South Korea dialogue.

President Obama managed to defy expectations in the summit. After a protracted set of negotiations on the joint statement, led on the US side by Assistant Secretary of State Kurt Campbell and on the Chinese side by Vice Foreign Minister, Cui Tiankai, the two presidents agreed to the following clauses in addressing the security issues on the peninsula: 1) preserving peace and stability on the Korean Peninsula is crucial; 2) improved North-South Korea relations is essential to diffuse current tensions on the peninsula and sincere and constructive inter-Korean dialogue is an important first step; 3) the denuclearization of the peninsula is the common goal for both the US and China; and 4) both countries have shared concern over North Korea's uranium enrichment program and they oppose all activities inconsistent with the 2005 Six-Party

Joint Statement and other relevant international commitments. US officials tried extraordinarily hard to solicit a statement of condemnation by China on the 2010 *Cheonan* and Yeonpyeong Island provocations by North Korea. Each time the Chinese dodged US efforts, US officials subtly criticized their counterparts in a commiserative tone, saying they understood that Beijing needed to protect its small North Korean province, which by the end of the 70+ hours of negotiation really got under the Chinese skin, according to participants in those negotiations.

The final joint statement fell short as the North Korean provocations were not explicitly addressed as South Korea had hoped. Instead, President Obama briefly mentioned during a press conference with President Hu that the two presidents had agreed that North Korea should avoid any further provocations. However, experts saw real progress with China on the uranium program as it expressed concern over the program; acknowledgment that the program was a violation of all standing agreements was the first official Chinese statement on the program. This was a coup for the US and clearly put China on the right side of this issue, and temporarily raised hopes that China may change its position and support Seoul's efforts to bring the matter to the UN Security Council (UNSC).

Unfortunately, Chinese cooperation on uranium beyond the Hu-Obama statement was disappointing. There continued to be a divergence of views between Seoul and Beijing as China's nuclear envoy Wu Dawei insisted later in February that North Korea's UEP issue must be dealt with at the Six-Party Talks. Japan and Russia joined South Korea and the US in calling for the UNSC to deal with the enrichment program. In March, South Korea's nuclear envoy Wi Sung-lac and Robert Einhorn, State Department special adviser for nonproliferation and arms control, agreed to seek a UNSC Presidential Statement denouncing North Korea's UEP as a violation both of UNSC resolutions and the 2005 Joint Statement of the Six-Party Talks. Both Washington and Seoul urged Beijing to condemn North Korea for the country's irrefutable violation of its international commitments. China opposed the UNSC Presidential Statement, which is not legally binding but requires consensus among permanent members of the Security Council. What's different from last year when the UNSC adopted a toothless Presidential Statement over the sinking of the *Cheonan* is that, this time, there is no ambiguity regarding the nature of North Korea's UEP program. Thus, the onus is on China to support the UNSC Presidential Statement that condemns the North's enrichment activity, which can be seen as a testament to its own commitment to the denuclearization of the Korean Peninsula.

One clear result of China's reluctance to condemn the North Korean provocations has been a watershed change in both elite and "street" views of China in South Korea. Recent polls conducted by the Asan Institute for Policy Studies show that the general public in South Korea has significantly altered its views about China's strategic intentions compared with the past two decades of fairly benign public opinion after normalization in 1992. In the aftermath of the shelling of Yeonpyeong Island, Asan polls showed 91 percent of South Koreans were dissatisfied with China's reaction. Nearly 60 percent favored a strong protest, even if doing so damaged Seoul's economic relations with the Beijing. It is unclear whether these views are transitory or represent a longer-term trend. Nevertheless, they do show that South Koreans now view US-ROK interaction with China over North Korea in more zero-sum terms than ever before.

Inter-Korean dialogue and Six-Party Talks

North Korea proposed high-level military talks with the South just one day after the Obama-Hu summit. This led to colonel-level military talks on Feb. 8 to address the *Cheonan* and Yeonpyeong incidents and also to set a date, venue, and agenda for future, higher-level military talks. But, after the North Korean delegation vehemently denied their country's involvement in the sinking of the *Cheonan* and walked out of the meeting, the talks collapsed on the second day. Without any plans for additional meetings, inter-Korean military talks have not resumed.

