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INTRODUCTION

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What an extraordinary year 2007 was for Korea! Following the difficult 2006 that saw North Korea testing its nuclear weapon and difficult negotiations over security and trade issues with Washington, the Republic of Korea (ROK) made remarkable diplomatic breakthroughs on many weighty issues. The past year may well be recorded as the “year of deal-making” in Korea’s diplomatic history. In February, the Republic of Korea (ROK) and U.S. governments agreed on transfer of wartime operational control (OPCON) of South Korean troops in the Combined Forces Command back to the ROK government. Following this decision, in June, South Korea and the United States finalized the monumental Korea-U.S. Free Trade Agreement (KORUS FTA). In October, South Korean President Roh Moo-hyun and North Korean leader Kim Jong Il held a summit meeting in Pyongyang and reached several significant agreements in inter-Korean relations. Through the Six-Party Talks, the North Koreans agreed in February and October to take measures that would disable, and contribute ultimately to dismantling, their nuclear programs. Indeed, it was an extraordinary year of “big deals” on the Korean peninsula. But these agreements face challenges of ratification or implementation, and much work remains to be done.

The 2nd edition of the SAIS U.S.-Korea Yearbook covers principal developments, including these “big deals,” on the Korean peninsula in 2007. SAIS students in the fall 2007 course “The Two Koreas: Contemporary Research and Record” wrote each chapter of this yearbook. Not only are their writings based on in-depth readings and study, but also field research through a November 2007 trip to South Korea. On this field trip, the students conducted numerous interviews with government officials, think tank scholars, NGO workers, academics and private sector experts in South Korea. Also, this edition of the U.S.-Korea Yearbook reflects, and benefits from, the extensive academic and professional backgrounds in both Korean and Northeast Asian affairs that the student-authors brought to bear upon the project.

The SAIS U.S.-Korea Yearbook 2007 is divided into four parts: U.S.-ROK Relations, U.S.-DPRK Relations, Korea in the Region, and Korean Politics.

I. U.S.-ROK Relations

Samuel Yim, formerly a U.S. Army officer who served in Korea, reports on the transformation of the ROK-U.S. alliance through return of wartime OPCON of ROK soldiers and developments in the base relocation plan for the U.S. forces stationed in South Korea.

Ting Xu, a graduate of Beijing Normal University who worked in advertising and development in China, Japan and the U.S., writes about the future of the ROK-U.S. alliance.

Andrew Anderson-Sprecher, who is currently a trade consultant in a Washington, D.C. law firm, examines the uncertain future of the KORUS FTA and its political complexities.

II. U.S.-DPRK Relations

Rian Jensen, who previously worked in Washington, D.C. on various security and political reform issues in Asia, surveys the Six-Party Talks and assesses prospects for continued progress in U.S.-North Korea relations.

Yumi Kim, a graduate of Princeton University who worked for several years in public service and non-profit organizations, examines the uncertain legal status and treatment of displaced North Koreans.

Tania L. Askins, who worked for Salomon Smith Barney/Citigroup in New York in their infrastructure finance group, analyzes the economic conditions of North Korea and possible scenarios for change and future development.

III. Korea in the Region

Michael Yo, who interned at the Korean Institute of Defense Analyses, reports on the political, economic, and cultural aspects of inter-Korean relations of the past year from the nuclear test to the summit meeting.

Nat Kretchun, who has experience studying language and conducting academic research in both Korea and China, examines Korea-Japan relations over the past year with a particular focus on the effects of historical memory on contemporary relations between the two countries.

Mathias Hartpence, a graduate of McGill University in Canada who worked in the public and private sectors in China, writes about the diplomatic relations between Beijing and Pyongyang, within the context of the reengagement process that the Six Party Talks witnessed in 2007.

Benhan Limketkai, who has worked in the financial sector in San Francisco, reports on North Korea-China economic relations and the deterministic role that the interaction could have on North Korean economic reform and development.

Jason Cohen, who has experience working in the financial and consulting sectors in Asia, examines South Korea-China relations through political, economic, and socio-cultural dimensions.

IV. Korean Politics

Thomas S. Kang, who worked at the San Diego World Trade Center and interned at the law firm Munger, Tolles & Olson LLP, reports on inter-Korean relations, North Korea policy in South Korea's domestic politics, and the presidential elections.

Michael Richardson, who was a Princeton in Asia Fellow in South Korea and taught English literature and composition in Seoul, writes about the influence of South Korean civil society on inter-Korean relations.

Shaw-Lin Chaw, a graduate of the National University of Singapore who used to report finance business-related news in Hong Kong, covers the consolidation and transformation of South Korea's democracy and the trends of foreign policy under President Lee Myung-bak.

The yearbook would not have been possible without generous support from many people. For their unsparing assistance that made the class trip to Seoul possible, I am deeply grateful to U.S.-Korea Institute Chairman Don Oberdorfer, Deputy Chairman Yong Shik Choo, Director Jae Ku, and generous donors. Many officials and officers in Washington and Seoul helped us arrange

meetings or spared their precious time to meet with the class and/or individual students; many scholars and experts sat down with many of us to discuss relevant issues and answer hundreds of questions we had. I thank them all, without naming any, for enlightening us and helping us produce a better yearbook than we could have on our own. My special thanks go to Program Manager Kate Surber, and her successor Nicole Baillis who took over the last phase of the yearbook project, for competently overseeing all the administrative and logistical details of the class, the trip, and the yearbook production. Samuel Yim and Nina Sawyer provided critical assistance in the final stage. Most of all, I thank the students of “The Two Koreas” class, whose brilliance was coupled with exuberance; we can expect to hear much more from all of them. Each chapter of the yearbook reflects each student author’s hard work and view, as well as the support from all of the above. As the faculty leader of the “Two Koreas” course who had the privilege of working with them, I hope that the SAIS U.S.-Korea Yearbook makes a contribution to U.S.-Korean scholarship and mutual understanding.

ROK-U.S. ALLIANCE ADJUSTS TO NEW REALITIES

Samuel Yim

I. INTRODUCTION

The strength of an alliance often times depends on a cost-benefit analysis of each partner. If each side believes there is a net benefit, then the alliance will likely be favored and endure. If costs outweigh the benefits, the joint alliance of interests may diverge and the alliance may be disbanded. As alliances normally do, the Republic of Korea (ROK) and U.S. governments have been reassessing the new military landscapes of the ROK-U.S. Alliance (the Alliance) to determine its new future. Seminal agreements from previous years, such as the relocation of the U.S. forces at the Yongsan Garrison, realignment of the 2nd Infantry Division, and the Land Partnership Plan, created new realities in the relationship of the Alliance. Many of these deals have been reworked and renegotiated to meet changing political, economic, and social conditions in the ROK and the United States. As with any changes in a relationship, disagreements in the Alliance are expected to arise. Nevertheless, close consultations and strong mutual commitment helped find consensus between Seoul and Washington and, in the long run, has strengthened the Alliance. In 2007, the ROK and U.S. governments went through an adjustment period to new realities in the Alliance.

The disagreements from previous years over changes in the Alliance raised questions about its future. Historically, whenever strategic or environmental conditions changed between the two countries, the Alliance managed to resolve the issues and overcome their differences. The current conflicts between the ROK and U.S. governments are no different and it they represent a period of evolutionary change of the Alliance. Nevertheless, concerns between the Alliance still remain on cost sharing plans of the relocation of U.S. forces, the timeline of the transfer of U.S. bases back to South Korea, modernization of training ranges for U.S. forces, and the role of the United Nations Command (UNC) under the new wartime operational control (OPCON) structure. Despite their differences,