

THE OBAMA ADMINISTRATION AND U.S.-ROK POLICY CHALLENGES

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President Obama's inauguration one week from today invites us to consider the immediate agenda and outlook for U.S.-ROK relations. That agenda might usefully address the following items:

- Setting an appropriate tone and atmosphere for the bilateral relationship
- Identifying first year goals for the alliance – and beyond
- Crafting a mutually agreed vision and strategy for managing the challenges posed by North Korea's nuclear ambitions, economic frailty and looming succession
- Confirming and strengthening overall alliance and security policy
- Finding a way to proceed on KORUS – the Korea-U.S. Free Trade Agreement

President Obama's Leadership Style – What Kind of President?

During the lengthy U.S. presidential campaign, many South Koreans, especially conservatives, voiced uncertainty and anxieties about the underpinnings of Mr. Obama's philosophical outlook ... and what that might mean for U.S.-ROK relations. Some but not all of those concerns in Korea have dissipated as Americans and the international community have had the opportunity to witness Mr. Obama's performance.

Anxieties most frequently voiced in South Korea included:

- Senator Obama's Republican rivals accused him of being a "radical," the "most liberal U.S. Senator," and a man who had declined to explain or disavow his "friendship" with a "domestic American terrorist," Bill Ayers. How should all this be interpreted?
- Even if one took campaign rhetoric with a grain of salt, and saw Senator Obama as far less threatening than depicted by some Republicans, there was a high likelihood of "mismatched ideological tendencies" in Washington and Seoul. In South Korean terms, a "progressive" U.S. president would be dealing with the conservative President Lee Myung-bak. What are the implications of that?
- Like many others around the world, South Koreans were initially seized and intrigued by the fact that Senator Obama was the first African-American to win a major political party's nomination ... and was elected. What would this mean for President Obama's outlook on the world?
- Moreover, Senator Obama's background was "exotic" – the antithesis of mainstream American presidential candidates and foreign expectations. How should one interpret his Kenyan father, his Indonesian stepfather, his youthful years in Hawaii raised by white grandparents?

- Senator Obama projected a praiseworthy idealism, but could he govern effectively?
- Senator Obama lacked significant foreign policy and national security experience. Moreover, he suggested a readiness to rethink old U.S. policy approaches and to sit down with America's enemies and adversaries. Was this not naïve – even dangerously naïve? And what about North Korea? Would a President Obama holding these views be prepared to hold an early summit with Kim Jong-il, perhaps without due consultation with the ROK Government?

We all learned a great deal about President-elect Obama in the course of the bitterly contested primary campaign with Mrs. Clinton, the presidential contest against Senator McCain and the lengthy transition period between election and inauguration. Americans have been reassured, approving and often inspired. President-elect Obama's approval ratings in U.S. polls – for his “handling of the transition” – are above 70%. No other U.S. president-elect has entered office with such high ratings since this polling question was first asked a half century ago.

As to President-elect Obama's “ideology” or worldview, we have come to see that it in no way resembles the accusations hurled during the campaign. To the contrary, his life experiences reveal clearly a man who is centrist in attitude, who bridges divides, who conciliates when possible, who avoid extreme partisan positions, who seeks the middle ground and who practices *realpolitik*. These were the qualities of mind and character that resulted in his election to head the Harvard Law Review while a law student; he was the first African-American to win that prestigious position. The same approach was evident in his work on the Chicago streets as a community organizer and in his teaching career – it is often forgotten that he is a constitutional scholar.

What else have we learned? The president-elect has uncommon leadership, managerial and organizational skills. On the campaign trail, he was an inspirational speaker who captured the imagination of Americans ... including the often skeptical press corps and newspaper editorial boards. His candidacy won the endorsement of several major papers that had never previously endorsed a candidate for president at all, or had never endorsed a Democratic Party candidate. The fact that Obama unquestionably had written his own books and his own major speeches set him apart from virtually every other candidate in the past century. In short, his communication skills are exemplary, recalling President Kennedy and President Reagan. All of this bodes well for his future ability to win support at home and abroad for his vision and policies.

Obama's campaign itself was flawless. He earned the nickname “No Drama Obama.” His campaign inner circle was cohesive, cooperative, imaginative and never prone to the type of personal backstabbing and leaks that usually figure in a major political campaign. The man in charge was, of course, the candidate.

During the campaign, Americans also approvingly witnessed Obama's judicious style and temperate personality. He was unflappable under fire, reasoned in his public comments, and generous in word and spirit to his adversaries. When Republican

candidate McCain seemingly tried to provoke him during their nationally televised debates, Obama responded calmly, often with a slight smile, and never betraying a trace of anger or ego vulnerability. That set of appealing attributes stands in marked contrast to those of recent U.S. presidents.