Despite the breakdown in the talks, the US has maintained its "strategic patience" policy, making it clear that inter-Korean dialogue, with results satisfactory to Seoul, is the crucial first step toward resumption of the Six-Party Talks. Meanwhile, China has put forward a "three-step process" for getting back to the talks which starts with North-South dialogue, followed by US-DPRK bilateral talks, which would then pave the way for a return to full Six-Party Talks. But this proposal was more about process than substance. Active shuttle diplomacy continued as officials from South Korea, the US, and Japan closely consulted to fine tune a common posture toward North Korea. Trusting the Lee administration's consistent and principled North Korea policy, the Obama administration continued to follow Seoul's lead.

Meanwhile, there seemed to be an internal debate within South Korea as to whether a North Korean apology for its deadly provocations is a precondition for the resumption of the Six-Party Talks. Conflicting statements from the ROK Foreign Ministry and the Unification Ministry indicated that there was a divergence of views between the two ministries. While the Unification Ministry stood firm in its stance that the Six-Party Talks can resume only if the North takes "responsible steps" over the provocations and shows sincerity about denuclearization, the Foreign Ministry reiterated that the apology was not necessarily a precondition, and that North Korea provocations and denuclearization issues should be dealt with separately.

While these gaps were magnified in press coverage, the real variable that matters in our minds is the status of ROK-DPRK bilateral denuclearization talks. In conversations with ROK senior officials on the sidelines of the April CSIS-*Joongang Ilbo* Strategy Forum in Seoul, we got the sense that while the *Cheonan* apology is important, the real "deliverable" is Seoul obtaining concessions on denuclearization from the North as a preliminary step to a return to Six-Party Talks. The ideal package would be a UNSC statement (with China's support) that condemns the UEP program as a violation of standing agreements, a DPRK moratorium on testing and development of both programs, and agreement to allow IAEA inspectors back into North Korea to monitor both programs. If the ROK could achieve these steps in bilateral talks, then Seoul would be satisfied and could move back to the six-party process.

What would push the North to do this? It has become essentially impossible for North Korea to have a dialogue with the US and return to the six-party process until it makes meaningful progress in inter-Korean dialogue and improves relations with the South. During CSIS meetings in Seoul, Lee administration officials and pundits made the point that the Grand National Party's defeat in the April by-election was not attributable to the Lee administration's current stance on inter-Korean dialogue. They agreed that there was strong public support for the administration's position, contrary to the press-reported gaps between the unification and foreign ministries.

Food aid and the Elders' overture

The beginning of 2011 saw two new variables added to the stagnant six-party process. North Korea's request for food aid was one of them. In January, North Korea approached the US and asked for food aid, with an offer to enhance international monitoring of the assistance "as much as the US wants." US food aid was abruptly suspended in 2009 when North Korea kicked US humanitarian personnel out of the country, saying it was no longer necessary. Rumors circulated that the US government was considering resuming its food aid to North Korea if a new program had similar access to and monitoring requirements of the 2008 program negotiated during the Bush administration, which included access to most DPRK provinces, Korean speakers as food monitors, a US official on the ground monitoring operations, and the right to do nutritional surveys of the population. The World Food Program (WFP) and a consortium of US nongovernmental organizations (NGOs) that participated in the 2008 agreement entered the country in February to assess the food situation. The latter group, in a briefing at CSIS, reported that the DPRK was indeed in need of food based on their site visits, but that the situation was not akin to the mid-1990s famine conditions. The WFP report estimated about 6 million people in need of food.

