



KOREAN PENINSULA: A COMPLEX SUBREGIONAL SECURITY LANDSCAPE

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The political, economic and security context in Northeast Asia has suffered a constant deterioration in recent years. The reason of it is the growing strategic rivalry between China (hereinafter PRC) and US. Both countries are engaged in a competition to expand their spheres of influence, security architectures and the creation of commercial blocs and the restructuring of their commercial and industrial policies, promoting, in turn, a race to achieve technological leadership.

Likewise, North Korea (hereinafter DPRK) has developed intense military activities since years and tensions around Taiwan have been increasing. Within this framework of instability, South Korea (hereinafter ROK) plays a critical role. The traditional policy of maintaining military ties with the US and seeking greater economic cooperation with PRC shows more and more its unsuitability. As this balance between the two great powers is more unstable, the long-term strategic ambiguity should be replaced by a clear choice of the bloc to which ROK wishes to belong.

The incumbent president Yoon Suk-yeol seems to have re-chosen that the national path heads towards Washington. However, this decision is not free of obstacles, the overcoming of which is not guaranteed. PPP's (Power People Party) Yoon Suk-yeol's victory in 2022 against Lee Jae-myung, the DP (Democratic Party) candidate, marked a new direction for ROK foreign policy, which moved away from the priorities and positions of the previous guest of the 'Blue House' (the presidential palace of Seoul). There are two concepts on which this new foreign policy has been founded.

The first is the perception that the previous Government had put aside the alliance with the US, going so far as to suspend bilateral military exercises, which generated a progressive weakening of such ties.

Secondly, it is perceived that the attitude of the previous ROK Government towards DPRK and PRC was considered too conciliant; in the opinion of the current Seoul's Administration damaged the country position. Based on the above premises, the Yoon Government has designed a foreign policy aimed at integrating the country more firmly into the Washington-led system. In this way, President Yoon aims to move from ambiguity to strategic clarity. Unlike the previous Government, he has not hesitated to consolidate ties with the US, as could be seen during President Yoon's visit to Washington on the occasion of the trilateral summit with Japan. While the previous Government exercised extreme caution when assessing the US strategy in the Indo-Pacific, the current one has not hesitated to integrate this vision into its National Security Strategy. The concept of global pivotal state aims to project ROK as a key partner not only for the US, but also for the countries of Southeast Asia, Oceania, Africa or Latin

America in the construction of a global and regional system based on international legality and rules, open and free. As a result of this interest in greater military cooperation, the US Government did not hesitate to reaffirm to Japan and ROK its commitment to deterrence, supported by all of its capabilities, in the Washington Declaration (26 April 2023).

Additionally, the three countries committed to the massive resumption of trilateral exercises to improve military capabilities and coordination. Critical point is the new ROK strategy the rapprochement with Japan and the attempt to normalize bilateral relations after years of continuous tension, which led to the Japanese trade blockade on the export of basic materials for the ROK semiconductor industry. While the rapprochement with the US is seen favorably by a majority of the population, the rapprochement with Japan represents an obvious political risk for the ROK Government, due to the constant tensions due to historical and territorial disputes between both countries.

Economically, Korea has decided to participate at the IPEF (Indo-Pacific Economic Framework). This US-led initiative aimed at presenting an alternative to PRC's economic partnership offers, despite IPEF framework has at the eyes of the Asian partners elements of dissatisfaction, especially on trade. IPEF is made up of four pillars: A) trade, B) supply chain resilience, C) clean economy and D) fair economic practices.

Within the economic sphere, it is necessary to highlight Korea's participation in the 'Chip 4 Alliance', along with the US, Japan and Republic of China/Taiwan (hereinafter ROC). This initiative aims to reduce the dependence of the PRC semiconductor industry by returning factories to ROK, protecting intellectual property and diverting investments to friendly countries. The US, ROC, ROK and Japan meet most of the world's semiconductor demand. They sit on most of the capacity to design, produce and test tiny chip components. Vis-à-vis DPRK, the conciliatory tone and favorable stance of the previous leadership has been transformed by the incumbent conservative party in a policy that is committed to toughness in the face of any nuclear or ballistic test by Pyongyang.