The Obama Team – Centrist, Bipartisan, Experienced

Consistently with the qualities he displayed during the campaign, but contrary to the expectations of his adversaries (and the hopes of some of his supporters), President-elect Obama moved swiftly to name or nominate a set of senior policy officials – including Republicans – notable for their centrist outlook and lengthy foreign policy and national security experience. His earlier selection of Senator Biden as his vice presidential running mate foreshadowed this to those observing closely.

- Very soon after his election, Obama nominated his major primary opponent, Hillary Clinton, to be his Secretary of State.
- He asked the incumbent Republican Secretary of Defense, Robert Gates, to continue in that position.
- He invited retired Marine General James Jones, who had been the U.S. Commander in Europe, to serve as his National Security Adviser. General Jones, like most military officers, has never advertised his political party affiliation but is believed to be a Republican.
- He nominated retired Admiral Dennis Blair, a former Combatant Commander of the U.S. Pacific Command based in Hawaii, to be his Director of National Intelligence.
- He nominated Leon Panetta, a Democrat who had served ably as President Clinton's White House chief of staff, to be the Director of Central Intelligence.
- The incumbent Chairman of the Joint Chiefs of Staff, Admiral Michael Mullen, will remain in that position.

President Obama's Korea Policy Team

It is still too early to offer a reliable assessment of President Obama's policy team that will be responsible for setting and implementing policy toward the Republic of Korea and toward North Korea. However, the general shape and policy outlook of the team is already reasonably apparent.

At the very top, those I have just mentioned will play key roles in setting the overall policy direction: President Obama, Vice President Biden, Secretary of State Clinton, Secretary of Defense Gates and National Security Adviser Jones. Although senior officials of the intelligence community have no policy role in the American system, their voices will be influential in presenting the context in which U.S. policy decisions must be made. Therefore, Admiral Blair and Mr. Panetta will undoubtedly have the ear of the President and the senior national security policy officials.

At the level responsible for day-to-day management of policy, the team taking shape is also impressively and broadly experienced.

- Deputy Secretary of State Jim Steinberg, who was Deputy National Security Adviser during the second term of President Clinton, is very knowledgeable about Asian issues.
- The nominee to be the State Department Assistant Secretary for East Asian and Pacific Affairs, Kurt Campbell, served in the second Clinton administration as the Pentagon Deputy Assistant Secretary responsible for Asian policy.
- Jeff Bader, not yet named but widely expected to be the National Security Council's Senior Asia Director, retired after three decades as a U.S. diplomat, served in the Clinton administration National Security Council, was the Assistant U.S. Trade Representative who oversaw negotiation of China's entry into the World Trade Organization, worked in former National Security Adviser Berger's private business consulting firm, Stonebridge; and recently oversaw, as a senior person at the Brookings Institution, formulation of Asia policy position papers for candidate Obama.
- At the Pentagon, the person named to be Asia Assistant Secretary is retired Lt. Gen. "Chip" Gregson, whose active-duty Marine experience centered around Asia, and who during the late Clinton administration was the military assistant to Kurt Campbell when he served as a Pentagon Deputy Assistant Secretary.
- Finally, Ambassador to the ROK Kathy Stephens arrived in Seoul only four months or so ago, and will probably remain in that position. Ambassadors, of course, do not participate as a rule in the policy formulation process, but her inputs will be sought and valued on the entire spectrum of U.S.-ROK issues on the bilateral agenda.

It seems plain that the Obama administration will detach the role of North Korea negotiator from that of Assistant Secretary. There is a broad consensus that the two roles are too much for one individual to handle effectively. So Kurt Campbell will succeed Chris Hill as Assistant Secretary, but not as special negotiator. It remains to be seen who will assume that role. In any case, those who were intimately involved in shaping policy toward North Korea during the Clinton administration have all been closely consulted by the incoming team: Dr. William Perry, Ambassador Wendy Sherman, and Robert Einhorn, among others. Despite some rumors current for a while in Seoul that Chris Hill might be asked to say on in some Korea-related role, that possibility seems rather remote.

Initial U.S.-ROK Meetings ... and Summit?

The main early question for American and South Korean policy makers must be how to focus and manage the bilateral relationship during the first 6-12 months. And one question that flows from that, more in Seoul than in Washington perhaps, is whether an early ministerial-level meeting or presidential summit makes sense. We should examine carefully various facets of that question.

The principal argument against attempting to schedule early meetings is simple: President Obama's first priority and overriding preoccupation will be the domestic economy. When U.S. political leaders and other commentators refer to a "once in a lifetime" economic crisis, that is unfortunately an accurate assessment. Elements in the stimulus package will be subject to intensive political negotiation, both within President Obama's Democratic Party and with the Republican opposition. For the moment, it is probably not realistic to imagine that President Obama will have the time and inclination to turn his attention to any foreign policy issues or meetings save the most critical.

