



South Korea–China Relations and the Northeast Asian Strategic Puzzle

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The Northeast Asian strategic order is undergoing a critical phase. The long held US–Japan–South Korea (ROK) security alliance is challenged by strained ROK–Japan relations and growing ROK–China relations vis-à-vis competition between US and China for influence in Asia. ROK is located at the middle of this strategic tussle and its role is pivotal in maintaining peace and stability in the region. Using President Xi Jinping’s July 2014 visit to Seoul as the background, this piece examines developments in ROK–China relations and its implications for the Northeast Asian strategic order.

The Northeast Asian international order is currently going through a critical phase, in which the logic of traditional security architecture has been strongly challenged by the new political realities within the region. The US–Japan–ROK security alliance has been the defining feature of the Northeast Asian security architecture for the last six decades. The developments in Northeast Asia with the rise of China, growing China–ROK relations, strained

ROK–Japan and China–Japan relations and close China–North Korea (DPRK) relations raises fundamental question about the sustainability of this trilateral security architecture. At the moment, what prevails both in intellectual debates and policy direction is confusion and ambiguity. It is in this context that the current development in the ROK–China relations could provide some clue about the dynamics of the Northeast Asian strategic order and future direction.

The new development in the ROK–China relations is to be viewed both as a symptom and cause of the transformation of the Northeast Asian Cold War security order. Symptom because an improved relationship between ROK and China manifests the changed regional realities, and cause because it induces further changes in regional strategic calculations. The strategic and political dimension of the ROK–China partnership has been never been so evident and talked about until the July 2014 summit meet of ROK President Park Geun-hye and China President Xi Jinping in Seoul.

President Xi's two-day visit to Seoul was more symbolic in essence, signalling the demands of repositioning alliances and adversaries to meet the new challenges and opportunities of the changing security and economic realities in Northeast Asia.

South Korea–China Partnership: A New Direction

ROK had no formal diplomatic relations with China until the relationship was normalised in 1992. During the past two decades, the two countries advanced their political, economic, diplomatic and cultural relations with unprecedented speed and scale. This development has been driven by expanding bilateral economic cooperation and people-to-people exchange. China has become the largest trade partner, overseas market, import source, destination for overseas investment, source for foreign students, and destination for overseas travel for the ROK citizens. Trade between the two countries has increased, from US\$6.37 billion in 1992 to USD 270 billion in 2014. Korea's trade with China is more than its combined trade with Japan and the US. China is South Korea's largest investment destination with a total of USD 36.15 billion between 2004 and 2013. A significant flow of people also demonstrates the growing importance of the China–ROK relationship, with over eight million travellers visiting each other's country in 2013 and around 60,000 Chinese studying in ROK and 62,855 South Korean students in China (Xinhua 2014a; Seo and Lee 2013).

The rise of China and ROK's increasing economic interdependence has presented Seoul with a strategic dilemma in having to choose between the US and China. Traditionally, ROK has been a close US ally and this relationship has been a major factor in South Korea's security and economic success. The past two

ROK administrations adopted an approach of strategic ambiguity towards managing its security, which is grounded in the ROK–US alliance, and its economic well-being, which is dependent on the ROK–China cooperative partnership. However, balancing a harmonious relationship between the two countries has not proved to be an easy task. Under President Roh Moo-hyun, Seoul has recognised China's growing power, accommodated China and maintained some diplomatic distance from the US. For most of Roh's tenure, South Korea enjoyed good bilateral interactions with China, but it suffered severely from the resulting complications in its security cooperation with the US. In contrast, under President Lee Myung-bak, Seoul strengthened the ROK–US alliance as its diplomatic priority and advanced ROK's relationship with the US into a more comprehensive, multidimensional strategic alliance. Lee's pro-American stand was not so well received in Beijing; hence, that relationship was less than cordial.

Until recently ROK–China relations focused on economic cooperation. Under the leadership of President Xi and President Park, the two countries have taken bold steps in expanding their cooperation in diplomatic, political and strategic affairs. Within a year of assuming leadership, President Park and President Xi completed an exchange of state visits and five summit meets. During Xi's two-day visit to Seoul, promoting economic ties was the central focus. Both countries have agreed to sign a bilateral free trade agreement by the end of this year. Political factors have also played an important role, which was demonstrated in the cooperation of the two nations over the issue of DPRK's nuclear proliferation through coordinated measures and shared sentiments on Japanese historical revisionism and remilitarisation.

