

ASIA IN THE AGE OF THE PIVOT: UNDERSTANDING ASIA IN THE 21ST CENTURY

Interview with Professor Chung-in Moon

Chung-in Moon is a professor of political science at Yonsei University and Editor in Chief of Global Asia, a new quarterly magazine in English about East Asia. He served as Dean of Yonsei's Graduate School of International Studies. He was also Chairman of the Presidential Committee on North-east Asian Cooperation Initiative, a cabinet-level post, and Ambassador for International Security Affairs at the Ministry of Foreign Affairs and Trade, the Republic of Korea. He has published over 40 books and 230 articles in edited volumes and such scholarly journals as World Politics, International Studies Quarterly, and the World Development. His publications include Debating the Future of China (in Korean) and The United States and Northeast Asia: Debates, Issues, and New Order. He is the only person who attended the 1st and 2nd Pyongyang Korean summit as a special delegate. He is the recipient of Public Policy Scholar Award (the Woodrow Wilson International Center in Washington, D.C.), the Lixian Scholar Award (Beijing University), and the Pacific Leadership Fellowship (UCSD). He served as Vice President of the International Studies Association (ISA) of North America and president of the Korea Peace Research Association.

PEAR: *America's so-called "Asia pivot" is a popular catchphrase used by many policymakers and academics these days when discussing America's role in Asia. If America is redirecting its attention eastward and stepping up its efforts at engagement in Asia, in what ways do you foresee this happening?*

Professor Moon: I do not know understand why the US is paying "re-attention" to Asia. I am somewhat worried because nowadays the US has become the Midas hand of misfortune. Wherever it has gone, be it Iraq, Afghanistan, or elsewhere, war and human misery followed. In the post-Iraq and Afghan era, the US might have to create a new diplomatic agenda. The Asia pivot policy might have emerged in this context. Of course, President Obama has been say-

ing that Asia is the new center of gravity in the world. In fact, economic powerhouses are all concentrated in Asia, and therefore American prosperity hinges on this region.

A rebalancing against China's rise might have been more important rationale than the economic one. I cannot accept the argument that the US should be balancing against China. US policy makers need to craft new and innovative policies aimed at co-evolving with China rather than balancing against it. It is understandable that the US sees the key to its future in its strategic and economic ties with the Asia-Pacific region and thus wants to reposition itself in the region. There are two key elements to this repositioning. One is enhancing economic benefits, and the other is to promote its strategic interests by pursuing a rebalancing strategy to counter China's rise. However, I do not see any wisdom in such a strategic initiative because the US was, still is, and will be here in the future. It can at best be an election year campaign slogan.

One of the pivot strategy's main intentions is to reach out to Southeast Asia and South Asia. Why is the US pushing so far south? Of course, the South China Sea is a global flashpoint, but shifting focus to this area to balance against China, instead of working together with China, will only further worsen the situation. In a similar vein, American ventures into the Indian Ocean will also invite China's countervailing move, opening a new era of naval arms race there.

PEAR: *If you could have President Obama's ear for ten minutes, what would you suggest as an alternative Asia-Pacific strategy?*

Professor Moon: I would say, "Just continue the old strategy." Please treat China as a friendly partner, while maintaining the traditional system of bilateral alliances with Japan and South Korea and increasing engagement with Southeast Asian countries. "Please abstain from using such phrases as China threat, rebalancing against China, and China's hegemonic ascension, while emphasizing the logic of stakeholder relationship, co-evolution, and strategic partnership." I would suggest to President Obama that he read Henry Kissinger's *On China* rather than those works that belong to the "China threat" school.

