

# Background

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## South Korea's Mercurial Political Landscape

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South Korea faces a tumultuous future brought on by North Korea's growing nuclear threat, decreasing investor confidence in Seoul's commitment to economic reform, and resurgent fears of being "sandwiched" between China and Japan. National consensus over South Korea's role in northeast Asia, its policy toward North Korea, and the degree of desired societal transformation is hindered by generational, regional, and ideological divisions. South Korea stands on the cusp of great regional changes, but this uncertainty risks its further marginalization.

The presidential election of December 2007 is a battle for the soul of the nation and will set its strategic course for the next five years. With the progressive<sup>1</sup> movement on the threshold of shattering, the conservative opposition appears assured of electoral victory, but South Korean politics are known for their volatility and unpredictability.

Enduring political characteristics such as regionalism and generation-based ideological differences, combined with the large number of undecided voters, ensure that the presidential race will be closer than current polls suggest. Wild cards, such as North Korean behavior and President Roh Moo-hyun's propensity for high-risk political maneuvers, provide the potential for sudden and dramatic changes.

Although the conservative Grand National Party (GNP) will most likely win the presidential election, such a victory will not ensure policy changes to the degree expected by U.S. policymakers. Despite strong campaign rhetoric, underlying societal trends

### Talking Points

- A likely conservative victory in the December 2007 presidential election does not guarantee a dramatic shift in policy, despite policymakers' expectations. Underlying societal trends are causing more policy commonality among South Korean political parties than is generally recognized.
- The conservative Grand National Party softened its North Korean policy to appeal to the majority of the electorate that favors engaging with Pyongyang. A conservative president would maintain Seoul's outreach to North Korea, although with greater conditionality and demands for reciprocity from Pyongyang.
- U.S. policymakers should take advantage of a change in South Korean administrations to improve and transform the relationship. Washington and Seoul should also define the future of their military alliance.
- Washington should develop a broad-based coalition of government, business, and labor representatives to encourage South Korea's implementation of more extensive financial reforms to increase economic freedom and enhance investment.

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are causing more policy commonality among South Korean political parties than is generally recognized. Although the Roh administration's failures have discredited the ruling Uri Party, a significant portion of the voters still support some degree of progressive policies. Moreover, the Grand National Party has adopted some of its opponents' policies to fend off internal dissension and gain favor with the populace.

Regardless of which of the leading candidates is elected, the U.S. will face a new South Korean president more in favor of a free trade agreement (FTA) with the United States, improving Seoul's relationship with Washington, and maintaining the policy of engagement with North Korea. The most notable differences between a progressive and conservative candidate would be over the level of conditionality imposed on South Korea's outreach to the North, the degree of independence from the U.S. on foreign policy and bilateral military alliance issues, and receptivity to pro-market economic reforms and foreign direct investment.

U.S. policymakers need to understand that the new president will most likely pursue a generally centrist policy, although with distinct conservative or progressive characteristics. Washington therefore cannot presume South Korean acquiescence to U.S. policy objectives.

### The South Korean Political System

Several factors make South Korean politics highly volatile and unpredictable.

**Regionalism.** Political regionalism, referred to as Korea's "east-west conflict," remains the dominant factor in South Korean politics, despite efforts to reduce its significance. Political parties' support relies largely on core regional constituencies: The southwestern Jeolla provinces are traditional progressive strongholds, and the southeastern Kyongsan provinces are reliably conservative. However, to win nationwide elections, parties must reach beyond these regions to gain sufficient support. Political alliances are often calculated based on melding regional

support. The most critical swing regions are the Seoul city district and the Gyeonggi and Chungcheong Provinces in the center of the country.

Seoul and Gyeonggi are perceived as transient regions with less pronounced senses of regional identity due to the large influx of population in recent decades. Voter loyalty is often determined by ancestral home district. Seoul tends to favor the GNP, not necessarily for ideological reasons, but because Seoul voters have more education and are wealthier than voters in other districts and therefore more open to conservative fiscal ideas such as smaller government and lower taxes. Seoul and Gyeonggi residents were also angered by President Roh's real estate policies that targeted their districts and his plan to move the capital to Chungcheong Province.