It has been widely observed that Xi's visit to Seoul was a bold step by Beijing in its efforts to systematically weaken the ROK–US alliance. During the visit, Xi articulated the increasing significance of Beijing in ROK's future economic prosperity. Through its economic diplomacy by offering to permit South Korea to settle its bilateral trade accounts in renminbi (Xinhua 2014b) and China's invitation to ROK to participate in a new Asian Infrastructure Investment Bank (AIIB) which excludes Japan, China is offering Seoul an opportunity for greater partnership. . ROK and China also signed a memorandum of understanding that will see a direct telephone line established between their two defence ministers. Seoul currently only has a direct high-level military hotline with Washington (Korea Herald 2014a).

Xi Jinping's decision to visit Seoul ahead of Pyongyang broke China's long-held tradition of visiting North Korea before South Korea. Giving the cold shoulder to Pyongyang and not inviting DPRK's young leader Kim Jong-un to Beijing reflect Beijing's frustration over DPRK's recent bellicose activities and its unwillingness to reform its paralysed economy. The Park–Xi summit launched the first ever ROK–China initiative on DPRK. Until recently, Beijing kept a distance from Seoul on the issue of unification and supported Pyongyang at the international level. However, Beijing was very critical of DPRK following its third nuclear test in 2013 and supported UN led sanction against DPRK. In a joint statement issued during the visit, Park and Xi announced a reaffirmation of their 'firm opposition to the development of nuclear weapons on the Korean Peninsula' (Korea Herald 2014a). ROK has urged China to use its economic leverage on DPRK to give up its nuclear weapons programme. Xi has also called for the resumption of the Six Party Talks, the multilateral forum for the peaceful resolution of DPRK's nuclear weapons

programme, which has been suspended since 2008. However, there remains a problem and divergence of perspective as China has called for the 'unconditional' reopening of the Talks, while ROK and the US maintain a position that demands Pyongyang first take some action to show its sincerity.

The anti-Japanese sentiments in both countries have become a significant factor in the shaping of better ROK–China relations, particularly after Prime Minister Shinzo Abe's December 2013 visit to the Yasukuni Shrine. For example, China responded positively to Park's request by building a memorial hall for An Jung-geun, a Korean independence activist who in 1909 assassinated Itō Hirobumi, Japanese Prime Minister in the city of Harbin in China. At a lecture delivered at Seoul National University during the visit, Xi reminded ROK of the Japanese aggression of the past and the two countries' united struggle against it, and signalled the need to be united against any future militarisation of Japan. He said, 'Our two countries had big suffering when [Japan] launched [its] barbarous aggression on China and Korea and annexed and occupied the Korean Peninsula in the first half of the 20th century.... Both countries' nationals ... walked shoulder to shoulder to battle grounds together 400 years ago' (Kim 2014). The Japan card would be the most effective strategy on the part of the China in developing a pro-Chinese sentiment in ROK, as castigating Japan is perhaps the only idea that ROK's bitterly divided ruling and opposition parties can agree on. Since both countries are also involved in territorial disputes with Japan over the Diaoyu/Senkaku islands and Dokdo/Takeshima islands, this aspect will add more fuel to anti-Japanese sentiment in ROK–China relations.

A survey conducted by the Asan Institute of Policy Studies in Seoul following Xi Jinping's

visit suggests that China, however, still has a long way to go in securing its place in South Korean hearts and minds. The survey showed that they certainly had a more favourable view of China than they did the previous year but the US remains the most popular foreign country and the most important ally. Likewise, 59.6 per cent of respondents want ROK to strengthen cooperation with the US compared with 24.9 per cent who thought cooperation should be boosted with China. A clear majority believes that China's economic rise (69.9 per cent) and military rise (63.6 per cent) are threats to ROK (Asan Institute of Policy Research 2014).

Implications for Northeast Asian Security Order

The increasing divergence of the economic and security interests of Northeast Asian countries, along with questions of unsettled national identity, challenge the sustainability of the existing security order and complicate the formation of new multilateral institutions in the region. The ROK's foreign policy dilemma is illustrative of this complexity. On the one hand, Seoul is obsessed with strengthening its security alliance relations with the US. On the other, it but also has huge stakes in economic cooperation with China. For reasons of national identity, Seoul's diplomatic and political engagement with Tokyo has its limitations, and it is necessary for Seoul to both deter and engage DPRK to maintain peace and stability in the Korean peninsula. Today, other countries in Northeast Asia share a similar dilemma to varying degrees. Hence, the new reality demands a change in the Cold War regional security and institutional order, which was built on the premises of converged security and economic interests. But the region also exhibits a strong tendency of inertia against any institutional change. The Northeast Asian situation presents a case of strategic deadlock,

where any change to the Cold War security order is perceived as instability.