Special Envoy for North Korean Human Rights Robert King also traveled to Seoul to discuss food shortages in the North with ROK officials. Particularly after the inter-Korean talks collapsed and ended in deadlock, food assistance emerged as a potential means to engage and open a new dialogue channel with the North. This triggered some concerns in South Korea that the US may go ahead with assistance to North Korea in compliance with the US food aid policy. Skeptics argued that the DPRK was motivated to ask for food assistance from the world to stock up for celebrations to take place in 2012, the 100th birthday of Kim Il Sung. However, the US announced that it did not have any immediate plans to send food aid, and US officials repeatedly assured Seoul that Washington would closely consult with its ally before any decisions were finalized. Despite lingering tensions with North Korea, in late March, South Korea approved civilian humanitarian aid to the North in the form of tuberculosis medicine. The next step, if interest persists on this issue, would likely be the dispatch of a US Agency for International Development (USAID) team to do a formal needs assessment, which would enable US officials to get a sense of whether the North would agree to the monitoring and access requirements similar to the 2008 program. At the end of April, no such steps have been reported.

The other new variable was former President Jimmy Carter's visit to Pyongyang on April 26- 28 along with three members of the group known as the Elders – former Irish President Mary Robinson, former Norwegian Prime Minister Gro Harlem Brundtland, and former Finland President Martti Ahtisaari. In explaining the group's visit, Carter said that they wanted to be of "assistance in reducing tensions and help the parties address key issues including denuclearization." The US State Department drew a clear line by emphasizing that Carter's trip was a purely private visit and that he did not carry an official message from President Obama. Nevertheless, his visit created quite a media buzz in South Korea. Retrospectively, Carter's previous Pyongyang visits had positive outcomes: in 1994, his visit opened a door for US-North Korean negotiations during the first nuclear crisis; in 2010, he secured the release of Aijalon Mahli Gomes.

This visit, although well-intentioned, proved fruitless. Carter failed to meet Kim Jong Il or Kim Jong Un as he had hoped, and failed to secure the release of Jun Young-su, a Korean-American held in the North since November. When Carter returned through Seoul, furthermore, he was not given an audience with President Lee. However, President Lee did meet with the CSIS delegation visiting Seoul on the same day, composed of John Hamre, former National Security Advisor Jim Jones, former Deputy Secretary of State Richard Armitage, and former National Security Council staffers Mike Green and Victor Cha, to reiterate the firmness of his position and the principle that the DPRK cannot walk away from the *Cheonan* incident without an apology. Carter's group did receive a personal message from Kim Jong Il while they were in Pyongyang that restated past rhetoric about a willingness to meet any leaders at any time to discuss denuclearization, but provided nothing new in response to ROK proposals.

The most newsworthy item of Carter's trip was a news conference in Seoul in which he stated that the food crisis in North Korea was due to South Korean and US governments' refusal to send humanitarian aid. The ex-president argued that practice constituted human rights violations, which stirred up criticism in South Korea.

KORUS on the "home stretch"

After the US and South Korea successfully concluded supplementary deals to the Korea-US Free Trade Agreement (KORUS FTA) last year, both the Obama and Lee administrations spent the first months of 2011 preparing to submit their ratification bills to the legislatures of their respective countries. In South Korea, although opposition parties expressed their intention to block passage of the bill, many are optimistic over prospects for ratification. In fact, as the ruling Grand National Party (GNP) holds more than a majority of seats in the National Assembly – 172 seats vs. 127 seats held by the opposition parties – the math is clearly in favor of the KORUS FTA, which needs at least 150 votes.

However, the domestic political environment in South Korea for the ratification of the KORUS FTA is risky. It is uncertain how the GNP's losses in the recent by-election and the National Assembly's passage of the Korea-EU FTA will affect the ratification process. Also, there is a general preference within South Korea to move after ratification by the US Congress. Meanwhile, multiple translation errors found in the Korean text of the agreement that had been submitted to the National Assembly, caused the South Korea Cabinet to revoke the original ratification bill. It plans to resubmit a revised bill in May, likely delaying the process by a few more months.

Although President Obama remained firm on early ratification of the KORUS FTA before the FTAs with Colombia and Panama, the administration started negotiations on the latter two agreements to clear hurdles that were holding them up. Consequently, the US came to terms with Colombia on improving labor rights and signed a Tax Information Exchange Agreement with Panama in April, which bodes well for the KORUS FTA. While paving the way for the administration to introduce both Panama and Colombia FTAs in Congress, President Obama is now better positioned to build support in Congress to speed up the ratification process of the KORUS FTA.