**Ephemeral Political Parties.** South Korean political parties have an average life expectancy of only three years and generally are regionally based coalitions formed around a charismatic leader. As such, they lack distinctive party platforms and frequently dissolve to form new ones, often with little change from their predecessors. Lawmakers commonly switch party allegiances to improve their re-election potential.

Reflecting the Korean adage of "same bed, different dreams," ideological foes have formed short-term alliances to win presidential elections. In 1997, liberal Kim Dae-jung teamed with long-time conservative foe Kim Jong-pil of the United Liberal Democrats to win the election. Kim Dae-jung made a pact that, if elected, he would cede considerable power to Kim Jong-pil as prime minister, but he later reneged on the promise, and Kim Jong-pil broke with him in 2000.

**Generational Ideological Divisions.** The younger, more liberal "386 generation" increasingly dominates South Korean politics.<sup>2</sup> This generation grew up in a period of phenomenal South Korean economic success, resulting in a strong sense of national self-confidence.

1. South Korea's left-of-center political parties are commonly referred to as "progressive" rather than "liberal."
2. They are called this because they were in their 30s in the 1990s, attended college in the 1980s, and were born in the 1960s. In addition, the 386 computer chip was the predominant microprocessor at the time.

The 386ers do not share the older generation's gratitude for U.S. sacrifices during the Korean War and U.S. assistance in rebuilding the South's economy. Instead, they harbor conspiratorial views of U.S. support for Seoul's military dictatorial leaders, including the 1980 Gwangju incident when the South Korean military killed hundreds of pro-democracy protestors. This generation votes decisively for the Uri Party and forms its core support.

The 386ers have a more benign view of the North Korean threat, strongly desire eventual reunification with the North, and largely blame Washington rather than Pyongyang for tensions on the peninsula. As a result, the 386ers are increasingly willing to criticize U.S. policy and have a stronger interest in pursuing policies independent of Washington. This generation accounts for over 45 percent of the electorate, while more conservative voters in their 50s and 60s make up only 30 percent.

The student activists of the 386 generation negatively perceive capitalism as having created great social and economic disparities in South Korea. This led to initial support for President Roh's advocacy for societal transformation, including a more hostile attitude toward the *chaebol*, the large family-owned conglomerates such as Hyundai and Samsung that were the basis for South Korea's economic revitalization.

**The Younger Generation: More Conservative But Less Ideological.** A new generational striation is forming in the South Korean political spectrum that is an exception to the paradigm that younger equates to more progressive. This cohort of college students and recent graduates (early to mid-20s) does not yet have a generational nomenclature, although several have been proposed, including "X and Y generation" and "1929 generation" (ages 19–29). This post-386 generation remains in the formative stage, and one of its characteristics may indeed be that it does not develop a collective generational consciousness as did its predecessors.

The post-386 generation simultaneously rejects both the progressive, anti-capitalist, pro-North Korean

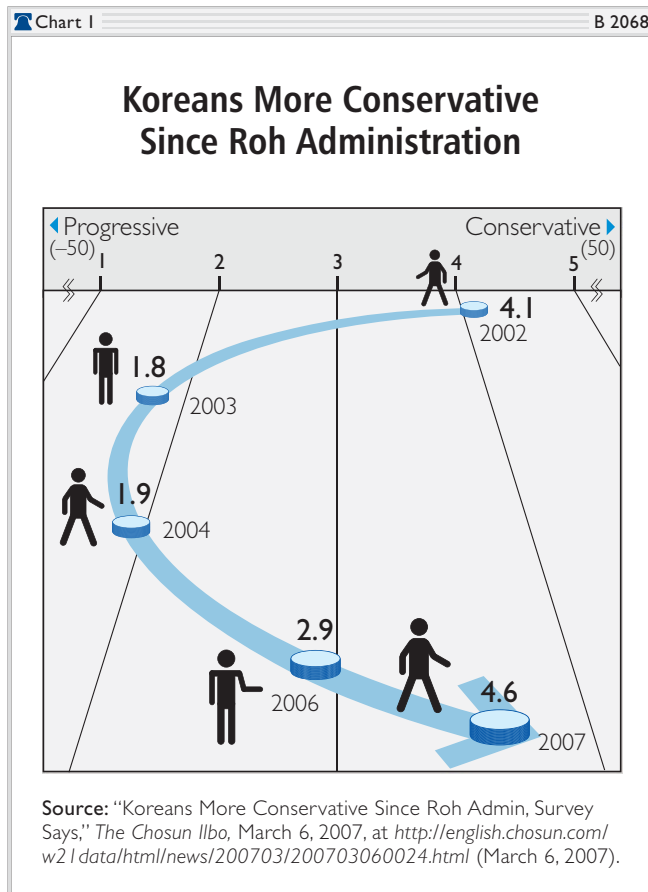
view of the 386 generation and the Cold War views and embrace of the United States that marked the older conservatives. Collectively, it is less ideological, less politicized, and more entrepreneurial. Its members are primarily focused on their financial futures, and when addressing political issues, they are more likely to vote on the merits rather than in accordance with party ideology. Less radicalized than its predecessor, the post-386 generation is more willing to criticize North Korea for its actions, including human rights violations. The shift is so prevalent that radical leftist student organizations have suffered dwindling membership, have been asked to leave college campuses, or have reoriented themselves toward pro-business pursuits.