It is well to remember that new U.S. presidents rarely schedule high-level meetings with foreign counterparts early in their administrations. They typically focus on domestic issues – most presidential campaigns are decided on domestic issues, not foreign policy – and often lack the deep substantive knowledge to hold serious talks with foreign counterparts. When early summits do occur, they frequently are unproductive and indeed counterproductive. President Kim Dae-jung's early meeting in Washington with President Bush was a case in point. To say that was not a happy encounter – for the principals, for the two nations, for the tone and atmosphere of bilateral relations – would be a considerable understatement. Later on, once President Bush had organized his administration fully and thought through the key issues, he perhaps recognized that the KDJ visit could have been more smoothly handled. So when planning began for the first Washington visit by newly elected ROK President Roh Moo-hyun, President Bush took steps to reassure President Roh that the U.S. considered its alliance with the ROK to be vital and that he meant to receive him in friendship and with dignity. That message got through successfully, and the Bush-Roh meetings were positive in tone and substance.

Another problem in proceeding with an early high-level meeting involves process. In Washington, though Obama moved swiftly to identify the ranking members of his team, they need to be confirmed, to read into their jobs and to formulate their own ideas and priorities. Moreover, that's not sufficient; the sub-ministerial and senior working-level officials, also subject to Senate confirmation, must have their own hearings. It is rare for any administration to have its key policy officials in place prior to the end of March ... and usually it is much later. When they are in place, policy reviews of key issues often occur. That takes time – a lot of time if the issues provoke controversy, and important ones usually do.

Still another problem, as assessed from Washington, would be the domestic complexities in South Korea. There appears to be a limited consensus on the structure and goals of the U.S.-ROK alliance. Traditional South Korean conservatives, progressives and the group that has been described as the "new right" all have differing optics and preferred policy approaches. Moreover, the domestic scene in South Korea has featured ferocious polemics and street demonstrations rather than healthy debate and principled compromise. President Lee Myung-bak has not recovered from his early wounding by the beef controversy surrounding U.S. exports and his agreement with President Bush. More recently, President Lee has suffered criticism at home for having misjudged the impact on the Korean economy of Wall Street's meltdown and, specifically, for having

mismanaged the fall of the Korean currency, the *won*. He was forced to offer a public apology to the citizens. His standing in the polls hovers around 30%.

Given all that, what kind of early meetings might be more realistic? Emissaries from President Lee went to Washington not long after Obama's election, hoping to make "informal" contact with Obama's key advisers on Asia. So did representatives of other nations seeking to meet early to begin airing policy perspectives and issues. That is understandable; Washington officials and the incoming Obama team recognize the importance of projecting the appearance, ideally the reality, of "close consultations" at authoritative levels between close treaty allies. Nevertheless, all these emissaries failed in their missions. Why? Put simply, nobody was yet named or empowered to speak for the president-elect, and those aspiring to hold positions in the coming Obama administration could not risk their credibility – and possible future positions – by purporting to speak authoritatively.

North Korea Policy under the Obama Administration

On the campaign trail, Obama and his surrogates supported the thrust of Bush administration policies toward North Korea during the previous two years. Whereas the candidate from President Bush's own party, Senator McCain, spoke out forcefully against that policy and the way that Assistant Secretary Hill conducted negotiations within the six-party talks, Obama supported the general thrust of Hill's approach.

It remains to be seen, however, whether that campaign stance will carry over into practice. We simply will not be able to make an educated guess until all the key players are in place and some form of policy review has been conducted. Understanding that we can but look into a murky crystal ball at this stage, and cannot purport to know what President Obama's mindset and approach will be, several points stand out.

- North Korea is, for the Obama administration, a problem to be managed and not an opportunity to be seized. No one should imagine – as some North Koreans occasionally do – that North Korea can ever be a latter-day "China" to any U.S. president. Save for the nuclear issue including the proliferation dimension of it, North Korea simply does not loom large in the U.S. foreign policy calculus. It lacks all that China represented in 1971-72: a strategic counterweight to a formidable global adversary and, with its vast population, a potential market for the future.
- In sum, those who worry that the Obama administration might somehow sacrifice its ties with the ROK and/or Japan in order to strike a deal with Pyongyang do not understand the fabric of U.S. alliance relationships and the unacceptable tradeoffs that would be required in any such scenario. Indeed, the President-elect and his senior advisers have emphasized that, insofar as they take exception to any facet of the recent Bush administration negotiating approach, it is to the apparent lapses in full communication with our allies. They have accordingly pledged that

restoring trust in Seoul and Tokyo will be a top priority for the incoming administration.

