

# Risk and Threat Perception in the Indo-Pacific

## Republic of Korea

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Sang-Yoon Ma

The Catholic University of Korea



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## REPUBLIC OF KOREA

*The views expressed in this paper are those of the author and do not necessarily reflect the views or positions of any entity the author represents.*

### I. South Korea's Pressing Security Threats and Risks

Realism, the dominant international relations theory, posits that the politics among nations revolves around power. International politics is anarchic because there is no authority above the state and all states pursue survival as their primary goal. Hans Morgenthau, a prominent realist scholar, argued that states pursue their own national interests, which are defined in terms of power. According to Kenneth Waltz, another realist theorist, states act in response to and through methods that attempt to balance the power distribution among them.

Another realist approach, known as the "balance of threat" theory or "defensive realism," suggests that the balance of power is insufficient to explain state behavior, which is led by threat perceptions derived from this balance of power. In other words, even a strong state may not be perceived as a threat by its neighbors, depending on how unthreatening it seems. According to Stephen Walt, a theorist of the balance of threat, perceived threats determine states' behaviors, with opponents' power being only one determinant in their decisions. The threat level is also determined by aggregate national power, geographic proximity, offensive capabilities, and intentions. <sup>[1]</sup>

Determining the intent behind another country's external behavior is difficult because such assessments are based upon subjective judgment. Therefore, the offensive realist theory argues that threat perceptions should not be viewed as the primary driver of state behavior. In other words, as we cannot know another country's inner workings with certainty, we can only act in a way that responds to the apparent magnitude of its power which is arguably how states typically behave.

In addition, a range of other factors influences threat perceptions, including cultural and non-material factors, such as ideology and identity. A country's identity influences its definition of what constitutes vital national interests, while similarities or differences in identity with other countries can facilitate or hinder the communication and interactions with them.

To identify the greatest national security threats or risks faced by South Korea, it would be useful to first determine the components of South Korea's

[1] Stephen M. Walt, *The Origins of Alliances* (Ithaca: Cornell University Press, 1987).

identity and then identify what could seriously undermine that identity. From this perspective, it would then be possible to identify threats or risks based on South Korea’s three identities, as listed below.

First, South Korea is a divided country that has been at odds with the communist regime of North Korea for nearly 80 years, which threatens its security. Second, as a country with liberal democracy as the main principle of its internal political order, it must ensure that the international environment favors the maintenance of this principle. Therefore, maintaining a liberal international order is vital to South Korea. The weakening of that order and the resulting instability pose a risk and forces actively seeking to change that order are a threat, with China currently being the leading status quo changer. Third, as South Korea is a trading nation that relies on trade for economic survival, it needs a free international environment favorable for trade, and anything that hinders it is a security risk.

Recent South Korean public opinion polls have identified four main security threats or risks. As per Figure 1, according to a poll conducted in August 2024 by the East Asia Institute (EAI), South Korea’s leading private international affairs think-tank, the top threats facing South Korea are the North Korean nuclear and missile threat (51.1%), the US–China strategic competition and conflict (42.5%), the spread of protectionism and high-tech competition (39.7%), and climate change and environmental issues (51.2%).<sup>[2]</sup>

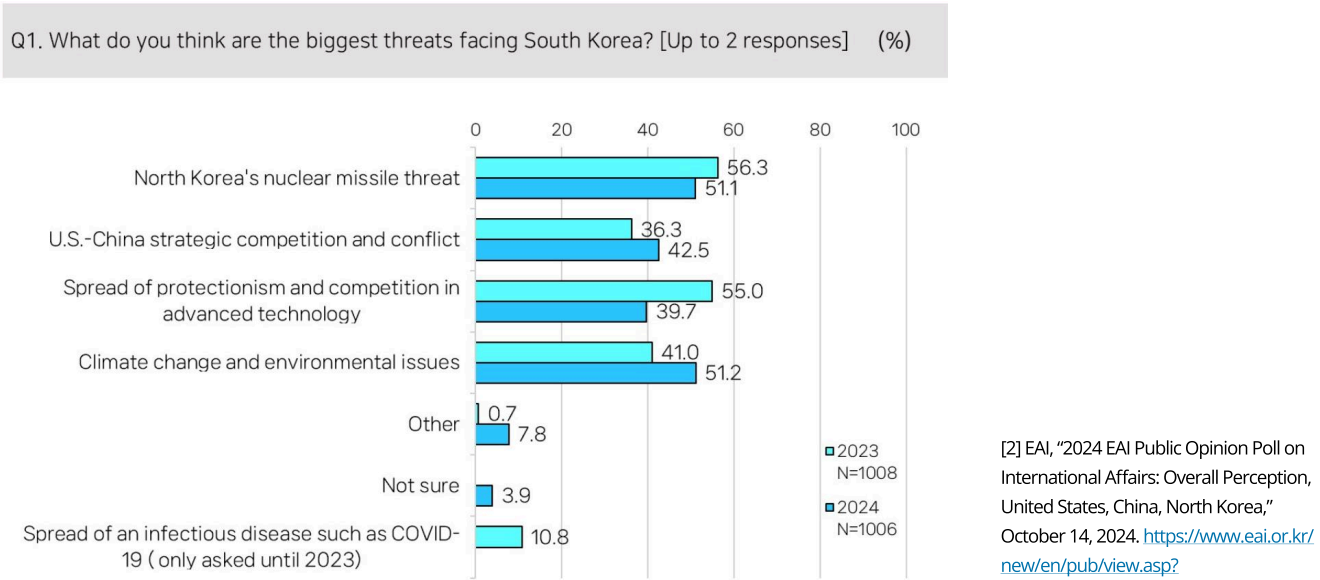


Figure 1. Threats to South Korea. Taken from: East Asia Institute.



The most significant security threat or risk is the military threat from North Korea. It attacked South Korea in 1950, triggering a war and, even after the 1953 armistice, continued to pose a military threat throughout the Cold War. Since the end of the Cold War, North Korea has developed nuclear weapons in earnest, with dozens of nuclear warheads and a variety of ballistic missiles to deliver them. North Korean authorities have admitted to the possible use of nuclear weapons and have identified North and South Korea as two separate and hostile states. Therefore, one of South Korea's main security challenges involves responding to the threat from a nuclear-armed North Korea.

Many different opinions exist within South Korean society regarding the responses to North Korean nuclear threats. At the risk of overgeneralization, progressives favor dialog and compromise, while conservatives favor a harder line; as South Korean politics have become increasingly polarized, North Korean policy has become an important dividing line between progressives and conservatives. As the policy toward North Korea has evolved into an increasingly important domestic political issue, it has also become significantly inflexible. Additionally, it is difficult to expect continuity in North Korean policy, as the South Korean presidential elections every five years have tended to change the government's policy toward North Korea.

Despite these partisan differences between conservative and progressive views on North Korea policy, little variance exists in the perception of North Korea's nuclear programs as a significant threat to South Korea. Whereas South Korea has some pro-North Korean elements that may not view North Korea's nuclear program as a threat, it would be a stretch for conservatives to posit that those who advocate dialog and compromise with North Korea are pro-North. Dialog and compromise are ways to address the existing North Korean nuclear threats but are meaningless if the North Korean nuclear threat is not deterred. However, without dialog and compromise, the goal of denuclearizing North Korea will be difficult to achieve.

Identifying the secondary and tertiary threats or risks to the North Korean nuclear threat is difficult as well. Other threats or risks may have not been recognized and addressed, perhaps because South Korea's security has focused on the single threat posed by North Korea for so long. It is thus unclear whether anything else outside the North Korean threat is a certain threat or risk.

However, if we use South Korea's national identity as a benchmark, the secondary threat or risk is the rise of China and the resulting destabilization of the international order in the region. On the one hand, if viewed as a threat, this issue emphasizes the need for vigilance in relation to China's foreign behavior and intentions. On the other hand, if the US-China rivalry

and regional instability that has emerged due to China's rise are emphasized, the situation can be perceived as a risk rather than a threat. In other words, in this case, the risk is not posed by China's actions and intentions per se but by the structure of the US-China rivalry.