**Convergence on the Political Center.** The South Korean electorate has, to some degree, abandoned the progressive tenets that swept Roh Moo-hyun into the presidency in 2002. The public's shift toward the political right has occurred even as the GNP has adopted some progressive policies, creating an overall convergence toward the center.

Polls show that progressive support peaked in 2003. A January 2007 poll by the Korean Social Science Center showed that the proportion of respondents identifying themselves as progressive rose from 36 percent in 1997 to 41 percent in 2002 but declined to 27 percent in January 2007. Self-identified conservatives went from 41 percent in 1997 down to 26 percent in 2002 but increased to 30 percent in 2007. The steady rise in moderates from 22 percent in 1997 to 32 percent in 2002 and 36 percent in 2007 reflects the movement away from the ends of the political spectrum toward the center.<sup>3</sup>

A series of Gallup Korea/*Chosun Ilbo* polls since 2003 also shows a shift away from progressive views, although remaining near the political center. Using a scale ranging from –50 for most progressive to +50 for most conservative, the averaged response went from 4.1 in 2002 before Roh Moo-hyun was elected to its left-most peak of 1.8 in 2003 and then returned to the right with scores of 1.9 in 2004 and 2.9 in 2007.<sup>4</sup> (See Chart 1.)

3. "Most Voters Say They're Middle of the Road," *The Chosun Ilbo*, January 29, 2007, at <http://english.chosun.com/w21data/html/news/200701/200701290027.html> (January 20, 2007).



A more detailed reading of these polls, along with a similar one by the Korea Social Science Data Center for the progressive *Hankyoreh*,<sup>5</sup> shows that South Koreans have become more conservative on foreign policy and economic issues while generally retaining progressive views on social issues. A majority of respondents supported conservative views such as greater conditionality in aid toward North Korea, retaining the National Security Law, and focusing on economic growth over income redistribution while also supporting progressive advocacy for raising taxes to increase subsidies to the poor and levying more taxes to curb real estate speculation.

Reflecting this shift in public attitude, the Uri Party and the GNP have narrowed their divergence on some policies, with the Uri Party adopting more pro-business initiatives and the GNP softening its stance toward engaging North Korea.<sup>6</sup> Of course, differences remain, most notably on the means of achieving economic objectives and the extent of government involvement in social issues.

**Mercurial Politics.** The South Korean political landscape remains unpredictable since a significant portion of the electorate—up to 25 percent in some polls—remains undecided on a political party and presidential candidate. Voter loyalty to any candidate appears weak, and public opinion could fluctuate in response to wild cards such as North Korean behavior. Pyongyang's actions will affect public perceptions of Roh's engagement policy. Accommodations by North Korea would improve Roh's approval ratings, while North Korean escalations or a breakdown in six-party talks would undermine domestic support for his policy.