In fact, this is what the US has been doing for some time until now. A sudden move to Asia under the rhetoric of 're-balancing against China could backfire. I understand that the purpose of American power will become somewhat blurred after the withdrawal from Iraq and Afghanistan. America is inher-

ently insecure without having an outside enemy. China's rise tempts American opinion leaders to follow an old pattern of reasoning. In the presidential election, the politicization of such reasoning becomes all the more visible. That could be good for Obama's election campaign but bad for the region. It is like committing the fallacy of Faustian bargaining. A short-term partisan gain should not undermine comprehensive American national interests. Conservative folks in Asia who are wary of China's rise and conflicts with China want American involvement as a hedging strategy, but lots of people in Asia wish cooperation between the two giants.

PEAR: *Although the American market is still an important part of economic growth and a major link in the economic production chain for Asia-Pacific nations, China has overtaken the United States as the largest market for exports. This has resulted in a new regional order. Asia-Pacific nations rely on China for trade and economic growth and the US for peace and stability. Which national interest do you think the countries of the Asia-Pacific will prioritize: economic growth or security concerns? What are the implications of a new regional order on the prospects for regional security architecture?*

Professor Moon: Obviously, economics will come first. Simply put: people matter. All these threats and insecurities tend to be contrived and are not reflective of reality. What is most important is creating jobs, sustaining economic growth and ensuring the welfare of the people. Thus, securing the overall well-being of the people is the most important mandate for democratic countries, making it priority number one. But security, although secondary to the economy, is of course a crucial concern. There are plenty of security-related issues in the Asia-Pacific, most notably the North Korean nuclear quagmire, inter-Korean conflict, the Senkaku/Diaoyu and Dokdo/Takeshima islands disputes as well as cross-strait and northern territory issues. However, these issues have, more or less, been managed in the past and will continue to be dealt with in the future through bilateral cooperation and other means. Of course, North Korea is always a flashpoint. However, if North Korea is recognized as a normal state and negotiated with accordingly, issues related to North Korea could be properly dealt with. Thus, in the broader geopolitical and geoeconomic landscape in the Asia-Pacific, particularly in Northeast Asia, we can argue that security issues have been relatively well managed, thus leaving us with economics as

priority number one.

Take the case of South Korea, for example. As of 2011, China accounts for almost 23.5 percent of South Korea's total trade. Therefore, our trade with China is greater than our trade with Japan and the US combined. Last year alone, we enjoyed a trade surplus totaling over \$48.1 billion with China; we have a trade deficit with Japan of almost \$30 billion and an almost \$11.7 billion trade surplus with the US. As these statistics prove, we are making money with China to pay for our trade deficit with Japan. How can we then neglect the China factor? More than 40,000 firms are doing business in China; the share controlled by China in the South Korean bond market is increasing. And South Korea's future macroeconomic stability will hinge on China's macroeconomic stability. Thus, from an economic interdependence perspective, South Korea has become an inseparable part of the Chinese economy.

However, as far as security goes, it is up to the discretion of the South Korean government. Take the Lee Myeong-bak administration's bandwagoning approach. His administration has joined what Taro Aso called the "Arc of Freedom and Prosperity" by joining the US, India, Japan, Australia and New Zealand in a move to encircle China. This security strategy seems problematic. Just like for Singapore, which is similarly dependent on China's market for economic growth and looks to the US for security, countries in the Asia-Pacific have to recognize and deal with economic reality.

Security assurances can be sought with the US as a sort-of insurance policy, but good relations must absolutely be maintained with China. The same goes for Vietnam. If Vietnam could attract a large amount of investment from Japan and the US, then perhaps it would be different. But the reality is that Vietnam relies on China for massive amounts of foreign direct investment. All countries in the Asia-Pacific must deal with the reality that China is the engine of economic growth in the region and craft their economic and security policies accordingly.

PEAR: *How do you foresee the next South Korean administration handling this balancing act?*

Professor Moon: Regardless of who is elected, Park Geun-hye or Ahn Cheol-soo, their approach will be similarly prudent towards China. Neither one of them will pursue a policy similar to that of Lee Myong-bak. They will avoid

putting all of their eggs in the US basket. The new government that will be inaugurated in February 2013 is most likely to pursue a balanced diplomacy.