The Yoon Government aims to denuclearize the peninsula through a hard line of condemnation of DPRK actions and pressure through international sanctions, which reduces the incentives of the neighboring country to follow this provocative line. This approach is intended to be an alternative to the previous policy of compromise and dialogue, which showed the intrinsic weakness of it.

However, the international context seems less favorable to led to the resolution of the inter-Korean conflict. All these actions aimed at strengthening the alliance with the US and Japan and antagonizing DPRK will have the direct consequence of South Korea heading a worsening of the relations with PRC

(and Russia as well, especially now that Pyongyang provide weapons to Russia). For PRC leadership, ROK had always been the weakest point in the US security architecture in the region.

The nationalist tendencies present in ROK, which sought greater autonomy and decision-making capacity within the alliance and which till now prevented the normalization and effectiveness of coordination with Tokyo, also played in Beijing's favor barring the consolidation of a cohesive security architecture for the North East Asia. By putting a stop to these dynamics, President Yoon has strengthened that link and has made feasible one of PRC's main concerns: the existence of a firm trilateral relationship between Washington, Seoul and Tokyo and the creation of a bloc that can contain Beijing push.

However, China has two powerful tools at its disposal: on the one hand, the interdependence of the PRC and ROK economies; on the other, the relationship with DPRK. At the same time, there is another variable that may represent a limit to the rapprochement between the US and ROK: the unstable electoral life in Seoul. No doubt that PRC occupies a preeminent place in the analysis of the foreign policy of any ROK government.

Historically, Korea was strongly linked to China both politically, economically and culturally. The disparity in power between the two nations forced successive Korean dynasties to take their neighbor's interests very seriously, carefully calculating each step, in order to maintain relative autonomy and a certain margin of maneuver in a dangerous neighborhood.

Korea has always stood out for its close relationship with China, which meant its integration into the so-called 'Sinocentrism' that predominated for centuries in East Asia. Korean emperors were invested as such by the Chinese ones, and embassies sent by Korea boosted trade between the two countries.

In the eyes of Beijing, Korea, was relevant also during the imperial era, especially for XVII Century, giving that China saw Korea as a gateway for other great powers such as Russia, Japan and the US to penetrate in the area. There was a long disengagement process from the Sinocentrism due its weakening started in 1895 following the war with Japan, the Russo-Japanese war and the occupation of the peninsula by Tokyo and the bilateral relations hit rock bottom during the Korean War, which led to the partition of the country.

The PRC role in supporting the government of Kim Il-sung and his successors severely damaged the perception of Beijing in ROK. The end of the Cold War and the establishment of diplomatic relations in 1992 gave way to a recovery of ties, supported by economic growth, the openness of both countries and the boost to bilateral trade promoted by the governments of Kim Dae-jung and by Roh Moo-hyun. The bilateral relationship was expanded to the level of strategic cooperative partnership during the presidency of Lee Myung-bak, which continued the path of improving relations initiated by his predecessors.

However, behind this continuous improvement, remained untouched numerous serious unresolved problems and the creation of new file of confrontation. Trade ties between both countries took off in the 1992. Only three years after, ROK exports to PRC reached 9.56 US\$ billion and PRC exports to ROK amounted to 7.37 US\$ billion.

During the following two decades, trade between both countries grew more than 11% on year basis. This has meant that the number of exports from ROK to PRC exceeds 158 US\$ billion and those from PRC to ROK exceed 140 US\$ billion in 2021. This explosion in commercial interactions has placed PRC as the main ROK client, absorbing 22.8% of exports and its main supplier, PRC is the origin of 21% of ROK imports. The main product of bilateral trade is integrated circuits, which have become an essential resource within the current geopolitical chessboard. Computers, transmission equipment, cyclic hydrocarbons and refined oil are other important products in bilateral trade.

Another factor to take into account in the economic relationship is the tourist flow from PRC to ROK. In 2017, almost 8 million Chinese tourists entered in ROK. This figure fell almost 50% after the Seoul Government's decision to install the US THAAD (Terminal High Altitude Area Defense) system units in its territory, considered by PRC as a threat to its interests and safety. Before the crisis that broke out in 2016, Chinese citizens made up 47% of visitors to ROK and were a considerable source of income for ROK businesses. Beijing did not hesitate to restrict both the flow of Chinese citizens to ROK and the dissemination of Korean music, television programs and films in PRC. Cosmetic products and video game development companies were also affected by PRC government instructions.