South Korea's security perception is a combination of the above issues. Since China's "THAAD (terminal high-altitude area defense) retaliation" in 2016 and the COVID-19 pandemic, South Koreans have increasingly perceived China as a threat, with increasingly negative perceptions. Moreover, South Korea holds the widely accepted view that a US-China hegemonic rivalry exists, contesting China's rise and the US efforts to contain it. On this issue, South Korean public opinion leans heavily toward the United States, which South Koreans perceive as the friendliest country.

However, few believe that China's rising power will be aimed at South Korea. In terms of economic relations, China's developing manufacturing industry, increasing labor wages, and Communist Party's tightening control over the market have made investing in China and entering the Chinese market much less attractive. Nevertheless, South Korea perceives that it is still necessary to maintain economic relations with China. The increase in the intermediate goods imports from China has also contributed to this perception. In the diplomatic sphere, expectations exist that China can exert political leverage over North Korea, either to denuclearize the country or curb North Korea's provocative behavior.

The South Korean government's policies toward China reflect this perception as well as the realistic need for relationships with China. Hence, South Korea's Indo-Pacific strategy can be used as a case study. Following the announcement of the United States and other major countries' Indo-Pacific strategies or policy initiatives since 2017, there were calls both within and outside the South Korean government to develop an Indo-Pacific strategy. However, the Moon Jae In government was reluctant to cooperate with United States' Indo-Pacific strategy because of concerns that it would provoke China. Subsequently, South Korea responded by cooperating with the United States under the New Southern Policy, promoted since the beginning of the Moon administration. However, this policy emphasized economic and sociocultural cooperation with India and the ASEAN countries and minimized security-related activities.

The Yoon Suk Yeol government came to power in 2022 and released its Indo-Pacific Strategy Report in December 2022 to align itself with the United States much more aggressively than its predecessor. However, the report focused on maintaining stability and peace in the Indo-Pacific region. While this indirectly implied that South Korea opposed China's attempts to change the regional status quo, it did not publicly identify China as a threat to South

Korean security, nor did it state that South Korea would strategically counter China. Rather, the report left room for maintaining and enhancing the relations with China by emphasizing inclusiveness in the Indo-Pacific as one of the three principles of cooperation, along with trust and reciprocity.

[3]

Economic security was the third most important security risk factor, although it is a relatively new concept. Until recently, the economy was perceived as separate from security. However, the realization that this separation can no longer be taken for granted and may not even be possible in the future has shifted the perceptions of the economy as a security issue.

As South Korea has limited natural resources and depends on trade, it has built its economic wealth by importing almost all raw materials and energy resources, processing them into value-added products, and exporting them. This implies that South Korea depends not only on international activities for economic survival but also on its economy, which is vulnerable to fluctuations in the international order.<sup>[4]</sup>

This order has recently entered a volatile transition period, with many factors at play. Among them, the intensified US-China rivalry is an important driver of change. The trade war between the two countries began with the imposition of tariffs and is an expression of protectionism that undermines the free trade norms and principles that are at the foundation of South Korea's economic prosperity. Additionally, the United States has pursued strict public export controls, technology leakage regulations in high-tech sectors, and subsidies that discriminate against products using Chinese materials.

As these policies have created unprecedented challenges for South Korea's manufacturing industry, it developed closer ties with China. For example, the semiconductor and automobile industries—among many others—are critical to the South Korean economy. Various geopolitical variables have made it difficult to maintain stability in export markets and supply chains, leading to losses in foreign investments. In the latter case, South Korean conglomerates have built and operated large-scale semiconductor factories in China and an automobile factory in Russia. However, the United States' policies of curbing the Chinese semiconductor industry and imposing sanctions on Russia following its invasion of Ukraine have quickly turned ambitious investments in China and Russia into mistakes.

Although these threats are dominant, other important ones exist as well. For example, the rapidly changing weather patterns due to climate change, population decline due to plummeting birth rates, and aging populations are not traditional security threats but pose serious challenges to community

[3] The Government of the Republic of Korea, "Strategy for a Free, Peaceful and Prosperous Indo-Pacific Region," December 28, 2022.

[4] Lowy Institute, "Asia Power Index," <https://power.lowyinstitute.org/countries/south-korea/#section-top>

survival. Of these, climate change is perceived as nearly on par with the North Korean nuclear threat in EAI's 2024 poll. While the extremely high temperatures in the summer of 2024 may have had a short-term impact on these results, a long-term trend also exists in the perception of this threat, with 41% of respondents citing climate change as a threat in 2023. Notably, the perception of climate change threats was particularly high among young people.

Political changes in major countries are also important risk factors. The United States 2024 presidential election is of particular concern. Although the race between Democratic candidate Harris and Republican candidate Trump seemed close, it ended with Trump's landslide victory. Trump promised to put "America first," signaling another foreign policy shift. We have already experienced a Trump presidency, but his return to power could create unprecedented changes. For example, a transactional approach can weaken alliances, as Trump has previously demonstrated. During his previous term, key advisors prevented him from implementing his policies. However, in his second administration, Trump seems decided to exclude those who oppose his wishes, appointing people who agree with his key positions.

The Biden administration sought to counter the rise of China by forging new partnerships with its allies and other security partners. This starkly contrasts with the United States' past attempts to lead the world order independently. Especially in Asia, the Biden administration has built a network of cooperative alliances in the newly renamed Indo-Pacific region. While the "hub-and-spokes" system established during the Cold War consisted of multiple bilateral relationships between the United States and other countries in the region, the new system promoted by the United States attempted to create a lattice-like network by activating the connectivity of the United States and its allies as well as these allies' connectivity with each other.

As part of this attempt, the trilateral cooperation between South Korea, the United States, and Japan was also strengthened. In August 2023, a ROK-US-Japan Summit was held at Camp David, US president's vacation home. This summit, which ultimately strengthened trilateral cooperation, was the result of direct and indirect pressure from the Biden administration. Therefore, the United States' future interests and efforts will affect trilateral cooperation.

As the Trump administration hoped for cooperation between Korea, Japan, and the United States, this would likely continue, as expressed by Robert O'Brian, Trump's former National Security Advisor. However, if Trump will criticize allies for not paying enough for their security and demand a sharp increase in defense spending and defense burden sharing, America's

relationships with South Korea and Japan could quickly become uncomfortable. In this case, South Korea and Japan could theoretically become closer as the trust in the United States' security provisions erodes.

However, if Trump's alliance policies negatively affect the countries' relations with key allies, such as South Korea and Japan, it is not easy to envision how the momentum of the Korea-US-Japan cooperation will evolve.

In any case, United States' changing political landscape remains fundamentally problematic. First, the United States has become significantly more politically polarized, reducing its policy stability. Specifically, when the party in power changes, policies change dramatically. While it is natural for a change in administration to create policy changes, the amplitude of these changes has become excessive compared to the past. If extreme policies are pursued without reasonable convergence, the likelihood of policy failure increases, making it difficult to ensure continuity.

Second, populism has also become an issue in American politics. In particular, the American middle class's decline due to globalization has provided fertile ground for populism. The benefits of globalization have largely accrued to the educated elite, while the low-skilled working class has been victimized. Their grievances led to a rising nationalism and isolationism, and Trump has been gaining political support by appealing to these sentiments through his "America First" platform. Even after Trump's second term, the fertile ground for populism and the politicians who capitalize on it will endure, with profound implications for US foreign relations.

If the United States continues to neglect its role in maintaining and improving the liberal world order, the world will become like a garden without a gardener—quickly devolving into a jungle. A weakening of the liberal order significantly challenges the survival and prosperity of middle powers such as South Korea, as they are the primary beneficiaries of this order.

## II. Analysis of the Top Three Security Issues

### 2.1 North Korea's Nuclear Threat

The most direct and current security threat facing South Korea is undoubtedly the military threat from North Korea, specifically the threat of a nuclear attack. North Korea has been working to develop nuclear weapons and is believed to have dozens of nuclear warheads at present and the means to deliver them through various missile developments.

North Korea's history of nuclear development dates to the 1950s but is believed to have begun in earnest in the wake of the breakdown of its alliances with former Communist countries when the Cold War ended. As North Korea conducted its first nuclear test in 2006 and the sixth in 2017, its ability to produce nuclear weapons is generally unquestioned. However, as it has recently developed a new modular nuclear warhead, the possibility of a seventh nuclear test continues to increase.