Seoul announced on August 8 that President Roh would hold a summit with North Korean leader Kim Jong-il on August 28–30, which was later postponed until October. President Roh's typically high-risk political maneuver appears designed to alter South Korea's political landscape. Although relations between Roh and the ruling Uri Party have become frosty, he wishes to prevent a conservative successor from countermanding his progressive policies. A summit is unlikely to decide the election by itself but could shift the vote by several percentage points—a significant move if the election proves close.

However, Roh's tactics risk backfiring with a South Korean electorate that has become more skeptical of North Korea since Pyongyang's missile and nuclear tests in 2006. Public opinion polls show that, while support for engaging North Korea remains high, South Koreans want greater reciproc-

4. "Koreans More Conservative Since Roh Admin, Survey Says," *The Chosun Ilbo*, March 6, 2007, at <http://english.chosun.com/w21data/html/news/200703/200703060024.html> (March 6, 2007).

5. "S.K. More Conservative Toward N.K., Economy: Survey," *The Hankyoreh*, May 21, 2007, at [http://english.hani.co.kr/english\\_edition/e\\_national/210735.html](http://english.hani.co.kr/english_edition/e_national/210735.html) (May 22, 2007).

6. Joongang Ilbo and Namkoong Wook, "Survey Says Bitter Rivals Are Surprisingly Similar," *Joins*, May 10, 2006, at [http://article.joins.com/article/article.asp?total\\_id=2288274](http://article.joins.com/article/article.asp?total_id=2288274) (May 10, 2006).



ity from Pyongyang. A lack of tangible concessions would play into the prevalent perception that Roh is engaged in a self-serving political gambit

## The Political Parties

South Korea's political parties are in a state of constant flux.

**Uri Party.** The progressive camp is in disarray and is desperately seeking a white knight to lead them to victory over the GNP in the presidential election. The progressive movement is riven by factionalism, as shown by the implosion and eventual disbandment of the ruling Uri Party after only three years and nine months. The party, born in 2003 as a result of a mass defection from its parent Millennium Democratic Party (MDP), was a tenuous confederation of progressives advocating extensive societal reform and pragmatists promoting more mainstream liberal policies.

The Uri Party suffered humiliating defeats in four consecutive by-elections, failing to win any of the 43 contested seats in the National Assembly and winning only one of 16 major constituencies during local elections in May 2006. Even more troubling, the Uri Party lost support among young voters, a key constituency and previously its staunchest supporters.

The Uri Party attempted to regain some public support by distancing itself from the unpopular President Roh, strongly opposing his more controversial policies, and eventually formally breaking with the president. This heightened intra-party strains and superimposed a new pro-Roh vs. anti-Roh division atop the pre-existing progressive vs. pragmatist split. The Uri Party has had 14 party chiefs during its short existence, reflecting this continual battle.

**Uri Defectors.** The anti-Roh faction failed to comprehend that the electorate also blamed the Uri Party for not making progress on domestic issues and had signaled a rejection of progressive themes. The pro-Roh legislators' insistence on maintaining

the party's course even as it headed toward the rocks led to a trickle of defections that became a flood. The progressive movement splintered into three opposing camps: the residual Uri Party; the Moderate Unified Democratic (MUD) Party (also identified as Centrist United Democratic Party), consisting of the first mass Uri defectors who combined with the Democratic Party (DP); and the United New Democratic Party (UNDP), a second group of Uri defectors, which gained defectors from the newly formed MUD party.

The Uri Party disbanded on August 18 and merged into the UNDP, which consisted almost entirely of Uri defectors. Uri leader Chung Sye-kyun apologized to the electorate for the party's arrogant failure to read the will of the people and inability to implement promised reforms.<sup>7</sup> The UNDP will combine its 85 National Assembly lawmakers with the Uri Party's 58 to create the largest party in the legislature, with 143.

However, serious questions remain as to whether or not the electorate will accept the "new" party given that all but five of the 143 lawmakers are from the failed Uri Party. The progressives must still create a single grand alliance and unite behind one of the many progressive candidates to have any hope of defeating the GNP in the December presidential election. A single united progressive candidate and political party could be a formidable challenge to the GNP candidate by providing a rallying point for the 30 percent of the electorate that is progressive.