It should be noted that the use of economic power to punish countries that make decisions contrary to its interests has become an increasingly component of PRC's foreign policy, highlighting the risks posed by an increasingly asymmetric economic relationship in dealing with Beijing. In order to reduce

the threat of PRC retaliation in the face of greater trilateral coordination with Tokyo and Washington, perceived as an hostile move by Beijing, the ROK Government decided to join the IPEF, which has a pillar dedicated to the redirection of supply chains. production towards the US or countries close to its orbit.

Although the strategy seems reasonable to avoid the worst consequences of commercial subordination to PRC, giving the deep existing interdependence, the challenges for the ROK economy are extraordinarily complex. The reactions of the PRC could be resumed in the words of the Beijing Ambassador to Seoul who stated that "those who bet on China's defeat will regret it." Considering the fact that many ROK components are found in PRC end products and vice versa, the trade restrictions mutually imposed by PRC and the US will end up indirectly affecting ROK and its companies, especially those specialized in integrated circuits and LCDs.

As said, due to the deep and strong ties between the two economies, the decoupling of ROK from PRC is a real challenge, with the persistence of economic pressures from Beijing, with possible impacts on consumer prices and employment and consequences on the voting dynamics. After winning the election, President Yoon Suk-yeol announced a new initiative aimed at achieving peace and denuclearization of the peninsula called the "bold initiative." Despite this new strategy, the deterioration of global geopolitical conditions makes it very difficult to make substantive progress.

One of the main obstacles to the resolution of the conflict has traditionally been the primacy of PRC national strategic interests on the Korean Peninsula. The first aspect to take into account is the nature of the link between PRC and DPRK. The mutual assistance treaty that they signed in 1961 has been one of the bases of their bilateral relationship, founded at first on ideological solidarity and later on the joint experience of the Korean War and PRC support for DPRK during the following decades.

However, this strong relationship, described by Mao Tse-Dong as close as that of "lips and teeth", has not been free of turbulence during the last seven decades. The origin of the aforementioned turbulence lies in the difficult fit between PRC's desire to exercise increasing influence and control over DPRK decisions in order to adjust Pyongyang's actions to Beijing's preferences.

The relations between Beijing and Pyongyang, despite appearing difficult to believe, quite often are indeed difficult; tensions between PRC and DPRK have arisen periodically over the past thirty years. Especially critical were Beijing's recognition of ROK and the reestablishment of diplomatic relations

with Seoul in 1992. This action was perceived by Pyongyang as a betrayal that degraded its security in the face of a possible abandonment of its traditional ally. A year later, DPRK threatened to withdraw from the NPT (Nuclear Proliferation Treaty) and the IAEA (International Atomic Energy Agency) indicated that it could not conclusively assure that nuclear weapons were not being developed in the country. This tense period was followed by a rapprochement caused by the recurrent famine and crisis suffered by DPRK, in addition to international sanctions due to the development of its nuclear program. In this stage of extreme DPRK's vulnerability, an intense economic dependence was forged that has marked the relationship between both countries ever since. Despite this, the first years after the rise of Kim Jong-Un as supreme leader once again brought tension to the bilateral relationship, since DPRK nuclear and missiles actions were perceived by PRC as a useless provocation that could destabilize the region at a critical moment for Beijing strategies.

Both the nuclear tests and missile launches of 2016 and 2017 and the brutal executions of important officials of Pyongyang (Jang Song-thaek and Kim Jong-nam), considered close to Beijing, led to a cooling in relations, which was only recovered with the summits between Xi Jinping and Kim Jong-Un prior to the latter's meeting with Donald Trump. The failure of ROK's policy of rapprochement with DPRK during Moon Jae-in's mandate and the stalemate reached at the Singapore and Hanoi summits have blocked any possibility of progress.

Now, the growing tension between the US and PRC has eased the joint pressure to which DPRK was subjected through UNSCRs (UN Security Council Resolutions) 2371, 2375 and 2397. The PRC position continues to be one of support for the DPRK Government. Despite international sanctions, PRC continues to be Pyongyang's economic support both in terms of legal trade and irregular exchanges that occur on the Yalu's border or on the high seas to circumvent the aforementioned sanctions.