Although North Korea initially relied on plutonium extractions through nuclear fuel reprocessing to build its nuclear arsenal, it appears to have progressed to the production of highly enriched uranium. Specifically, it operates a large-scale uranium enrichment facility in what is believed to be the Kangseon region, near Pyongyang, with recently released photos of leader Kim Jong Un visiting the facility and providing guidance. Currently, North Korea is believed to have at least two dozen nuclear weapons and the continued operation of its uranium enrichment facilities increases its nuclear arsenal.

North Korea is also committed to developing delivery systems capable of carrying nuclear warheads, with a focus on missile development. It has already developed short- and intermediate-range ballistic missiles and is working on long-range, intercontinental ballistic missiles. North Korea has not yet acquired the technology for re-entering the atmosphere. However, given its alarming progress in missile technology, it may only be a matter of time before it does. North Korea has also developed a variety of other nuclear delivery systems, including Iskandar-type and other cruise missiles and multiple massive rocket launchers with guidance capabilities. It has also attempted to develop submarine-launched ballistic missiles (SLBMs). To do so, it has been developing new, larger submarines than its existing Romeo-class, as well as cold-launch technology to launch missiles underwater.



North Korea's ultra-large multiple rocket launchers (MRLs) and short- and intermediate-range missiles can already reach the entire Korean Peninsula and are believed to have a range as far away as the US territory of Guam. As such, they could harm not only South Korea and the US forces in Korea but also the US forces in Japan or Guam, which could be deployed to South Korea. While North Korea has not yet successfully developed and fielded SLBMs or intercontinental ballistic missiles (ICBMs), it continues to work on them. If successful, these efforts would enable North Korea to launch a surprise nuclear strike against the United States.

The recent strengthening of the relations and cooperation between North Korea and Russia is noteworthy. When Russia's protracted war with Ukraine decimated its supply of artillery shells, it turned to North Korea. In 2023, North Korean leader Kim Jong Un visited Russia's Far East and held a summit with Russian President Putin; in 2024, Putin visited Pyongyang and co-signed a mutual defense treaty between the two countries. Russia reportedly provides food and other aid to North Korea in exchange for munition support. However, North Korea is not content to stop there and desires Russian technology to develop weaponry. It is unclear whether such transfers have actually occurred, and it is possible that Russia is reluctant to transfer advanced technologies to North Korea. However, if North Korea's relationship with Russia continues to develop and advanced weapons technology transfers occur, this could mark a major step forward in the development of North Korea's nuclear capabilities.

While this development does not represent a direct military threat to South Korea, it represents a threat to the United States and could test the United States' commitment to defending South Korea as its ally. Further, the latter relies on the United States as an extended deterrent to North Korea's nuclear threat. In other words, North Korea has been deterred from launching a nuclear attack on South Korea because of the certainty that the United States would retaliate with a nuclear strike on North Korea.

If Pyongyang were to acquire the capability to strike the US mainland with a nuclear weapon, this would undermine the credibility of United States' extended deterrence. This is a serious concern for South Korea. That is, even if North Korea attacks South Korea, the United States may not launch a retaliatory strike against North Korea for fear of its mainland being hit by a North Korean nuclear strike. This concern has led some in South Korea to question the reliability of United States' extended deterrence; it has also caused some to argue that South Korea should develop its nuclear arsenal rather than rely on the US nuclear umbrella.

The nuclear threat perceived by South Korea has increased as North Korea has not only advanced its nuclear weapons capabilities but also issued doctrines

on nuclear use. In September 2022, the Supreme People's Assembly of the DPRK adopted the decree "On the State Policy on the Nuclear Forces." This 11-article decree specifies the purpose of nuclear weapons, composition of the nuclear force, command and control options, conditions for using nuclear weapons, negative security assurances, and non-proliferation obligations. Article 6 states that the DPRK may preemptively use nuclear weapons under the following circumstances:

*"In case an attack by nuclear weapons or other weapons of mass destruction was launched or drew near is judged.*

*In case a nuclear or non-nuclear attack by hostile forces on the state leadership and the command organization of the state's nuclear forces was launched or drew near is judged.*

*In case a fatal military attack against important strategic objects of the state was launched or drew near is judged.*

*In case the need for operation for preventing the expansion and protraction of a war and taking the initiative in the war in contingency is inevitably raised.*

*In other case an inevitable situation in which it is compelled to correspond with catastrophic crisis to the existence of the state and safety of the people by only nuclear weapons is created."*<sup>[5]</sup>

North Korea has clarified that it can respond to any conventional attack using nuclear weapons, as such weapons can be used when attacks are imminent. North Korea has demonstrated a highly aggressive nuclear doctrine that has left the door open to the use of nuclear weapons since the earliest stages of conflict. It has also ensured security by adopting an aggressive nuclear posture.

In March 2024, North Korea abandoned its previous nationalist unification line and discourse by defining North and South Korea as hostile states. It also reorganized the organizations and institutions of inter-Korean affairs, such as the National Committee for Peace and Reunification. As such, it no longer perceives South Korea as a body to be unified and will address it as any other country in the future.

As North Korea no longer perceives South Korea as a target for reunification, a policy change could be considered a positive development if it were willing to pursue a peaceful coexistence with other countries. However, North Korea still perceives South Korea as hostile.

[5] KCNA Watch, "Law on DPRK's Policy on Nuclear Forces Promulgated," September 9, 2022. <https://kcnawatch.xyz/newstream/1662687258-950776986/law-on-dprks-policy-on-nuclear-forces-promulgated/>



Therefore, North Korea's new policy toward South Korea does not express its intent to promote the mutual coexistence and dialog with South Korea; rather, the emphasis is on defining South Korea as an adversary that intensifies confrontation. This shift in policy and discourse indicates that, as its power gap with South Korea has widened, North Korea has become defensive and now declares internally and externally a clear break from South Korea. However, the fact that North Korea intensified its hostile policies toward South Korea signifies that the North Korean threat has grown.

Naturally, South Korea's perception of North Korea is neither static nor monolithic. While the consensus is that the threat from North Korea has escalated, the conservatives and progressives hold different views on the matter. Consequently, the policy toward North Korea may change when the administration changes between conservative and progressive parties. Conservatives point to North Korea's continued nuclear development and aggressive policies toward South Korea as the causes of this threat. By contrast, the progressive forces assume that South Korea's hardline policy toward North Korea with hostile intent has led to North Korea's similar response to South Korea.

For example, Yoon government's first Defense White Paper, published in February 2023, clearly identified North Korea as an enemy:

*"The Charter of the Workers' Party was amended in 2021 to explicitly state the goal of unifying the entire Korean Peninsula under communist rule. During the Plenary Session of the Central Committee, held in December 2022, the North Korean leadership declared the Republic of Korea as an 'unquestionable enemy.' North Korea's refusal to abandon its nuclear program and relentless military threats make both its regime and military enemies of the Republic of Korea."<sup>[6]</sup>*

The resurgence after six years of the argument that North Korea is the primary adversary reflects a change in the policy toward North Korea compared to the previous Moon government. The Defense White Paper published under this government discarded the idea of North Korea as an enemy.<sup>[7]</sup> Former President Moon recently criticized the Yoon government in a keynote speech at the Jeonam Peace Conference, held to mark the sixth anniversary of the September 19 Pyongyang Joint Declaration, stating that the Yoon government had undermined the previous government's efforts to build trust and dialog with North Korea by demonstrating its intention to absorb North Korea for reunification.<sup>[8]</sup>

[6] Ministry of National Defense, Republic of Korea, "2022 Defense White Paper," February 2023, p. 39. [https://www.mnd.go.kr/user/mndEN/upload/pblictv/PBLICTNEBOOK\\_202307280406019810.pdf](https://www.mnd.go.kr/user/mndEN/upload/pblictv/PBLICTNEBOOK_202307280406019810.pdf)

[7] Kwon Hyuk-chul, "S. Korea's First Defense White Paper under Yoon Defines N. Korea as 'Enemy,'" Hankyoreh, February 17, 2023. [https://english.hani.co.kr/arti/english\\_edition/e\\_national/1080174.html](https://english.hani.co.kr/arti/english_edition/e_national/1080174.html)

[8] SBS News, "Moon Jae-in Criticizes Government's North Korea Policy...Past Governments' Efforts Are Wasted," September 20, 2024. [https://news.sbs.co.kr/news/endPage.do?news\\_id=N1007806318#close&plink=CO\\_PYPASTE&cooper=SBSNEWSEND](https://news.sbs.co.kr/news/endPage.do?news_id=N1007806318#close&plink=CO_PYPASTE&cooper=SBSNEWSEND)

## 2.2 China's Rise and Regional Instability

The second most important security issue faced by South Korea involves China's rise and the resulting destabilization of the regional order from South Korea's security perspective, China's ascent is both a threat and a risk but is not easy to categorize it as either. Perceptions are mixed, China being perceived as either a threat, risk, or opportunity.