However, achievement of this objective still faces significant hurdles. The Democratic Party, successor to the MDP, from which Roh defected, refuses to align with the UNDP until pro-Roh leaders are purged. A DP spokesperson denounced the UNDP as a "deception of the people [to create] a defacto Uri Party."<sup>8</sup>

On July 17, representatives of the leading six progressive candidates agreed to select a single candidate during a one-month primary beginning September 15. However, the candidates' representatives

7. "A Sly Way to Avoid Political Responsibility," *The Chosun Ilbo*, August 20, 2007, at <http://english.chosun.com/w21data/html/news/200708/200708200026.html> (August 20, 2007).

8. "Desperate Uri to Reunite with Splinter Group," *Korea Herald*, August 10, 2007, at [www.koreaherald.co.kr/SITE/data/html\\_dir/2007/08/11/200708110031.asp](http://www.koreaherald.co.kr/SITE/data/html_dir/2007/08/11/200708110031.asp) (August 10, 2007; subscription required).

were unable to agree on the details. Former Gyeonggi Governor Sohn Hak-kyu, an independent who left the GNP, favored an open primary allowing for full participation by non-Uri Party members. Uri Party stalwarts, like former Prime Minister Lee Hae-chan, wanted a closed primary with voting by an electoral college of Uri Party members. The Uri Party's dissolution has created additional uncertainties over the choice of membership and selection of leadership positions.

The progressive factions have few ideological differences among themselves, other than how far they want to distance themselves from President Roh, but they also have not shown any sense of shared philosophy or objective aside from winning the presidential election. Furthermore, in forming a merger, disagreements would inevitably arise over a unified party platform, notably the degree to which the new party should maintain Roh's and the Uri Party's progressive policies or adopt a centrist pragmatic theme. No alternative to Roh's policies has yet been developed, raising the question of whether the successor to the Uri Party will simply be an instance of putting old wine into new bottles. Finally, no candidate has yet caught fire sufficiently to enable a party to form around him.

**The GNP.** South Korean polls consistently show overwhelming support for the GNP over any progressive alternative. Moreover, the GNP has handily defeated the Uri Party in local and by-elections in recent years. Despite these trends, the GNP remains nervous that it could still lose the election. During the 2002 presidential campaign, the GNP had a strong 52 percent to 29 percent lead over the Millennium Democratic Party but still lost the election.

Despite the Roh administration's failures and current polls, a GNP victory in the election is not assured, and it is premature to rule out a surprise comeback by the progressive parties. The GNP's

Negotiation Group	Seats			
	Electoral District	Proportional Representation	Total	Percent
United New Democratic Party (includes former Uri Party)	120	23	143	47.8%
Grand National Party	108	21	129	43.1%
Non-negotiation Group*	15	12	27	9.0%
<b>Total</b>	<b>243</b>	<b>56</b>	<b>299</b>	<b>100.0%</b>

\* Includes Democratic Labor Party, People First Party, and independents.

Source: National Assembly of the Republic of Korea, "Negotiation Group," September 5, 2007, at [http://korea.na.go.kr/rint/org\\_07.jsp](http://korea.na.go.kr/rint/org_07.jsp) (September 5, 2007).

strong electoral showings reflected a rebuff to President Roh rather than an embrace of conservatism or a permanent shift toward the GNP. Although younger, progressive voters—the mainstay of the Uri Party—tend to eschew local elections, they vote in higher numbers during presidential elections. During the 2005 by-elections, only 21 percent of people in their 20s voted, compared to 61 percent of those in their 60s.<sup>9</sup> Furthermore, in the local elections, the anti-conservative vote was split among several progressive parties, while in the presidential race, these factions may unite behind a single candidate, either in a coalition or single party.

To ensure a presidential victory, the GNP must define what it stands *for* as opposed to merely being *against* President Roh and his policies. The GNP must explain how its conservative ideals would benefit the South Korean populace and articulate its strategies for ensuring economic growth, attracting foreign and domestic investment, resolving labor disputes, and expanding the social safety net. Moreover, the bruising battle and intense mudslinging between GNP candidates Lee Myung-bak and Park Geun-hye risk alienating voters already weary of scandals and negative campaigning.