In this way, although there is no reliable data, a high percentage of DPRK trade is carried out with PRC, which has been an economic lifeline in the worst times. For PRC, DPRK's survival remains a priority but also a deep strategic dilemma. On the one hand, the imbalance of political, economic and military power is evident and the relationship of dependency is critical; however, this does not translate into greater docility of DPRK with respect to Beijing interests. The constant provocations show that, despite the manifest asymmetry in the capabilities of the partners, Pyongyang's search for autonomy and independence will continue to generate discomfort for Beijing.

Regardless of the tensions that may periodically arise in the relationship between PRC and DPRK, Beijing's long-term interests have remained unchanged for decades. Firstly, one of Beijing's main

objectives is to ensure that Pyongyang's interests are aligned with its own in order to obtain a partner that is increasingly attentive to its needs and objectives. Preventing DPRK from acting alone and putting the stability of the region at risk or spurring other actors to acquire nuclear weapons has been and will be a primary objective of Beijing. In fact, exists inside Beijing leadership two lines regarding the position that the country should adopt in Korean affairs. The first current, associated with the Ministry of Defense and the PLA (People's Liberation Army), defends the close association with Pyongyang in the face of any crisis and continued support to sustain its survival. The second current considers that this support could be counterproductive for Beijing interests and represents more of a burden than an asset, since if PRC wants to be recognized as a responsible actor in the region and globally, it must cut its ties with Pyongyang, but at the moment appear the prevailing opinion is the first.

The importance for Beijing of the survival of DPRK derives from the possible negative consequences that the fall of the communist's dynasty would have. Among other reasons, PRC fears the flow of refugees that could lead to state collapse, which would put severe pressure on the neighbouring provinces, with a humanitarian catastrophe due to general insecurity or a cut in the supply of food and social services, with a flow of desperate refugees, repeating the nightmare scenario of the 1990s famine crisis when half millions of people crossed the Yalu River.

Secondly, DPRK represent as a buffer zone for PRC that guaranteed the security of its northeastern border. Given the alliance between ROK and the US, ensuring that those forces were as far away as possible from PRC territory has been a factor to take into account when considering the benefit of support of DPRK.

However, this approach, that a strategic logic decades ago, has been losing meaning due to the advances in military technology have reduced the role of DPRK as 'buffer zone' to stop any conventional threat from ROK (and Japan as well). A third reason for Chinese support for DPRK is related to the ROC situation. The possibility that, in the face of PRC military actions, US forces will be gripped by a double crisis on the Korean Peninsula and in the Taiwan Strait is one of the advantages that the DPRK Government offers to Beijing. The resolution of the inter-Korean conflict is one of ROK's main strategic objectives. PRC's influence over DPRK thus becomes an asset for Beijing, which can derail any Seoul initiative that does not match with its strategic interests.

One of the great limitations that ROK foreign policy suffers from and that puts it at a disadvantage compared to its neighbors is the country's acute political split. This polarization poses a threat, due to the blockade to which it can subject the nation at critical moments originated by DPRK actions.

The difficult geostrategic situation of ROK, trapped in a dynamic of confrontation between the two great powers and with a dangerous neighbor to the north, makes it extremely necessary for its internal political situation to be stable and solid. However, the last elections in 2022 produced very close results, which led that the government party does not have a majority in the National Assembly, which reduce its room of maneuver in foreign policy matters.

The angry 2022 election campaign is an example of the increase in polarization in the country, reflecting it in matters of foreign policy, with hypersensitive matters like relations with PRC, DPRK, US. The polarization is aggravated by the ROK political system itself, which prevents the re-election of the president, whose term is reduced to five years, in which he must design and implement a new foreign policy in the event of a change. The alternance between conciliatory and hardline policies of Seoul is a serious obstacle for the country, preventing governments from developing their strategies in a continuous and stable manner, generating confusion at the national and international level.

The deterioration of the security context in Northeast Asia requires the careful planning and execution of a clear foreign policy, free of ambiguities and not subject to possible political fluctuations. This year legislative elections will be decisive for the Government, which hope to remove the National Assembly majority is in the hands of the opposition party. Given this situation and given the existing limits, ROK's strategic possibilities risk to be limited.