China provided an economic opportunity for South Korea after the Cold War ended. Specifically, it intervened militarily during the Korean War in 1950 and fought directly against the South Korean armed forces. China's intervention shattered any dream of reunification. Throughout the Cold War, Communist China was South Korea's adversary. As the 1970s saw a détente between the United States and China in international affairs, South Korea sought to improve its relations with China as North Korea's communist ally, which was a diplomatic victory over North Korea. In the early 1990s, when the Cold War system was dismantled, South Korea actively pursued Nordpolitik and successfully established diplomatic relations with China in 1992. China, which has been undergoing reforms since 1979, including introducing a market economy, was eager to learn about the secrets of South Korea's economic growth and expand its economic exchanges. Many South Korean companies have entered China's vast market, invested in China, and sold their products in the global market. South Korea benefited economically as China became the "factory of the world" and experienced rapid economic growth.

South Korea's relationship with China is also important in terms of its policy toward North Korea. After the first North Korean nuclear crisis, when North Korea withdrew from the Nuclear Non-Proliferation Treaty in March 1993, China played an important role in the international efforts to halt North Korea's nuclear program because of the close and complex political and economic ties between them. Since the six-party talks began in 2003 to address the North Korean nuclear issue, China has made its presence felt in diplomatic efforts to deal with the North Korean nuclear issue by convening meetings and acting as a mediator.

South Korea's emphasis on cooperation with China, both in terms of economic ties and North Korean policy, is evidenced by President Park Geun-hye attendance at China's Victory Day military parade in Beijing's Tiananmen Square on September 3, 2015. Park attended the ceremony alongside President Xi Jinping and Russian President Vladimir Putin, which came as a shock to the West, including the United States. However, Park mentioned that China had requested her attendance months before the event and that the South Korean government had to carefully consider whether to attend to continue cooperation with China on economic and nuclear

issues, as “At that time, the relationship between China and North Korea was gradually growing distant and cracks were appearing,” she said, emphasizing that “attending the festival was part of the process of expanding the space for cooperation with China” and that she “still does not regret that decision.”<sup>[9]</sup>

Although the South Korea–China relations reached an apex when Park attended the Tiananmen Square ceremony, they rapidly deteriorated. South Korea was disappointed that China did not pressure North Korea to denuclearize. China took issue with the United States deployment of its THAAD system in South Korea, criticizing Seoul’s approval of the THAAD deployment. Deployment was meant to counter North Korea’s growing missile threat. However, China argued that the US military’s THAAD radar could seriously harm its security because it could place China in its detection range. In June 2016, China performed an informal economic retaliation against South Korea. Chinese travelers stopped visiting South Korea, exchange programs were suspended, and various informal restrictions on South Korean companies in China were tightened, sometimes leading to their withdrawal. In South Korea, China’s actions became known as the “THAAD retaliation.”

This retaliation significantly changed South Korea’s perceptions of China. As Figure 2 shows, a Pew Research Center poll indicated that South Koreans had a relatively positive attitude toward China in 2015, with only 37% having a negative view. However, since 2017, the South Korean attitude toward China has become sharply negative, with negative perceptions increasing by 61%.<sup>[10]</sup> It is easy to assume that China’s THAAD retaliation, which began in 2016, was the most decisive trigger for this change. The negative views of China increased again in 2020 and 2021 in the aftermath of COVID-19 to 75% and 77%, respectively, before dropping slightly to 71% according to a spring 2024 survey.<sup>[11]</sup>

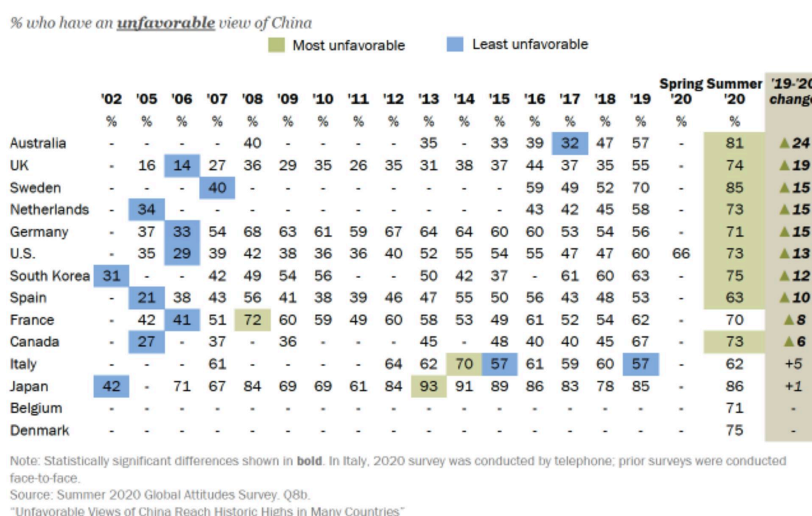


Figure 2. Increasingly negative evaluations of China. Taken from: The Pew Research Center.

[9] Yoo Seong-un, “Park, Xi Jinping, ‘Let’s Talk Separately... Prevented the Repatriation of North Korean Defectors [Park Geun-hye’s Memoir],” JoongAng Ilbo, November 29, 2023. <https://www.joongang.co.kr/article/25210934>

[10] Pew Research Center, “Unfavorable Views of China Reach Historic Highs in Many Countries Majorities Say China Has Handled COVID-19 Outbreak Poorly,” The Pew Research Center, October 6, 2020. <https://www.pewresearch.org/global/2020/10/06/unfavorable-views-of-china-reach-historic-highs-in-many-countries/>

[11] Pew Research Center, “Most People in 35 Countries Say China Has a Large Impact on Their National Economy,” The Pew Research Center, July 9, 2024. <https://www.pewresearch.org/global/2024/07/09/most-people-in-35-countries-say-china-has-a-large-impact-on-their-national-economy/>

This increasingly negative domestic public opinion was bound to affect South Korean government's policy toward China.<sup>[12]</sup> However, the content of these negative perceptions is important. There is no clear answer as to whether China is perceived as a direct threat to South Korea's national security.

Some South Korean security experts have argued that China's military buildup directly threatens South Korea's security. According to the Ministry of National Defense's 2020 report, titled "Activities of Major Foreign Military Vessels Near the Korean Peninsula in Recent Five Years," as of August 2020, Chinese warships have crossed the provisional equidistance line of South Korea's exclusive economic zone 910 times since 2016.<sup>[13]</sup> Further, Chinese and Russian naval vessels have been active in the East Sea and the two countries have also conducted joint naval exercises in the Sea of Okhotsk.

Critics interpret China's continuation of these illegal and threatening military provocations as being aimed at neutralizing the US–ROK alliance and the US Forces Korea (USFK), which are at the heart of China's last line of maritime defense. By doing so, China can effectively defend its littoral zones within the first island chain. As Beijing has calculated its defense to include countering US forces approaching its seas, the Chinese preparation for this contingency also increases China's threat to South Korea.<sup>[14]</sup>

However, other South Korean security experts do not share this threat perception. Advocates of the "balanced diplomacy" argue that China's military buildup is aimed at the United States, not South Korea and that South Korea should not rush to side with the United States regarding the US–China rivalry. Echoing these arguments, the opposition's political leader, Lee Jae-myung of the Democratic Party of Korea, sparked a political controversy on March 22, 2024, when he said, "Why do we pester China? Why don't we just say 'sheshe' to China and 'sheshe' to Taiwan?" He also said, "Why do we care about what happens to the Taiwan Strait or what happens to China and Taiwan's domestic affairs?" and "Should not we just live our lives?"<sup>[15]</sup> These comments do not suggest the perception of China as a threat but imply the need to improve ties with China. Some experts believe that, although China's economy is slowing down, it will continue to roll over in the long term. They also argue that China has expanded its presence and influence in the global south and that South Korea should not downplay its cooperation with China.