Both the Obama administration and US Congress are aiming to achieve passage by July 1 to avoid lagging behind the Korea-EU FTA, set to take effect in the same month. The administration's efforts to push the agreement were manifested in visits to Seoul by Secretary of State Hillary Clinton, Commerce Secretary Gary Locke, and a delegation of lawmakers from both the Senate and House all in April to discuss ratification and build support for it. As Clinton put it, the deal is "on the home stretch," and we may see its ratification in Congress in the coming months.

Chronology of US-Korea Relations January – April 2010*

Jan. 3-7, 2011: US Special Envoy for North Korea Stephen Bosworth visits Seoul, Beijing, and Tokyo and meets "senior government officials to discuss next steps on the Korean Peninsula."

Jan. 3, 2011: In his first major address of the year, President Lee Myung-bak gives a message to North Korea that the "The path toward peace is yet open. The door for dialogue is still open."

Jan. 4, 2011: Grand National Party (GNP) lawmaker Nam Kyung-pil calls on the Congress to ratify the KORUS FTA, and the South Korean National Assembly will then follow suit.

Jan. 10, 2011: US Defense Secretary Robert Gates meets Chinese Minister of Defense Liang Guangjie in Beijing and discusses North Korean provocations and its nuclear program.

Jan. 11, 2011: Secretary Gates calls on North Korea to impose a moratorium on its missile and nuclear testing to help revive the Six-Party Talks.

Jan. 12, 2011: Chairman of the Joint Chiefs of Staff Adm. Mike Mullen states that North Korean nuclear and missile technology pose a serious threat to the US.

Jan. 13, 2011: South Korea and the US agree on a 10-year joint study to determine if Seoul should be allowed to reprocess spent nuclear fuel with a new, proliferation-resistant technology.

Jan. 14, 2011: Secretary Gates meets President Lee, Defense Minister Kim Kwan-jin, and Foreign Minister Kim Sung-hwan in Seoul.

Jan. 15, 2011: Japanese Foreign Minister Maehara Seiji and President Lee meet in Seoul and call for the UN Security Council (UNSC) to deal with North Korea's recently unveiled uranium enrichment program.

Jan. 17, 2011: Commander of US Forces in Korea (USFK) Gen. Walter Sharp warns of North Korea's long-range missiles and says they must be destroyed if they pose a threat.

* Compiled by Nick Anderson

Jan. 17, 2011: South Korean National Security Advisor Chun Young-woo says on a *PBS News Hour* interview that North Korea must apologize for the *Cheonan* sinking and the Yeonpyeong shelling before engagement is possible between the two Koreas.

Jan. 19, 2011: Presidents Barack Obama and Hu Jintao release a Joint Statement and agree that North Korea must avoid further provocations and abide by its denuclearization commitments.

Jan. 25, 2011: During his State of the Union Address, President Obama urges North Korea to abandon nuclear weapons. He also holds up South Korea as a model when discussing education and infrastructure.

Jan. 26, 2011: US Deputy Secretary of State James Steinberg meets President Lee and Foreign Minister Kim in Seoul to brief them on the US-China summit and to discuss North Korea and the resumption of the Six-Party talks.

Jan. 28, 2011: Deputy Secretary Steinberg travels to Beijing to meet Chinese State Counselor Dai Bingguo and discuss North Korea's nuclear program.

Feb. 2, 2011: Assistant Secretary of State for East Asian and Pacific Affairs Kurt Campbell says "the essential first step in any process of reengagement with North Korea requires a true and significant North-South dialogue."

Feb. 6-8, 2011: US Special Envoy for North Korean Human Rights Robert King visits Seoul to discuss human rights issues.

Feb. 8-9, 2011: North and South Korea hold colonel-level military talks in Panmunjom but fail to reach agreement on an agenda for higher level talks or a date for further preliminary talks.