PEAR: *What potential do you see for adjustments amidst the frictional historical relationship between South Korea and Japan, especially as China rises? For instance, could a common South Korean and Japanese security concern with China and possibly North Korea overcome the stresses Japan's past and lead to a more harmonized relationship?*

Professor Moon: Most people fail to read what is actually going on between South Korea and Japan from a geopolitical and geoeconomic point-of-view. The G-2 world, or a bi-gemonic system under US and Chinese leadership, has become a reality. Thus, if South Korea and Japan do not cooperate with each other, they will allow the US and China alone to dictate the political and economic future of Northeast Asia. We should not let this sort of thing happen.

The prevailing mentality is this: South Korea and Japan should team-up and bandwagon on US power to balance against China. This may be particularly important for regional security, because if China's power grows to a level that forces the US to deal directly with China, then the US will pass over both Japan and South Korea to confront a challenge to its power. This sort of situation would be disastrous for both South Korea and Japan. Thus, in order to avoid this situation, South Korea and Japan should work together very closely to forge a new multilateral security cooperation regime that is markedly different from the Cold War-era ROK-Japan-US axis that balanced against the Northern Axis of China-North Korea-Russia.

South Korea and Japan, working together, can rival the influence of China and the US, but not in a way that fosters military competition. Instead, a joint middle power effort between South Korea and Japan – making what can be seen as a new major power – can produce an even playing field by establishing themselves as a wedge between the two hegemonic powers. This will prevent arbitrary acts by the US or China that could be inherent in the so-called G2 formula. In short, geopolitical priorities necessitate deeper cooperation between the two countries as well as common efforts to overcome past historical issues and other ideational conflicts.

PEAR: *Currently, there are a number of issues that threaten the stability of East and Northeast Asia, namely, territorial disputes in the South China Sea and North Korea's missile launches and nuclear weapons program. How could these issues be effectively managed in order to decrease the perceived threat level in the region? Do you see any potential for the institutionalization of multilateral security cooperation, such as the Six Party Talk framework?*

Professor Moon: I think multilateral cooperation is the mandate. These sorts of issues cannot be dealt with unilaterally or bilaterally. Bilateral negotiations, especially over territorial issues, will lead nowhere, primarily due to the tempestuous nature of political and territorial sovereignty issues. Nobody is willing to budge. There is perhaps nowhere else in the world where the concept of Westphalian sovereignty is as sensitive and volatile an issue as it is in Northeast Asia. Due in large part to their colonial pasts, countries in this region of the world – China, North Korea, South Korea and Japan – are extremely sensitive when it comes to territorial issues. Therefore, dealing with these issues bilaterally will never work.

The whole point is this: if we can create some sort of multilateral security cooperation regime, and if this multilateral cooperation regime can mitigate bilateral tensions by acting as a mediator, then overt tension in the region can be effectively contained and we can provide ourselves a real shot at comprehensive security in the region. In this regard, the Six Party Talks can be seen as a very positive step toward multilateral cooperation. Although the Six Party Talks are now stalled over the issue of North Korea's unruly behavior, I personally hope the talks can resume soon.

PEAR: *Which institution do you feel is best suited to serve the role as a pilot agency for a multilateral security cooperation regime in Northeast Asia?*

Professor Moon: With their talks for talks-sake and consensus building focus, organizations like the ASEAN Regional Forum (ARF) and other Northeast Asia-related organizations, like ASEAN +3, are far too ineffectual. I observed this in my position as co-chair of EEP (Eminent and Expert Persons) of the ARF. I thus strongly support the Six Party Talks formula.

For example, go back to the September 19, 2005 Joint Statement that

outlined details on “words for words” and “action for action” or look at the February 13, 2007 agreement that established a working group on Northeast Asian security and peace mechanism. Although the outcome of denuclearizing the Korean peninsula has not come to fruition, the Six Party formula shows the potential for the establishment of a multilateral security cooperation regime.