The April 2007 by-election sent a chill through the GNP. Overall, the results were not necessarily

9. "Voting Rate by Age Seen As Factor in By-Elections," *JoongAng Ilbo*, December 22, 2005, at <http://joongangdaily.joins.com/article/view.asp?aid=2661206> (December 22, 2005).

bad, but they were significantly weaker than its near sweeps in previous local and by-elections. The GNP won 22 of 56 overall seats, the ruling Uri Party gained one, and other opposition parties won 10. However, independent candidates won 23 seats, reflecting either the voters' rejection of or at least their complacency toward all organized parties and mirroring the large percentage of undecided voters that are making the presidential election particularly volatile. Post-election polls indicated that the GNP's weak showing was the result of corruption scandals (27 percent) and the infighting between Lee and Park (24.7 percent).

The GNP's greatest weaknesses are additional undisclosed scandals (referred to as a candidate's "X-file"); perceptions that the GNP represents outdated Cold War policies; and the legacy of conservative authoritarian rule, most notably under President Park Chung-hee, the father of former GNP chairwoman Park Geun-hye.

The GNP will attempt to broaden its appeal by gaining support from the New Right, a nascent but growing political movement that originated as an amorphous coalition of academics, religious leaders, and civic groups that espouse "rational conservatism." This group rejects both the liberalism of the Roh administration and the traditional conservative camp, which is inexorably linked in the public's mind to the corrupt practices of South Korea's authoritarian regimes.

Although members of this group are predominantly in their 30s and 40s, they reject the progressive philosophy of the "386 generation," which is the predominant political force in South Korea. In many ways, however, the New Right is less a case of what it stands for than of what it stands against: Roh and his attempt to transform South Korea into an egalitarian society.

### Predicting the Election

Despite the conservative opposition's commanding lead in both party and candidate polls, GNP members are nervous about the presidential election. Pro-government (progressive) members envy

the GNP's polling numbers but believe victory remains possible. The GNP will likely win the election, but with a much narrower margin than current polls suggest, perhaps between 1 percent and 10 percent. The GNP will carry the Gyeongsang and Gangwon Provinces and pick up support from some anti-Roh factions and those who see the GNP as likely to be more beneficial to the economy.

**Lee Myung-bak.** Former Seoul mayor Lee Myung-bak was selected on August 19 as the GNP candidate over former GNP chairwoman Park. The bitterly negative campaign divided the party and alienated some supporters. To win the election, the GNP must heal the damage from the scorched-earth tactics of both candidates and rebuild party unity, while Park must ensure that her followers transfer their support to Lee. This will be difficult because half of those who support Lee and Park have said that they would not vote for the other candidate, according to a recent survey.<sup>10</sup>

Lee is seen as damaged goods because his once-commanding lead over Park dwindled during the campaign due to suspicions of financial improprieties. Lee lost to Park in the internal GNP tabulation and defeated her in the overall selection process only by 1.5 percent due to support from non-party voters. Lee remains the candidate with the highest poll numbers, but no longer with a sufficient margin to guarantee victory.

Progressives were hoping that Park would be chosen because they could have portrayed the election as a decision between democracy and authoritarianism because of her father's autocratic rule, which led to a military coup. Park was unlikely to have gained support in the Jeolla region progressive stronghold because of lingering animosity over President Park's strong response to anti-government protests in Gwangju in 1980. Lee has made limited inroads into the Jeolla provinces. Progressives will focus on various scandals linked to Lee and demand further investigations.

On the progressive side, Gyeonggi Governor Sohn Hak-kyu appears strongest and will gain critical support from former President Kim Dae-jung,

10. "GNP Candidate Faces a Long, Bumpy Road Ahead," *The Korea Herald*, August 20, 2007, at [www.koreaherald.co.kr/SITE/data/html\\_dir/2007/08/21/200708210037.asp](http://www.koreaherald.co.kr/SITE/data/html_dir/2007/08/21/200708210037.asp) (August 20, 2007).

thus securing the Jeolla provinces. Sohn does not have a strong power base in Gyeonggi Province, despite having been born there and having served as its governor. Former Prime Minister Lee Hai-chan, who is strong in Chungchong Province, is the favored candidate of President Roh.