- Some departures from past molds can be expected. Most Americans across the political spectrum have concluded that the U.S. negotiating strategy from 1992 up through the present has been flawed and ineffective.
- Measuring the few comments made thus far by President-elect Obama and his senior advisers, there is a predisposition to favor diplomacy. After all, candidate Obama stated that he would meet with America's adversaries – once the stage is set – including Kim Jong-il.
- That said, the early indications are that President Obama's administration might prove simultaneously "tougher" and "softer" in its approach toward North Korea: "tougher" in its insistence of a fully denuclearized North Korea under stringent agreed verification procedures, and "softer" in exploring North Korea's willingness to give up a lot in order to gain a lot. One can expect to see some version of the old "bold approach" put back on the table to gauge North Korea's sincerity.
- President Clinton's approach and experience – the good and the bad – will probably be the starting conceptual framework for President Obama's team. Alumni of the Clinton Administration – Bill Perry, Madeleine Albright, Wendy Sherman – have been prominently identified as persons consulted for their experience and views on how to address the North Korean nuclear challenge.
- In terms of mechanics, the Obama team has made known its intent to divorce the role of North Korea negotiator from the portfolio of the East Asian and Pacific Affairs Assistant Secretary. A widespread impression has grown that Assistant Secretary Hill could not effectively handle those two roles simultaneously, and that indeed no individual could. So North Korean negotiations will be "broken out" and assigned to a high-level special envoy. That much seems clear. The identity of that individual, however, is not yet known.

U.S.-ROK Security Cooperation

There is little on the public record that specifically addresses this aspect of the bilateral relationship. However, given his stated views on the importance of nurturing U.S. alliance partnerships in Asia, President Obama seems likely to support:

- the Bush administration's agreements with Seoul on "force reposturing" – both the guiding concept and the specifics of realignment of the U.S. Forces in Korea; and

- the Bush administration's decision on "Opcon" – transfer of wartime operational control to the ROK armed forces (in token of ROK capabilities, the maturing U.S.-ROK alliance and the ROK's economic might).

At the same time, it also seems probable that President Obama would review carefully and respectfully any request made by President Lee Myung-bak's government to alter the timing or process of these agreed arrangements.

President Obama will probably look to Seoul for an expanded commitment in terms of global coordination and cooperation. Much has been speculatively written about possible requests to U.S. allies to provide more "boots on the ground" in support of the ongoing mission in Afghanistan. Plainly, Afghanistan – and the related issue of Pakistan – will be an early foreign policy priority for the Obama administration. But policy reviews are said to be in process now. Recent press reporting, seemingly authoritative, has suggested that these policy reviews might be leading the new administration to somewhat different conclusions and policy directions than have previously been understood. Therefore it is not a foregone conclusion that the new administration will be calling upon the ROK (and Japan) for a significant contribution of military personnel to the war in Afghanistan.

KORUS – The Korea-U.S. Free Trade Agreement

We have already enumerated the context in which President Obama will assume office and the most crucial early decisions facing him:

- Managing the economic and financial crisis, in both its domestic and global dimensions
- Winding down the U.S. military presence in Iraq
- Recasting U.S. policy in Afghanistan and Pakistan
- Jump-starting Middle East negotiations
- Dealing with global threats: nuclear proliferation and terrorism

In addition, there have been hints that the Obama administration will also try to formulate a new conceptual approach, or architecture, for the complex U.S.-China relationship. Any such effort will, or should, specifically address that relationship in terms of the security dynamic in Northeast Asia.

There is probably little inclination, therefore, to take on KORUS at an early moment. The recent Big Three auto bailout – and the turbulent, uncertain future projected for an industry whose health has been deemed critical to the U.S. economy – resonates emotionally in the corridors of Congress and in workplaces across America. All of this taken together with global economic problems cast the Free Trade Agreement in a rather problematic light at this juncture. While the new Obama administration will wish to minimize the possibility that KORUS could rise to be a major bilateral irritant, it will also be disinclined to sacrifice interests crucial to a key constituency of the Democratic Party. At this point, President Obama's strategy at home will plainly be to win as much support as possible across the political spectrum for the economic stimulus package that he

presents. Conversely, he will predictably be unwilling to take on issues that would shave off political support for him.

Therefore President Obama – despite some of the campaign rhetoric – may be willing to support KORUS generally and seek quiet, reasonable compromises of the beef and automobile issues. But he will not do this as an early priority, nor without some accommodation of U.S. domestic interests.

Against that backdrop, it is reasonable to suggest that early ROK entreaties and pressure would very likely be counterproductive in Washington, both to eventual passage of a mutually agreed FTA and to the overall tone and trust of the bilateral relationship.

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