The Yoon Suk Yeol government's current policies indicate its heightened wariness regarding China. Since the beginning of his term, President Yoon has focused his diplomacy efforts on strengthening the alliance with the United States and improving the relations with Japan, a key US ally. In December 2022, the Yoon government released South Korea's Indo-Pacific Strategy, followed by an implementation plan the following year.<sup>[16]</sup>

[12] Gi-Wook Shin, Haley Gordon, & Hannah June Kim, "South Koreans Are Rethinking What China Means to Their Nation," The Freeman Spogli Institute for International Studies, Stanford University, February 8, 2022. [https://fsi.stanford.edu/news/south-koreans-are-rethinking-what-china-means-their-nation#\\_ftnref2](https://fsi.stanford.edu/news/south-koreans-are-rethinking-what-china-means-their-nation#_ftnref2)

[13] Kim Gwi-geun, "Chinese Warships Have Increased Their Activity in Waters Near the Korean Peninsula," Yonhap News, October 16, 2020. <https://www.yna.co.kr/view/AKR20201016074700504>. The MND report cited in this news article was not released to the public.

[14] Jo Moon-jung, "China Designates the West Sea as 'Inland Sea' to Nullify Korea's Territorial Sovereignty...Threat to China's Dream Becomes a Reality," New Daily, April 20, 2024. <https://www.newdaily.co.kr/site/data/html/2024/04/20/2024042000008.html>

[15] Kim Jin-myeong, "Lee Jae-myung Visits Dangiin: 'Why Are You Harping on China ... Just Say Sheshe,'" Chosun Ilbo, March 23, 2024. [https://www.chosun.com/politics/politics\\_general/2024/03/22/RDYKOEY2XJBDZIDCOFO4EDZIV/](https://www.chosun.com/politics/politics_general/2024/03/22/RDYKOEY2XJBDZIDCOFO4EDZIV/)

[16] The Government of the Republic of Korea, "Strategy"; The Government of the Republic of Korea, "The Action Plan for a Free, Peaceful, and Prosperous Indo-Pacific," December 2023. [https://www.mofa.go.kr/eng/wpge/m\\_26382/contents.do](https://www.mofa.go.kr/eng/wpge/m_26382/contents.do)

The publication of this strategy could be interpreted as a sign that South Korea will join efforts with the United States to contain China's aggressive foreign policy.

However, the South Korean government has denied that the Indo-Pacific Strategy intends to contain China, as no reports have asserted as much. Rather, South Korea's Indo-Pacific Strategy is based on three principles, one of which is inclusiveness; hence, the South Korean government views China as an object of vigilance and inclusion.

As Foreign Minister Cho Tae-yul recently referred to a "managed diplomacy" strategy toward China, South Korea's focus is on managing the relations between the two countries while recognizing the inherent risks. He said, "In relations with countries with different ideologies and systems, managed diplomacy is equally important to prevent possible crises in advance and to bring about practical cooperation in areas where it is possible," and also noted that "Managing our relations with China, in particular, is critical to our security and continued prosperity."<sup>[17]</sup>

On the one hand, given South Korea's geographical proximity and economic interdependence with China, an all-out confrontation with Beijing would significantly affect South Korean interests. On the other hand, there is no guarantee that China will not take another unilateral offensive step such as the 2016 "THAAD retaliation;" as such, South Korea cannot afford to let down its guard against the Chinese risk. These circumstances indicate a lack of trust toward China, which is linked to the anti-China sentiments in the South Korean public opinion. As a Stanford University study noted, South Korea's "anti-China sentiment can be seen as a criticism of China's cultural imperialism and illiberalism" and not as an immediate threat from China.<sup>[18]</sup>

These three types of perceptions regarding China are rather mixed. Sohn Yul—President of the East Asia Institute—considering the results of an August 2024 poll on South Koreans' security perceptions, stated that, "In general, South Koreans are in favor of standing with the United States, but they are quite reserved when it comes to issues involving China. In the fields of economics and science/technology, there is a strong fear that investment in China will shrink." Except for some experts, most South Koreans do not believe they face a direct military threat from China. Some in favor of "decoupling" from China view China as a "security competitor," similar to Washington and Tokyo, or in extreme cases, are driven by an anti-China sentiment. However, public opinion differs. Few South Koreans perceive a direct clash between South Korea and China in terms of security interests. They also want to keep South Korean-US-Japanese cooperation from influencing the economic relations with China.<sup>[19]</sup>

[17] Ministry of Foreign Affairs, "Foreign Ministry's Policy Advisory Council to Hold the 2024 Plenary Meeting," August 26, 2024. [www.mofa.go.kr/www/brd/m\\_4080/view.do?seq=375318](http://www.mofa.go.kr/www/brd/m_4080/view.do?seq=375318)

[18] Shin et al., "South Koreans are Rethinking."

[19] Park Hyun-joo & Jeong Yeong-gyo, "Korea, Do Not Confine Yourself to the US-China Competition Frame' Sohn Yul's Suggestion [Korea's Security, Ask the People]," JoongAng Ilbo, October 9, 2024. <https://www.joongang.co.kr/article/25283026>



## 2.3 Economic Security

The third issue is economic security. If the economic dependence between countries is used to pressure one country to achieve its political objectives or if a supply chain disruption causes problems in procurement, production, and transportation, a country's economy can be significantly affected. The same applies to protectionism by major countries for domestic, political, and diplomatic purposes. These issues surpass economic gain or loss, becoming a matter of economic survival and, therefore, are recognized as security risks.

South Korea is a trading country, that is, it relies on trade to maintain its economic survival and prosperity. Trade accounts for more than 70% of South Korea's GDP: its exports and imports reached 72.9% in 2020, 85.3% in 2021, and 102% in 2022.<sup>[20]</sup> Given this high dependence on trade, it is crucial for South Korea's economic survival that the domestic and international environments in which exports and imports occur remain stable.

Only recently has the economy been recognized as an object of security. As the economy is an important area of governance and the basic foundation of national power, it closely related to foreign affairs and security. Since the post-Cold War era, the economy has not been a major security concern; instead, the neoliberal consensus that economics should be separated from politics has been widely formed and internationally operationalized.

The principle of separation between politics and economics has provided a favorable environment for South Korea's stable economic growth in the post-Cold War globalization era. The principle that political relations between countries should not affect economic relations is the norm for both international relations and the global economy. Globalization, which began in earnest at the end of the Cold War with the 1991 collapse of the Soviet Union, expanded the scope of South Korea's economic activities. The principle of separation was maintained in the expanding liberal world order, as an important condition for the South Korean economy's expansion.

However, with the "return of geopolitics,"<sup>[21]</sup> it has become difficult to uphold this principle. The "weaponization of interdependence" refers to a new phenomenon, in which economic interdependence becomes a means of pressuring the other party.<sup>[22]</sup> China's THAAD retaliation is a prime example of the weaponization of interdependence that South Korea experienced, as well as Japan's 2019 export restrictions on materials for semiconductor manufacturing.

This pattern of economic retaliation is likely to continue in the future. China has continued to use economic pressure as a key tool in its foreign policy,

[20] National Index System, "Import/Export Ratio (% of GDP)," last updated June 27, 2024 <https://www.index.go.kr/unity/potal/indicator/IndexInfo.do?cdNo=2&clasCd=2&idxCd=4207&upCd=1> (in Korean)

[21] Walter Russell Mead, "The Return of Geopolitics: The Revenge of the Revisionist Powers," *Foreign Affairs*, May/June 2014. <https://www.foreignaffairs.com/articles/china/2014-04-17/return-geopolitics>

[22] Henry Farrell & Abraham L. Newman, "Weaponized Interdependence: How Global Economic Networks Shape State Coercion," *International Security* 44(1) (2019). [https://doi.org/10.1162/isec\\_a\\_00351](https://doi.org/10.1162/isec_a_00351)

even after its THAAD retaliation against South Korea. For example, when the Australian government called on China to investigate the source of the COVID-19 outbreak in 2020, Beijing responded by suspending the imports of Australian wine and coal, among other products. The United States has also begun to strictly enforce export control measures to prevent the flow of high technology to China. Although the World Trade Organization has a review system for resolving trade disputes between countries, this system no longer functions. The era of economic liberalism is over and the one of economic security has started.