Whichever candidate is ahead in the polls in October—most likely Sohn—will get the nod as the progressive presidential candidate, with the other receiving a senior position, perhaps head of the newly formed political party. At this point, the 30 percent of the populace that identifies itself as progressive will rally around the candidate, making the race more even.

However, if the Democratic Labor Party and/or Democratic Party run their own presidential candidates, they could draw votes away from the consensus progressive candidate, giving the GNP a tremendous advantage.

**Highlighting Experience over Ideology.** The status of South Korea's economy will be foremost on the electorate's mind—more so than the North Korean nuclear threat or ideological differences between political parties.

Predominant presidential campaign themes are already emerging with the candidates emphasizing their experience and ability to achieve goals. The electorate is more skeptical of ideology-driven anti-Americanism and will seek a candidate providing a viable strategy for improving the economy. This trend most favors Lee Myung-bak, who is seen as providing a "CEO president" style that is most favorable to improving the national economy.

**Political Center As an Endpoint, Not a Base.** While progressives point to Roh's come-from-behind victory in the 2002 election, at this point in the campaign, he had been designated as the candidate and had stronger poll numbers. They may have too many moving parts to combine into a single political machine. If the progressives do not unite around a single candidate or if Sohn is unable to overcome concerns that he is "not progressive enough," the margin of GNP victory will be greater.

Sohn may discover that, as in the past, successful candidacies reached to the center from an existing

conservative or progressive base rather than counting on it as a political base. Former Prime Minister Goh Kun, despite being the front runner at the time, dropped out of the race earlier this year when he was unable to create a centrist political party.

## Election Implications

The election will affect U.S.–South Korean relations in both the short and long terms.

**Policy Stagnation During the Campaign Year.** During the waning term of a lame-duck president, political parties are not eager to cooperate with each other, and vested interests will hold sway to gain voter support. Throughout 2007, the South Korean political system will remain divided between warring progressive and conservative camps. Government policies will continue to be reactive and inconsistent, and partisan confrontation will substitute for political dialogue. Politics will dominate debate over controversial issues such as tax increases, trade negotiations, regional development, foreign relations, and inter-Korean engagement.

Investor perceptions of South Korea's economy are bifurcated between exuberance over record-setting stock market prices and concern over the long-term viability of the Korean model. Questions over the economic policies of the next South Korean president add to underlying uncertainties over the country's being gripped in a "nutcracker" between high-tech Japan and an increasingly competitive China. Business advocates call on Seoul to reduce inhibiting regulations, overcome bureaucratic resistance to marketization, and articulate its strategy toward foreign investment.

**Potential Politicization of Bilateral Issues.** During the 2002 presidential election, the tragic deaths of two Korean schoolgirls caused by a U.S. military armored vehicle inflamed anti-American sentiment. Progressives played the situation for political benefit with candidate Roh Moo-hyun publicly asking, "What's wrong with being anti-American?"

Although bilateral relations have recovered from their nadir earlier in Roh's administration and polls show a growth in pro-U.S. views among South Korean voters, the electorate's passions could boil over again during the campaign. Public support for the U.S.–South Korean FTA is cur-



rently at 65 percent, but ratification battles in either country could generate protests or campaign rhetoric. Similarly, a slowdown in the six-party talks could exacerbate policy differences over North Korea, with Seoul blaming the Bush Administration for not making progress.

**Drastic Policy Changes Not Guaranteed After the Election.** There is no guarantee either that the GNP will adopt policies diametrically opposed to Roh administration policies or that a progressive president would continue Roh's policies. The next president will likely pursue a more centrist strategy, with distinct conservative or distinct progressive characteristics, depending on who wins. The GNP is a reflection of a changing South Korean populace, including a rising sense of nationalism brought on by coming of age during the country's economic miracle. GNP leaders are more pro-American in their viewpoint than are their progressive counterparts, but they will not automatically defer to U.S. requests.

**Improving Bilateral Relations, Regardless of Who Wins.** None of the viable candidates will pursue a progressive political course as disruptive to the U.S.–South Korean relationship or a foreign policy as independent of U.S. interests as President Roh did. On a reassuring note for investors, the most progressive and anti-business candidates—Kim Geun-tye and Chung Dong-young—either have left the race or have the least public support.