The current development in ROK–China relations is seen as a game changer and viewed very skeptically by different actors in the region. The responses of different countries in the region illustrate the significance of ROK–China rapprochement and its implication for Northeast Asian security architecture. Immediately after the Park–Xi summit, Japan announced plans to drop some sanctions against the DPRK which had been imposed when the regime abducted Japanese citizens in the 1970s and 1980s. There has even been speculation about Prime Minister Shinzo Abe visiting North Korea. The sudden move of Japan in dealing with Pyongyang by itself has also disturbed Washington. It expressed displeasure over Japan's decision to gradually lift its unilateral sanctions on North Korea depending on the progress of the negotiations on Japanese abductees, as this would undermine the effectiveness of US-led sanctions over Pyongyang's nuclear issue and the US–ROK–Japan alliance. It is hard to imagine how Japan and North Korea can bury their long history of animosity and work together but it is not impossible. The current Japanese move could be read as Abe's diplomatic ploy to gain ground in Northeast Asia where ROK and China are trying their best to isolate Tokyo.

The relationship between China and DPRK is at a historic low since Xi Jinping became the Chinese President in 2013. In showing its displeasure over Xi's visit to Seoul, DPRK fired two ballistic missiles. Pyongyang also slammed China for its closeness with ROK saying, 'Some spineless countries are blindly following the stinking bottom of the U.S., also struggling to embrace Park Geun-hye, who came to a pathetic state of being' (Chosun Ilbo 2014). Russia meanwhile, is taking advantage of strained

DPRK–China relations in the aftermath of the sudden execution of Jang Song-taek in December 2013, who was once the second-most powerful man in Pyongyang and the political and business intermediary between DPRK and China. Moscow's overtures to North Korea reflect both a defensive distancing from the EU and Washington because of their sanctions over Ukraine, and a broader, long-term effort by Russia to strengthen its hand in Asia by building political alliances, expanding energy exports and developing Russian regions in Siberia and the Far East. Russia's gesture to write off nearly US\$10 billion in debt held over from the Soviet era and promises of Russian investments in infrastructure development come at a time when the North Koreans are looking for an alternative partner for aid and economic cooperation. With the growing closeness of China–ROK relations, 'North Korea is worried it can be isolated in northeast Asia,' according to Kim Hankwon, director of the Center for Regional Studies at the Asan Institute for Policy Studies in Seoul. He also noted that North Korea had begun talks with Japan and struck economic deals with Russia indicating that Kim Jong Un was trying to 'reduce dependency on China' (Park 2014).

The developments between China and ROK are being watched carefully, and some worry, by Washington. The assistant secretary for East Asia and the Pacific, Daniel R. Russel observed the Xi–Park summit as 'an extraordinary milestone'. Evans J. R. Revere, a former deputy secretary of state for East Asia and the Pacific observes that Washington remains confident that despite problems between Japan and ROK, its relationship with Seoul was on solid footing, and China's efforts to 'drive a wedge between South Korea and the United States is not going anywhere' (Perlez 2014).

The current regional conditions present a tough challenge to ROK's foreign policy. On the one

hand, this is a great opportunity to enhance ROK's influence if it can play a pivotal role in the regional strategic dynamics by assuming a balancing position between the US and China, and promoting regional institutions to manage security affairs. On the other hand, a heightened regional rivalry between China and the US or between China and Japan can jeopardise ROK's security interests. Seoul assumes strategic ambiguity by improving its relationship with the US and China simultaneously, yet keeping a safe distance on sensitive matters. For example, ROK has decided not to join the US-led missile defence system in East Asia so as not to antagonise China (Korea Times 2014). Similarly, Seoul has been cautious about China's invitation to join the AIIB, a financial institution proposed by China to counter the Japanese-led Asian Development Bank. Seoul is silent on the Chinese proposal to jointly celebrate the 70th anniversary of Japanese surrender in the Second World War, which is aimed to further isolate Japan in the region.

Despite South Korea's tough stance toward Japan and development in South Korea–China relations, Seoul does not seem to undermine the US–South Korea security alliance and does not see the new context as a question of choosing between Washington and Beijing; rather it aims for a balance between the two. It is this balancing role that complicates the traditional security architecture of Northeast Asia and the outcome of the new strategic calculations remain highly uncertain.

*** The views expressed here are those of the author and not necessarily of the Institute.**

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