Russia's attack on Ukraine in February 2022 led to international economic sanctions. Foreign companies investing in or conducting business in Russia have suffered significant losses. Additionally, instability in the Middle East has disrupted maritime transportation through the Suez Canal and Strait of Hormuz, causing logistics costs to skyrocket. Geopolitical changes have directly affected the economic activities of both countries and companies. Widespread concern also exists regarding military conflict in the Taiwan Strait due to China's attempt to unify by force. Such events are expected to have negative economic consequences, with economic security becoming increasingly significant.

Economic security has become prominent in view of the growing rivalry between the United States and China. The United States sees China's rise as a challenge to its hegemony. If China becomes a regional hegemonic power in Asia, which has emerged as the center of the global economy, it could challenge the United States' status as a global superpower. This perceived threat and concern about a rising China have been voiced in US security circles since the 2010s, but the US business community has prioritized maintaining the relations with China because of its interest in entering the Chinese market. Consequently, uneasy relationships emerged between the United States and China for some time, based on close economic ties but growing political distrust.

However, the US business community has become increasingly wary of China. Microsoft's withdrawal from the Chinese market and China's alleged currency manipulation, patent infringement, and technology theft from US companies that invested in China all changed the perceptions of the US business community. As such, the voices advocating for maintaining friendly relations with China have become significantly weaker.

During the previous Trump administration, the US-China policy significantly shifted. During his first year in office, President Trump had a positive relationship with Chinese President Xi Jinping, calling him a friend. In April 2017, he invited Xi Jinping to his Mar-a-Lago vacation home for a summit and traveled to Beijing in November. However, a trade war between the United States and China began the following year. In March 2018, President

Trump signed an executive order authorizing high tariffs on Chinese goods and, in July, the United States imposed an additional 25% tariff on more than 700 Chinese imports. China retaliated with a 25% tariff on US imports, after which the United States announced another 10% tariff on 6,031 Chinese goods. The US-China trade war was paused in December 2019 following an initial agreement between the two countries after extensive negotiations. In the meantime, the US policy toward China has taken a sharp turn.

As a result of the increased competition between the United States and China, the Korean economy has faced unprecedented challenges. South Korea has long realized its trade benefits by exporting intermediate goods to China and receiving cutting-edge science and technology from the United States, but this structure is no longer sustainable. South Korea's manufacturing sector has become highly integrated into the global supply chain and relies heavily on exporting certain items to China, such as semiconductors. For example, South Korea's reliance on exports to China was 26.8% in 2018, being greater than those to Japan (19.5%), Germany (7.1%), and France (4.2%). As the US-China trade war escalated, South Korea's exports to China declined by 9.8% from January to September 2019, the largest decline among the top 10 global trading partners. This decline was greater than those to the United Kingdom (-6.3%), Germany (-5.1%), Hong Kong (-4.6%), and Japan (-4.4%).<sup>[23]</sup>

The mutual distrust between the United States and China has extended to competition over advanced technologies, which also caused South Korea's economic woes. The first example is Huawei's 5G system. Since 2018, the United States has applied pressure to prevent using Chinese Huawei 5G equipment in the global cellular telecommunications equipment market, demanding that Huawei's equipment be banned after claiming that it had a backdoor issue that could leak information. Washington also highlighted that Huawei was directly or indirectly affiliated with the Chinese Communist Party (CCP), highlighting the possibility that data could be passed on to the CCP when using Huawei equipment. Concerns have also been raised that, as the market share of Chinese-made equipment increases, Chinese authorities will try to create norms governing information and data. LG U-Plus, which accounts for approximately 10% of the South Korean telecommunications market, has long used Huawei's telecommunications equipment and continued to use such equipment for its upgrade to 5G, becoming the target of direct pressure from the United States. While the South Korean government maintained that it should not intervene in private companies' decisions, a similar decision by the United Kingdom to stop using Huawei's 5G network equipment deepened South Korea's policy concerns.

The United States began using the Indo-Pacific concept in earnest in the fall

[23] Jo Hye-jin, "Korea Is Most Affected by the US-China Trade War," KBS News, December 10, 2019. <https://news.kbs.co.kr/news/pc/view/view.do?ncd=4340148>



of 2017. Previously, the United States used the term “Asia-Pacific.” Secretary of State Tillerson noted that, “India and the United States must foster greater prosperity and security with the aim of a free and open Indo-Pacific” in an October 2017 speech at the Center for Strategic and International Studies, a Washington think tank, marking the 70th anniversary of the establishment of diplomatic relations with India. He continued, “The Indo-Pacific, including the entire Indian Ocean, the Western Pacific, and the nations that surround them, will be the most consequential part of the globe in the 21st century.”<sup>[24]</sup> This is the first time a senior US policymaker has emphasized the Indo-Pacific.

Trump administration’s national security team began envisioning an Indo-Pacific strategy in late 2017. The “U.S. Strategic Framework for the Indo-Pacific” became the basis for United States’ Indo-Pacific strategy. According to this document, the primary focus of United States’ Indo-Pacific strategy is to maintain its strategic advantage in the region while preventing China from establishing a “new illiberal sphere of influence.”<sup>[25]</sup> The Trump administration formalized the Indo-Pacific concept by the Defense and State Departments releasing Indo-Pacific strategy reports. The existing Asia-Pacific Command was renamed the Indo-Pacific Command.

The Biden administration took office in 2021 and released its Indo-Pacific Strategy in February 2022.<sup>[26]</sup> While the Biden administration has taken a different policy direction from its predecessor in many areas, it has largely maintained the strategy of promoting a free and open Indo-Pacific.

However, the policy toward China has not changed significantly; even Trump administration’s tariffs on China remained in place. The Biden administration advocated the so-called “3Cs” policy of competing with and confronting China while simultaneously cooperating where needed, such as on climate change. However, cooperation has been weak and competition has intensified against China, which was defined as an adversary.

The Biden administration institutionalized competition with China in two ways. First, it networked with allies and partners through mini-lateral coalitions and used them as a platform to compete with China. The Biden administration prioritized the Quad, a quadrilateral grouping with Japan, Australia, and India re-established by the Trump administration, by holding annual summits. In 2021, the administration formed the AUKUS with the United Kingdom and Australia to build and deliver nuclear-powered submarines to Australia and pursue cooperation in other high-tech areas. In August 2023, South Korea, the United States, and Japan held a trilateral summit at Camp David as an important step toward trilateral cooperation, which had not previously occurred due to worsening Korea–Japan relationships. The United States also promoted the Indo-Pacific Economic Framework to lay the foundation for economic cooperation between

[24] Rex Tillerson, “Defining Our Relationship with India for the Next Century,” October 18, 2017. <https://www.csis.org/analysis/defining-our-relationship-india-next-century-address-us-secretary-state-rex-tillerson>

[25] The White House, “U.S. Strategic Framework for the Indo-Pacific,” <https://trumpwhitehouse.archives.gov/wp-content/uploads/2021/01/IPS-Final-Declass.pdf>. The document was released to the public on January 5, 2021, near the end of the Trump administration, under the signature of Robert C. O’Brien, the president’s national security advisor at the time. It does not specify when the document was written, but a February 2018 White House memo signed by National Security Advisor H.R. McMaster indicates that the contents of the Indo-Pacific Strategy document were agreed upon at the cabinet level by November 2017 and approved by Trump on February 2, 2018. “Cabinet Memorandum on the U.S. Strategic Framework for the Indo-Pacific,” February 15, 2018.

[26] The White House, “Indo-Pacific Strategy of the United States,” February 2022.

countries in the Indo-Pacific region.

Second, the United States has taken steps to control the imports and exports to China in high-tech and science-related fields through domestic legislation. For example, the Biden administration promoted the US semiconductor industry through the Chips and Science Act passed by Congress in October 2022. It has also continued to propose regulatory measures that broadly restricted the exports of advanced semiconductor equipment and artificial intelligence (AI) chips, among others, using US technologies to China. Moreover, the Inflation Reduction Act (IRA) promoted the electric vehicle industry. Measures have been taken to ban imports of Chinese-made batteries and batteries made with Chinese materials and components.