More broadly, if Southeast Asia, through the ARF or other regional forums, could also create a multilateral security cooperation regime, then Southeast and Northeast Asia could look into creating something similar to the European Union’s forerunners: the European Coal and Steel Community (ECSC) for economic cooperation or the Organization for Security and Cooperation in Europe (OSCE) for security concerns. But that is some time off in the future. Under current conditions, the creation of Northeast Asian security architecture seems inconceivable. Therefore, for now at least, Southeast Asia should pursue its own formula, like the ARF, and Northeast Asia should seek its own formula such as the institutionalization of the Six Party Talks. Up until very recently, countries in Northeast Asia had a hard time even talking to each other and therefore relied on using the ARF. However, if possible, countries in Northeast Asia should seek their own formula, such as the Six Party formula, so as to aid in the development of regional security architecture.

PEAR: *In 2012, there will be major elections taking place in the US, China and South Korea. Also, Russia recently had an election, which Vladimir Putin won. What effect will these elections have on politics in Asia?*

Professor Moon: It all depends on the coalitional configurations that result following each country’s respective elections.

If Obama wins in America and Ahn Cheol-soo, Moon Jae-in or any other liberal wins in South Korea, and if Xi Jinping pursues a more open and liberal policy in China along with Kim Jong-un opting for Chinese-style economic reform, we will have a liberal coalition. Putin, too, will choose a more liberal option if all other major actors are doing the same – and this will be a sign of good things to come for the region. There will be less tension, more cooperation and an overall positive outlook for Northeast Asia.

But suppose we wind up with what I call the scenario of “conservative clashes:” Romney wins the election in the US, Pak Geun-hye wins here, and Xi Jinping pursues more conservative policies, which, for China, is a very real

possibility. People in China talk about how Mao Zedong consolidated political power, Deng Xiaoping consolidated economic power and now it is time for China's next leader – Xi Jinping – to consolidate military power. If Xi Jinping pursues this route, along with Kim Jung-un continuing a policy of military-first politics, then we will have quite a nightmarish situation in the region. Because such development is most likely to foster a new divide between the Northern axis (China, Russia, and North Korea) and the Southern axis (US, Japan, and South Korea). In reality, we will probably wind up somewhere between the two scenarios. In any case, it is not certain that all these democratic changes in Northeast Asia will be good for the geopolitical situation in 2013 and after.

One positive development is the stance of Park Geun-hye. In her Foreign Affairs article, she pledged to a more balanced diplomacy, with an emphasis on improving ties with North Korea. Thus, overall situation on the Korean peninsula could be better than that during the Lee Myung-bak government.

PEAR: *Do you foresee a Sunshine Policy 2.0 forthcoming, regardless of whether a conservative or liberal candidate is elected?*

Professor Moon: I would label it as Engagement 2.0 rather than Sunshine Policy 2.0. The term Sunshine Policy is a kind of President Kim Dae-jung's invention. Meanwhile, engagement is a generic term to describe a policy on North Korea that emphasizes recognition, dialogue, reconciliation and cooperation. My book, "Sunshine Policy: In Defense of Engagement as a Path to Peace in Korea," will be published in late April by Yonsei University Press. As I argue in my book, there is no other alternative but to pursue engagement, be it hawk, dove, or something else. How can we solve the current issues without engaging with North Korea? I really do not think war can be an option. Sanctions have been imposed on North Korea since the end of the Korean War in 1953, but they were not effective.

PEAR: *Many believe that before Korean unification can even be considered, the North Korean economy must first be developed to a level comparable to other developed or developing countries. How should policymakers in the United States and South Korea approach Kim Jong-un's regime in order to promote economic growth in North Korea?*

Professor Moon: I fully agree with you. We can discuss about peaceful unification without first leveling up the North Korean economy. This is even applied to the case of unification by absorption. The North Korean economy must be revitalized and leveled-up. To make it possible, we should work hard to create an environment that can be favorable to North Korea's opening and reform, as China experienced in 1979. If we look to China as a model, lessons can be drawn. First, the normalization of diplomatic relations with the US in 1979 removed external security concerns that impeded economic opening and reform.