Feb. 10, 2011: South Korea and the US sign the supplementary KORUS FTA, paving the way for its ratification in both countries' legislatures.

Feb. 14, 2011: *JoongAng Ilbo* reports that China is opposing an effort by a United Nations sanctions committee to adopt a report on North Korea's uranium enrichment program.

Feb. 15, 2011: State Department says it has no immediate plans to give food aid to North Korea.

Feb. 22, 2011: State Department dismisses North Korea's proposal for bilateral engagement.

Feb. 24, 2011: US Pacific Command Commander Adm. Robert Willard meets ROK Chairman of the Joint Chiefs of Staff General Han Min-koo and other ROK military leaders in Seoul to discuss plans for the joint military exercise that will begin the following week.

Feb. 28, 2011: ROK government announces that it has no plans to seek a return of US nuclear weapons to the Korean Peninsula, citing their 1991 joint denuclearization declaration with the North as the primary reason.

Feb. 28, 2011: US National Security Council (NSC) restates that it has no plans to deploy tactical nuclear weapons in South Korea.

Feb. 28-April 30, 2011: South Korea and US conduct the annual *Foal Eagle/Key Resolve* military exercises. *Key Resolve* is a computer-based simulation and runs through March 10. *Foal Eagle* is the field training portion of the exercise, and will continue through April 30.

March 3, 2011: South Korea and the US begin their second round of talks regarding the renewal of their civil nuclear deal which is set to expire in 2014.

March 12, 2011: The US reaffirms that it will consult closely with South Korea before agreeing to resume food aid to North Korea.

March 14, 2011: Assistant Secretary of Defense for Asian and Pacific Security Affairs Wallace Gregson meets Defense Minister Kim Kwan-jin in Seoul to discuss bilateral security issues.

March 19, 2011: 12 North Korean economic officials depart on a 16-day tour of the US and its industry, dubbed by *JoongAng* as a “crash course in American-style capitalism.”

March 25, 2011: State Department affirms that former President Carter’s planned upcoming trip to Pyongyang will be a private, non-official matter.

March 28, 2011: South Korea and the US open their first session of the Extended Deterrence Policy Committee in Hawaii.

April 12, 2011: State Department urges North Korea to release a US citizen who is currently being held in the North.

April 12-14, 2011: Special Representative for Korean Peninsula Peace and Security Affairs Wi Sung-lac visits Washington and meets Special Representative for North Korea Policy Steven Bosworth and Special Envoy for Six-Party Talks Sung Kim to discuss North Korea issues.

April 14, 2011: North Korea announces that it is preparing to indict a Korean-American who has been in captivity for “unauthorized religious activities.”

April 14, 2011: US announces that it has signed a missile defense agreement with the ROK.

April 16, 2011: Secretary of State Clinton meets Foreign Minister Kim Sung-hwan in Seoul to discuss bilateral relations and coordinate North Korea policy.

April 17, 2011: Secretary Clinton meets President Lee in Seoul and affirms her certainty that the US will approve the pending KORUS FTA in relatively short order.

April 17, 2011: ROK Ministry of Education, Science, and Technology announces that the ROK and the US have agreed to carry out a joint study on safe ways to store spent fuel.

April 18, 2011: President Obama reinforces trade sanctions against North Korea that have been in place since 2006.

April 20, 2011: Foreign Minister Kim Sung-hwan meets US House representatives Tom Reed (R-NY) and Karen Bass (D-CA) in Seoul to discuss the KORUS FTA.

April 21, 2011: The Obama administration dismisses calls from some senators to get wider access to South Korean beef markets in the pending KORUS FTA.

April 24-29, 2011: Former US President Jimmy Carter, former Finnish President Martti Ahtisaari, former Norwegian Prime Minister Gro Brundtland, and former Irish President Mary Robinson visit China, North Korea, and South Korea in an effort to “ease tensions on the Korean Peninsula.”

April 26, 2011: ROK government withdraws the KORUS FTA bill from the National Assembly to deal with translation errors, which could delay its ratification for months.