The US-China rivalry is sharpening in advanced science and technology fields, including semiconductors, AI, and quantum computing. This is because these technologies are key to the nation's future industrial competitiveness and their advanced military power. In this regard, the Biden administration's National Security Advisor Jake Sullivan has described a so-called "small yard, high fence" policy, which involves building a high "fence" with China in some cutting-edge technology areas such as semiconductors, AI, and quantum computing while allowing normal trade in others. However, the parameters of this "yard" are highly subjective and bound to be controversial.

The US-China competition over advanced technology heavily affects the South Korean economy. South Korea's industrial structure is heavily weighted toward semiconductors and automobiles, both key targets of the US-China competition. In 2021, President Biden ordered a 100-day supply chain investigation of semiconductors, batteries, rare earth materials, and biopharmaceuticals through Executive Order 14017. While two of South Korea's largest semiconductor companies, Samsung Electronics and SK Hynix, have built and operate large semiconductor factories in China, the US restrictions on importing the equipment needed for advanced processes have raised serious questions about the sustainability of their Chinese operations.

The United States also controls the batteries used in electric vehicles through its IRA legislation. South Korea depends heavily on China for its supply of rare earth elements and key minerals used in electric vehicle batteries, such as lithium, nickel, cobalt, and graphite. For example, cobalt, used as an anode material in battery manufacturing, is produced in Africa's Democratic Republic of the Congo, but China imports most of it, processes it, and sells it to the rest of the world. Therefore, South Korea will take a substantial hit if the United States controls the import of products containing rare minerals and rare earth materials from China.

Therefore, South Korea responded by seeking an exception or a moratorium on the US government's regulatory measures and diversifying its supply chain. In February 2023, the Ministry of Trade, Industry and Energy announced its "National Key Mineral Supply and Demand Crisis Response and Supply Chain Stabilization Plan" to reduce South Korea's dependence on the Chinese imports of strategic key minerals to 50% or less by 2030.

As the November 2024 presidential election in the United States approached, uncertainties on economic security fronts increased. Protectionism has increased considerably in the United States, raising the possibility of a trade war with China. The new administration will likely aggressively pursue "America First" policies. Additionally, the export control policies enacted by the Biden administration may be revoked or modified to remove existing moratoriums for detailed enforcement.

### III. South Korea's Indo-Pacific Strategy: Status and Prospects

#### 3.1 The Emergence of the Indo-Pacific Strategy

In December 2022, the South Korean government released its “Indo-Pacific Strategy of Freedom, Peace, and Prosperity.” It also announced its diplomatic ambitions to become a “global pivotal state.” A trilateral summit held in August 2022 at Camp David pledged to institutionalize the three countries’ cooperation in the Indo-Pacific region. Trilateral diplomatic and security consultations are expected to become a major component of the US-led Indo-Pacific mini-lateral groupings, along with the Quad and AUKUS.

This diplomatic move by the Yoon administration marked a notable change in the direction of South Korea’s foreign policy. This is especially true for the post-2017 period, when the Indo-Pacific debate was in full swing. The geopolitical concept of the Indo-Pacific entered South Korea’s foreign policy debate in earnest in the second half of 2017 and in 2018, when the United States Trump administration officially began to invoke the concept; the Indo-Pacific Strategy was born, and the existing Asia-Pacific Command changed to the Indo-Pacific Command.

This new strategic alignment occurred due to the need to counter the rising China, which had become more authoritarian at home and assertive in its foreign relations. The Indo-Pacific is a geopolitical concept that meets this strategic need. The United States hoped that the US–South Korean alliance would adjust its role according to these needs. However, Korea’s Moon administration rejected or had reservations about adjusting its alliance with the Indo-Pacific as a core concept. This was partly due to unfamiliarity with the geopolitical concept of the Indo-Pacific but, more fundamentally, due to two concerns about its relations with China. First, the shock of China’s THAAD retaliation against South Korea, following the United States’ deployment of its 2016 THAAD missile system, was still fresh in their minds. With China accounting for a large share of South Korea’s total trade (approximately 30%), South Koreans feared another round of economic retaliation from Beijing. Second, the Moon administration focused on its North Korean policy, labeled the “Korean Peninsula peace process,” and hoped for China’s cooperation in this regard, but worried that if it actively cooperated with the US-led Indo-Pacific strategy, China might push back and become less cooperative toward North Korea.

Rather than responding to United States’ request for an increased Indo-Pacific cooperation, South Korea chose to focus on the New Southern Policy.

As the New Southern Policy was designed to diversify economic relations by targeting Southeast Asia due to China's THAAD retaliation, cooperation in the security arena has been limited.

While South Korea has kept to the sidelines, the US-led Indo-Pacific mini-lateral network has rapidly expanded. Australia is a key player in this network. Specifically, bordering both the Indian and Pacific Oceans, Australia has been an active supporter of the Indo-Pacific concept since the publication of its 2017 Foreign Policy White Paper.

As a US-Japan-India-Australia quad-lateral meeting revived by the Trump administration, the Quad has been further developed by the Biden administration to become a summit-level meeting. The AUKUS, an Australia-UK-US alliance, is working on a project to provide Australia with nuclear-powered submarines and cooperation in advanced defense technologies.

Soon after its inauguration in May 2022, the Yoon administration began preparing a strategic report based on the geopolitical concept of the Indo-Pacific. The North America Bureau of the Ministry of Foreign Affairs was designated as the primary office in charge, although it was under the direction and supervision of the National Security Office of the President's Office. The fact that the North American Bureau was the lead office in preparing the strategy paper suggests that South Korea's Indo-Pacific strategy was strongly US-oriented. In other words, the willingness to resonate with and align with United States' Indo-Pacific strategy was the basic motivation for creating the strategy paper.

The 20th Presidential Transition Committee released a report titled "The 110 National Tasks of the Yoon Suk Yeol Government" shortly before the government's inauguration in May 2022. The "East Asian Diplomacy Based on Liberal Democratic Values and Common Interests" section proposed "expanding US-ROK cooperation for economic security [and] Indo-Pacific regional and global cooperation" as a policy goal. Notably, the term "Indo-Pacific" was not used during the previous administration and was introduced in the context of expanding US-South Korean cooperation, suggesting that strengthening ties with the United States was the primary focus of the Indo-Pacific concept.<sup>[27]</sup>

On November 11, 2022, as the Indo-Pacific Strategy Paper was finalized, President Yoon made the first public presentation of the South Korean version of the Indo-Pacific Strategy at the ROK-ASEAN Summit in Phnom Penh, Cambodia. In a joint statement after the November 13 South Korea-US-Japan trilateral summit, President Yoon also emphasized that "core values, such as freedom, human rights, and the rule of law, must be respected, and changes to the status quo by force must not be tolerated" and

[27] The 20th Presidential Transition Committee, "The 110 National Tasks of the Yoon Suk Yeol Government," May 3, 2022. [https://www.kier.re.kr/resources/download/tpp/policy\\_220503.pdf](https://www.kier.re.kr/resources/download/tpp/policy_220503.pdf) (in Korean). The report was revised and published two months later, in July 2022, as The 120 National Tasks of the Yoon Suk Yeol Government.

that “freedom of navigation and overflight in the South China Sea must be guaranteed under the principles of international law.” Yoon also expressed “strong opposition to unilateral attempts to change the status quo,” including “illegal maritime claims and militarization of reclaimed areas.” In other words, Yoon criticized China and clarified his support for United States’ position on the South China Sea issue.<sup>[28]</sup>

On December 28, 2022, The South Korean government announced its report, Strategy for a Free, Peaceful, and Prosperous Indo-Pacific.<sup>[29]</sup> Since the announcement of the Indo-Pacific strategy and South Korea’s commitment to cooperation in the region, South Korea’s role in the Indo-Pacific region has been highly anticipated. Why has South Korea shifted its policy toward embracing the Indo-Pacific concept?