Vietnam also serves as a model to emulate. The economic reform policies known as *doi moi* ("reform and newness") was made possible primarily because of improving relations with the US. Improved relations with China also abetted this process of opening and reform. It is under this favorable external development that Vietnam could have expedited the process of opening and reform and achieved impressive economic growth.

PEAR: *What does détente with North Korea look like?*

Professor Moon: Using China and Vietnam as models, we can see that improving the external environment is a necessary prerequisite to North Korea's economic reform and growth. Thus, assuring security for the North Korean regime is the first step that must be taken in order to encourage the type of reform necessary for economic development. Without such a security guarantee, economic reform and growth is inconceivable.

PEAR: *Alongside fellow Yonsei professor John Delury, you have put forward the idea of security-plus-prosperity as a way of creating the conditions necessary for economic development in North Korea. Could you explain this concept?*

Professor Moon: North Korea is in a Catch-22. Its leadership is committed to the "military first politics" as a way of ensuring regime and national security. It was in this context that the North has been engaging in nuclear testing and missile launching. However, such moves have entailed negative consequences such as economic sanctions and international isolation, which have in turn worsened economic conditions in North Korea. But the new leadership in the North can-

not enhance its legitimacy without resolving its protracted economic hardship as well as deteriorating food and energy situation. In order to tackle economic problems, Kim Jong-un should get food, energy and economic assistance from the outside world. However, the US, South Korea and Japan are highly unlikely to provide such assistance unless the North makes substantive concessions in nuclear weapons and missiles. Thus, Kim Jong-un is currently facing the horn of dilemma.

The US and South Korea should help the North overcome the current dilemma by providing a favorable security environment, despite the rocket launch on April 13. In this regard, the US needs to rethink about its diplomatic normalization with North Korea. Recognizing and normalizing with North Korea does not cost anything. It is simply a matter of recognition. Use recognition as an incentive to make North Korea to abide by the September 19 Joint Statement, the February 13 Agreement, and even the February 29 Agreement, so that it can undertake concrete measures to dismantle its nuclear facilities, programs, materials and even weapons in a complete, verifiable and irreversible manner.

Yes, North Korea can cheat. But the threat of severing diplomatic ties will be a more effective tool than the promise of diplomatic normalization in return for denuclearization. In addition, some sort of deal regarding missiles should also be considered. In any case, the important thing to remember here is that North Korea will give up its nuclear weapons last, so it is important to start with the nuclear facilities and materials first. Under conditions of security guarantee and negotiated settlement, North Korea will go for opening and reform. This, then, will be followed by a massive influx of assistance to North Korea. Once reform begins and the market develops, there will be no way for North Korea to reverse the trend. Market will entail the expansion of civil society and the birth of middle class. All this can take place within five to six years after market opening.

Consider China, for example. Reforms started in China around 1979 and within ten years Tiananmen took place. The speed of social change could be much faster in North Korea, depending specifically on how North Korean society handles change. In any case, the main idea regarding security-plus-prosperity is this: there is a trade-off between prosperity and security. To foster prosperity we have to try to satisfy North Korea's security need first.

PEAR: *It has been a few months since the death of Kim Jong-il. What is your assessment of power transition in North Korea thus far? What is the main threat to Kim Jong-un's consolidation of power?*

Professor Moon: The situation in North Korea seems very stable. In order to make the succession process stable and successful, Kim Jong-un should satisfy four things: legitimacy, power, institutional consolidation and winning the hearts of the people.

