

AS ROH DEPARTS, CHALLENGES PERSIST FOR SEOUL AND WASHINGTON

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Roh Tae-woo begins his last visit to the United States as President of the Republic of Korea (ROK) on September 20. During his five-year term, which ends next February, Roh led the way to remarkable progress in building Korean democracy, easing tensions with communist North Korea, and improving U.S.-South Korean relations. However, challenges remain. North Korea's nuclear ambitions, eventual North-South reunification, and promotion of free trade in Asia are issues that will confront Roh's successor. Washington should be prepared to work with Roh's successor to build on his record.

ROH'S LEGACY

Democracy. Before Roh's election in December 1987, post-war Korean politics consisted of a series of *coups d'etat* and military strongmen. In 1980, then-General Roh helped lead a coup that brought to power his predecessor, then-General Chun Do-hwan. Yet, by mid-1987, when Korea was racked by daily demonstrations against Chun's government and a popular outcry for democracy, Roh led the way to a peaceful transition. On June 29 of that year, Roh enunciated an eight-point proposal for democratic reforms that headed off a confrontation with opposition leaders Kim Dae-jung and Kim Young-sam. Roh won the plurality of votes in the 1987 presidential election because the two Kims could not agree on a unified ticket.

Democracy, Korean-style, subsequently has expanded. Roh ended previous authoritarian restrictions by releasing political prisoners, ending press censorship, and passing labor laws which have allowed trade unions to flourish. Constitutional reforms have included direct presidential elections and added powers for the National Assembly—for which elections were held in 1988 and 1992. And confrontational Korean politicians are learning the democratic art of compromise. For example, former opposition leader Kim Young-sam joined Roh's party in 1990. The clearest validation of Roh's political reforms is the virtual guarantee that after elections next December, he will hand power to a civilian successor. Candidates so far include Kim Young-sam of the ruling Democratic Liberal Party; Kim Dae-jung of the Party for Peace and Democracy; and industrialist Chung Ju-yung of the United People's Party.

Peace. Under Roh's leadership, tensions between South Korea and communist North Korea are beginning to ease, bringing closer the day of Korean reunification after 44 years of bitter confrontation. North Korea's Kim Il-sung now leads the world's sole remaining Stalinist dictatorship, an impoverished country that maintains a one-million man army. They face about 750,000 troops on the South Korean side. Pyongyang has previously supported terrorism. It bombed a South Korean airliner in November 1987, and is now seeking to build nuclear weapons.

Roh's diplomacy successfully has isolated Pyongyang. First, the Summer Olympics in 1988, which he hosted, allowed the world to contrast North and South Korea. Second, Roh's 1988 "Northern Policy" of seeking better ties with communist countries has led to formal diplomatic relations with Moscow in 1991 and with Beijing last August 24. Having lost these patrons, which had provided generous military and economic aid, Pyongyang has been forced to seek accommodation with Seoul. Last December, Seoul and Pyongyang signed two landmark agreements. These pledged both sides to improve economic and political relations, eliminate nuclear weapons from the Korean peninsula, and initiate mutual nuclear inspections. Progress in implementing these agreements has been slow, which is cause for continued wariness toward North Korea.

CHALLENGES FOR SEOUL AND WASHINGTON

The foremost challenge for Seoul and Washington is to maintain peace on the Korean Peninsula. A conflict in Korea likely would lead to devastation in South Korea, loss of many American lives, and instability in Northeast Asia. Key to deterring North Korean aggression has been America's steadfast commitment to South Korea's security. Today, the U.S. has about 36,000 troops and 90 combat aircraft in South Korea, and is ready to commit many more forces in wartime. But the U.S.-ROK security alliance is evolving rapidly, as the U.S. seeks to reduce its troops in the ROK, and pass leadership of U.S. and ROK forces to the ROK side. Other political and security challenges include:

- ◆ **North Korean nuclear threat.** Seoul and Washington must continue to lead a multilateral effort, which includes Tokyo, Moscow, and Beijing, to prevent Pyongyang from building a nuclear weapon. Such an event would likely lead to a nuclear arms race in Northeast Asia. Today, North Korea is desperate for greater trade and investment from the West. But Seoul, Tokyo, and Washington must continue to delay better economic and political relations with Pyongyang until it allows nuclear inspections by Seoul. Last May, Pyongyang agreed to inspection by the International Atomic Energy Agency (IAEA), of one—but only one—suspected nuclear weapons research site near the city of Yongbyon, about 60 miles north of Pyongyang. This, however, does not sufficiently allay the concerns of Seoul and Washington. The IAEA lacks the resources to certify that Pyongyang is not building nuclear weapons. Despite its agreement to do so, Pyongyang has refused to allow unrestricted nuclear inspections by Seoul. The U.S. must maintain its current level of military forces in the ROK to prove U.S. resolve to force North Korea to abandon its nuclear weapons program.
- ◆ **Reunification.** Washington must be prepared to assist Seoul in managing the peaceful reunification of the Koreas—which is necessary to preserve peace in Northeast Asia. The principal goal for Washington and Seoul should be a reunified democratic Korea that is a beacon of peace and prosperity in Asia. But the cost of reunification will be staggering; initial cost estimates are over \$300 billion. Unlike Germany's reunification, which was eased by long-term economic and cultural ties, there has been no such contact between the Koreas. Washington should seek to strengthen South Korea's hand in the reunification process by prompting Tokyo to coordinate with Seoul, through meetings of high-level trade officials, its trade and investment in North Korea.
- ◆ **Promoting free trade.** Washington also should work with Roh Tae-woo's successor to promote bilateral economic ties and promote freer trade in Asia. For his part, Roh has improved U.S.-ROK economic relations greatly. Due to Roh's emphasis on opening Korean markets to American products, the U.S. last year recorded a trade surplus with the ROK for the first time in a decade. During his visit to Seoul last January, George Bush and Roh Tae-woo, agreed on a Presidents' Economic Initiative that seeks to improve economic ties in four sectors: investment, customs standards, technology, and product standards.

Problems remain, however. For example, due to tariffs and other fees, the Ford Motor Company's *Sable* automobiles are far more expensive in the ROK than are comparable Korean cars in the U.S. Washington would like Seoul to improve the enforcement of laws designed to protect U.S. patents and trademarks, and move quickly to liberalize its financial sector. Washington also has asked Seoul to ease import restrictions on rice, a policy which is making a new global trade agreement under the General Agreement on Trade and Tariffs (GATT) more difficult.

Seoul is reluctant to open these sectors because of the slowdown in economic growth—from 8.6 percent in 1990 to 8.3 percent in 1991—and political pressures arising from this election year. In addition, the Korean economy is undergoing a transition away from heavy reliance on manufacturing, toward high technology and services. Washington can assist this transition, and benefit Americans, by seeking Seoul's support to expand trade opportunities in Asia. On September 10, President Bush stated his intention to seek free trade agreements "across the Atlantic [and] Pacific," to complement the recently completed North American Free Trade Agreement (NAFTA). Washington should seek Seoul's cooperation in establishing free trade links between NAFTA and Asia. Such ties, especially with the ROK, eventually will be invaluable. After reunification, Korea could become one of the most attractive places in the world for U.S. investors.

America's steadfast support for South Korea must be continued. Such support has enabled Koreans, under the leadership of President Roh Tae-woo, to increase their freedom and safety, and to begin the process of reunifying their country. Washington should be prepared to work with Roh's successor next year to protect and advance these gains.

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