As the Indo-Pacific Strategy Report emphasizes, stability and peace in the Indo-Pacific region are of national interest to South Korea as an open-trading nation and liberal democracy. However, this alone does not explain the above policy shifts. For example, South Korea’s maritime transportation constantly and highly depends on safety in the South China Sea, especially in the Strait of Malacca and the Taiwan Strait. The interpretations and perceptions of this fact have changed over time.

What has changed is, first, the perception of the content of the strategic cooperation with the United States. The Moon administration emphasized cooperation, but the emphasis was on dialog and cooperation with North Korea. By contrast, under the Yoon administration, the emphasis was on securing a deterrent to North Korea’s nuclear threats. A realistic judgment was made that denuclearization and peace are difficult to achieve through dialog with North Korea; hence, the priority policy goal became deterring North Korea’s existing nuclear threat. To this end, the South Korean administration emphasized the credibility of the US extended deterrence commitment and strengthened the US–South Korea alliance. Strengthening the alliance meant seeking strategic clarity, as opposed to the ambiguity that characterized South Korea’s position between Washington and Beijing.

Second, concerns exist regarding the possibility of diplomatic isolation, as South Korea was excluded from the United States’ active organization of a mini-lateral network in the Indo-Pacific region. The United States sought to maintain order in the region by working closely with its various allies and partners, and expected South Korea, as a major ally, to play a greater regional role. It also began to emphasize the regional role of the US–South Korea alliance. However, South Korea wanted to remain in an alliance centered on the Korean Peninsula, which fostered the sense of the “same bed, but different dreams” among the allies. To strengthen this alliance, it is necessary to restore coordination; South Korea’s Indo-Pacific strategy expresses its willingness to do so.

[28] Bae Ji-hyun, “President Yoon’s ‘Indo-Pacific Strategy’ Only Includes the US and Japan, No Asia,” Hankyoreh Shinmun, November 14, 2022. <https://www.hani.co.kr/arti/politics/defense/1067056.html>

[29] President of the Republic of Korea, “Yoon Administration Releases Final Report on ‘Indo-Pacific Strategy for Freedom, Peace, and Prosperity.’” <https://www.president.go.kr/newsroom/press/Hc81lhZw>



Third, South Korea's announcement of its Indo-Pacific strategy reflects its changing perception of China after the 2016 THAAD retaliation greatly increased the former's vigilance against the risks posed by the latter. Subsequently, China's aggressive foreign behavior and assertiveness have significantly deteriorated South Korea's public opinion of it. This trend has been particularly pronounced among the younger generations, significantly decreasing the number of students pursuing China-related university majors. This shift in public opinion has also affected policies indirectly. With the new public opinion, politicians no longer need to adhere to policies emphasizing the relations with China.

However, the fact that China remains an important investment and trade partner in South Korea's foreign economic relations has not changed either rapidly or much.<sup>[30]</sup> While South Korea's diversification of economic ties has been underway for years after China's THAAD retaliation and will continue to accelerate, a complete economic break from China is unlikely. Therefore, South Korea's Indo-Pacific strategy differs from the United States's in that the former does not characterize China as an adversary. It emphasizes that this is a strategy for freedom, peace, and prosperity in the region, not one to exclude and contain China. Hence, inclusiveness is considered as a cooperative principle of these strategies. The other principles are trust and reciprocity, emphasizing a relationship with China based on mutual respect.

### 3.2 Perspectives and Challenges for Korea

Since the release of South Korea's Indo-Pacific Strategy Report in December 2022, domestic and international expectations that South Korea's role in the Indo-Pacific region will significantly expand have increased. The Yoon government—led by the Bureau of Strategic Planning at the Ministry of Foreign Affairs—also prepared an action plan for the Indo-Pacific Strategy, announced in December 2023.<sup>[31]</sup> However, nearly two years after the release of the Indo-Pacific Strategy Report, there are mixed feelings that South Korea's role in the Indo-Pacific has not been as visible as expected. While the Indo-Pacific Strategy and Implementation Plan proposes an abstract strategic vision and goals, it does not detail what will be done, or how. To make South Korea's presence in the Indo-Pacific more visible, its navy would need to become proactive through such tasks as conducting Freedom of Navigation operations in the South China Sea, either on its own or with friendly nations, or announcing a plan for how South Korea would react in the event of a Taiwan contingency.

However, South Korea's constraints have hindered these actions. The first is naval power, as the South Korea Navy was primarily developed in response to North Korean threats. Although it aspires to become a "blue ocean" navy, it cannot currently achieve this aspiration.

[30] In 2023, trade with China was valued at USD 267.6 billion, making China South Korea's largest trading partner.

[31] The Government of the Republic of Korea, "The Action Plan."

The ROK Navy desired to acquire light aircraft carriers and nuclear-powered submarines, and the introduction of light carriers was actively discussed at one point during the Moon administration. Even though the government announced its Indo-Pacific strategy, South Korea's top defense priority remained to counter the threat from North Korea and its defense budget was allocated accordingly.

Another constraint hampered South Korea's relationship with China. While the Yoon administration often made strong and critical statements about China in its early years at the highest levels, including the president, its rhetoric has subsequently softened. China's posture toward South Korea has also softened, especially since the November 2023 US–China summit, under which the two countries agreed to compete but did not let the competition become catastrophic. The South Korean government has responded by managing its relationship with China, while promoting pragmatic cooperation wherever possible. In a visit to Singapore ahead of an ASEAN meeting, President Yoon delivered the Singapore Lecture, in which he emphasized the importance of a bilateral relationship with China: "China is a very important country for Korea in all areas, including security, economy, and investment."<sup>[32]</sup> Yoon also nominated his former chief of staff, Kim Dae Ki, to serve as ambassador to China, a move that some have interpreted as a way to send a "friendly message" to China for facilitating President Xi Jinping's visit to Gyeongju, Korea, for the Asia Pacific Economic Cooperation summit in 2025.<sup>[33]</sup>

However, these constraints do not make South Korea's Indo-Pacific strategy impossible. South Korea can still make several positive contributions to peace and stability in the Indo-Pacific region, which can be expanded further. First, it has contributed to maritime domain awareness. Many developing countries in the Indo-Pacific region lack the equipment, facilities, and capabilities to recognize what is occurring at sea, including ship movements. South Korea can support the capability expansion of regional countries; Japan is already actively providing such support.

Second, coast guard cooperation should be promoted. In the Indo-Pacific Ocean, especially in the South China Sea, China often uses gray-zone tactics to mobilize civilian ships rather than military vessels. To address this problem, coast guards must increase their capabilities. Support for increasing coast guards' capacity for countries in the region—especially those with maritime territorial disputes with China—is important and is something that South Korea can do well.

The third aspect involves cooperation for maintaining, repairing, and operating military vessels. While South Korea has world-class shipbuilding technologies and capabilities, the United States, the world's largest naval power, faces a declining shipbuilding industry. This has limited the latter's

[32] The President of the Republic of Korea, "The 47th Singapore Lecture by His Excellency Yoon Suk Yeol, President of the Republic of Korea," October 9, 2024. <https://www.iseas.edu.sg/events/singapore-lecture/the-47th-singapore-lecture-by-his-excellency-yoon-suk-yeol/>

[33] Park Tae-in, "Kim Dae-ki Nominated for Ambassador to China... 'Friendly Message to China, Which the President's Closest Aide Resented,'" JoongAng Ilbo, October 15, 2024. <https://www.joongang.co.kr/article/25284212>



ability to build, maintain, and repair advanced military vessels, even as China's naval power was significantly strengthened. South Korea, as an ally, can directly help maintain and repair US and friendly countries' military vessels, which is critical to balancing power and maintaining stability in the Indo-Pacific region.<sup>[34]</sup> Therefore, South Korea's contribution to and presence in this region could be enhanced if the government realigns its strategy.

[34] Jeon Nam-hyeok, "Maintenance Agreement with the US Navy... K Shipbuilding Enters the 20 Trillion Market in Full Swing," DongA Ilbo, July 23, 2024. <https://www.donga.com/news/Economy/article/all/20240722/126059466/2>; Louella Desiderio, "Cerberus, HD Hyundai to kickstart Subic Operations in 12-18 Months," The Philippine Star, May 16, 2024. <https://www.philstar.com/business/2024/05/16/2355369/cerberus-hd-hyundai-kickstart-subic-operations-12-18-months>