Kim Jong-un is born with legitimacy, what the North Koreans call the Paektu bloodline. Being a grandson of Kim Il-sung and a son of Kim Jong-il gives Kim Jong-un an innate and uncontested legitimacy; no one in North Korea would challenge it. As far as power goes, Kim Jong-un has all the power necessary to consolidate his rule, augmented by three layers of support. The first layer is inner-circle support given to him by his immediate family members, including his aunt Kim Kyung-hee and her husband Jang Song-taek. Second is the Korean Workers' Party, which has been completely resuscitated to provide institutional support for Kim Jong-un. Finally, the complete and unified backing of him by the military, which since his ascension to power following his father's death, has indicated its unwavering loyalty to and support for the young leader. If one looks at the North Korean system, there is no conceivable threat to his power. So, as far as that goes, he is in good shape.

For institutional consolidation, Kim Jong-un was elected as the first Secretary of the Korea Workers' Party and Chairman of party's Central Military Committee at the 4th Workers Party Delegates' Conference on April 11. He was also elected as First Chairman of the National Defense Commission at the Supreme People's Congress, which was held on April 13. Kim Jong-un has thus completed the process of institutional consolidation over the party (first Secretary), the state (Chairman of the National Defense Commission) and the military (Supreme Commander, Chairman of both KWP's Central Military Committee and National Defense Commission).

As far as the first three conditions are concerned, I do not see any problems. The last condition, however, is much more difficult. Winning the hearts of the North Korean people can be achieved through strengthening the domestic economy and satisfying people's basic human needs. However, Kim Jong-un's ruling strategy so far may have been hurting more than helping the economy. The rocket launch on April 13 is a good example. As a result of the

happening, North Korea is currently facing tough sanction measures from international community. The US also decided to suspend food aid. North Korea will be further isolated. Thus, it will be harder for Kim Jong-un to win the hearts of the North Korean people.

Whatever domestic benefits he may reap by taking a non-conciliatory approach to negotiations with foreign powers may be offset by creating a situation that hurts the domestic economy. Playing tough with foreign powers, particularly the US and South Korea, has negative consequences for international assistance and foreign direct investment, which will hinder economic growth. It is extremely difficult for Kim Jong-un to both appease the military and satisfy the people concurrently.

I am not sure how long Kim Jong-un will be able to maintain this approach. The people will evaluate the legitimacy of Kim Jong-un based on three things: the provision of food, energy and the overall status of the economy. If he can address these three concerns of the people, then Kim Jong-un will have fully satisfied the fourth and most difficult requirement for power transition and will rule for quite some time. If not, sometime in the not-to-distant future, he may face a serious challenge from the bottom-up.

PEAR: *Do you think the recent politicization of the North Korean defector issue is a positive or negative development? In what ways should South Korea and the United States approach China about the legal status of North Korean defectors residing inside China?*

Professor Moon: I think it has two conflicting implications. It is positive in the sense that the campaign has publicized the plights of North Korean defectors in China. But it is negative in the sense that they will be facing much tougher environment in both China and North Korea. Whereas China will be taking much stringent measures in detecting and deporting North Korean defectors, North Korea will be intensifying border control that would make it harder for North Koreans to cross the China-DPRK border. I think quiet diplomacy is still the best method, if the concern is really about the human rights of North Korean defectors. Regarding the status of refugees, the more politicized the issue becomes, the less cooperative China will be.

A lot of people are claiming that as a result of pressure from South Korea and the US, China released the four North Korean defectors that had taken



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up political asylum in the South Korean embassy in Beijing for the last three years. I do not agree. It has more to do with the rocket issue than bending to international pressure. China will not be as harsh as South Korea and the US expect it to be. Beijing did not concede to pressure from Seoul or Washington. Instead it was more likely a move to save face for President Lee Myong-bak right before the parliamentary elections. Chinese politics is not as one-sided as it is often thought to be. Face-saving is a very important part of operational-logic in Chinese diplomacy. **PEAR**