Over the last three decades, the country lived in a very comfortable situation, based on maintaining military ties with the US and establishing a powerful commercial relationship with PRC. In this way, ROK has been able to take advantage of the US defensive shield to counter the DPRK nuclear threat and, at the same time, has boosted its economic growth through trade agreements with PRC, constantly improving the framework of the bilateral relationship until reaching a partnership of strategic cooperation.

This political balance has been a constant in recent ROK governments. During the Roh Moo-hyun government, ROK began a progressive rapprochement with PRC and criticized Japan, weakening the good relationship with the US. However, at the same time it began negotiations for a future free trade agreement with the US. The Lee Myung-bak government, for its part, carried out diplomatic improvements with both countries. With the US he promoted the reinforcement of their alliance, launching the concept of strategic alliance for the 21st Century. With PRC, it placed the bilateral relationship at the level of a strategic partnership for cooperation while beginning negotiations to sign a free trade agreement.

Although this strategy was possible and useful in a context of relatively harmonious relations between the US and PRC, the progressive deterioration of the relationship between Beijing and Washington makes the balancing act that the ROK governments have resorted to since 1992 increasingly unviable. Regardless, Seoul will see its room for maneuver reduced, limiting its options to three strategies. The first would be to continue with the balancing exercise between the two powers to extract the greatest benefit from their bilateral relations. The second would be to opt for an accommodation with PRC in the face of Beijing's foreseeable regional dominance in the near future. The third option would be to achieve strategic autonomy through nuclear weapons and the renegotiation of the military agreement with the US, but Washington is reluctant that junior partners are equipped with nuclear weapons, of whatever origin (self-built or Washington provided), with risk of lower control of their use and potential destabilization. The first strategy is, perhaps, the most desired by ROK.

However, the dynamics between both countries outline an extension of the confrontation scenarios and an intensification of the rivalry. Given this situation, it is worth asking how long the ROK governments will be able to continue with the balancing act and if at some point the US or PRC will demand that Seoul clearly define in which field it wants to place itself. For this reason, the current strategy does not seem to have guarantees of success in the medium and long term. The second strategy, less likely and riskier for ROK, is to get closer to PRC, leaving aside its alliance with the US. As we saw, there is a sector within PRC that sees DPRK more as a burden than an asset. This sector advocates a rapprochement with ROK that culminates the path begun in 1992. Beijing has been close to declare officially that there is no conflict between the fundamental interests and values of PRC and the ROK, adding that its rise does not pose a threat to neighboring countries, given that its security concept is based on respect for the full sovereignty of nations and bilateral cooperation.

In reality the perception of Beijing in ROK has worsened decisively in recent years due to economic boycotts, historical and territorial issues, and PRC support for DPRK. The main risk of this strategy is the very possible loss of Pyongyang's autonomy if it is absorbed into Beijing's sphere of influence, which awakens worrying memories of its past as a member of the PRC tributary system. Added to this is the erosion of China's image among Korean citizens. Seoul's third strategy would be to seek strategic autonomy that would avoid possible retaliation from the great powers and allow the Government greater room for maneuver. This autonomy would only be possible if three extremely complex requirements are met. The first would be the diversification of ROK foreign trade to avoid excessive dependence on the PRC domestic market in both imports and exports. Moon Jae-in's government attempted through its "New Southern Policy" to explore the options of the Southeast Asian and Indian markets.

However, reconfiguring ROK value chains to distance themselves from China would entail notable changes for the economy that will not be feasible in the short and medium term. Second, it would be necessary for the ROK Armed Forces to reclaim their own full OPCON, which currently falls under the triad of USFK (US Forces in Korea)-ROK/US CFC (Combined Forces Command)/UNC (United Nations Command).

The last requirement, which has considerable support among the population, would be to obtain nuclear weapons that shield ROK against threats from DPRK and retaliation from Beijing. The present geostrategic rivalry between the US and PRC will mark the regional scenario in the coming years.

The era in which ROK has been able to grow economically and enjoy security in a context of optimal regional stability is coming to an end. The rivalry between the two great powers is moving to all areas and is forcing the actors to make a series of complex decisions and choices. With the Yoon Government, ROK seems to have decided which direction to follow, although, there are conditions and limits that could derail its strategy. However, all the other options are full of destabilizing elements in its economy, security, its autonomy or its independence.

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