**New President, Old Legislature (Until April 2008).** Policy initiatives will reflect a new and still undefined balance of power. The National Assembly is now stronger vis-à-vis the president than it was before, and it acts more as a co-equal branch of government. The current legislature is therefore more likely to constrain the president, leading to a government stalemate. The presidential election will heavily influence the April 2008 National Assembly elections and could give the president's party majority control of the unicameral legislature.

### What the U.S. Should Do

The U.S. can help to shape the bilateral relationship and South Korean policies in four policy areas.

**The Alliance.** The U.S. should:

- **Call upon** the presidential candidates to define their vision for South Korea's role in northeast

Asia, its relationship with the U.S., and commitment to economic reform.

- **Use** the opportunity presented by a new South Korean president to improve and transform the relationship, realizing that South Korea has evolved and that the U.S. needs to adapt its policy and strategy toward Seoul.
- **Make** every effort to collaborate with South Korea on the timing of any announcements about the disposition of U.S. forces in Korea to prevent detractors from claiming that the U.S. is dictating policy to Seoul or unilaterally implementing changes that affect South Korean security.
- **Begin** efforts to reach out to and win over the post-386 generation of South Korean voters who are more amenable to U.S. interests. Although not a yet a strong political power, this generation is a long-term "potential client" for the U.S.
- **Engage** with government, legislative, and independent representatives to generate understanding of the strategic, political, and economic benefits of the bilateral alliance and overall relationship.

**Foreign Policy.** The U.S. should:

- **More closely integrate** policy toward North Korea by advocating greater conditionality in South Korea's engagement policy. South Korea should incorporate its aid into the six-party process to maintain leverage against Pyongyang to continue denuclearization efforts rather than providing an alternative, less monitored venue.
- **Delineate** the North Korean issues in which Seoul should take the lead and those that are the responsibility of the U.S. or six-party talks participants.
- **Understand** that the majority of South Korea's public continues to favor engagement with North Korea, although voters are split over the ways and means of implementation. Washington should emphasize, however, that 10 years of asymmetric benefits have failed to produce tangible changes in North Korea or to moderate its belligerent behavior.

**Military.** The U.S. should:

- **Jointly assess and articulate** the future of the military alliance, including roles and responsibil-

ities pre-transfer and post-transfer of wartime operational command.

- **Advocate** increased South Korean defense spending to offset reduced deployed U.S. capabilities. Neither the GNP nor the Uri Party has shown strong intent to increase defense spending to necessary levels—the GNP because it wants to maintain a strong reliance on the U.S., while the Uri Party perceives a reduced North Korean threat.
- **Encourage** a more independent South Korean military role while gaining Seoul's acquiescence to strategic flexibility for the redeployment of U.S. forces in Korea for other contingencies in Asia.

**Trade.** The U.S. should:

- **Lay out** clearly and fairly the advantages of an FTA with South Korea without prejudice to any one sector's treatment and seek to minimize the impact of its onerous and unnecessary labor and environment provisions. The FTA sets an unfortunate precedent on labor and environment that ought to be strenuously resisted. Beyond this valid criticism, however, the landmark FTA offers American businesses and workers major new opportunities. It broadens the bilateral relationship beyond the military alliance and counterbalances South Korea's growing trade ties with China.
- **Develop** a broad-based coalition of government, business, and labor representatives to encourage conditions for the enhancement of foreign and

domestic investment by implementing South Korean economic reform and expanding economic freedom.

## Conclusion

South Korea is on the cusp of a new future, but the form it will take remains uncertain. There is collective indecision as to the country's direction, its proper role in Asia, and the form of its economy and society. South Korea is desperate for a leader to articulate a new vision for the country, but none of the presidential candidates has yet filled that role.

Yet this strategic uncertainty allows for a stronger U.S. role in helping to shape not only the bilateral relationship, but also South Korea's future role and policies. Washington can do this in the near term by energetic outreach by the executive and legislative branches to the new presidential administration and in the longer term through outreach to the next generation, which is potentially more receptive to U.S. ideals and principles.

Examining the South Korean political landscape in the run-up to the elections will give U.S. officials and Congress a more informed basis for interpreting the campaign and its implications for the U.S.–Korea alliance. More important, it will provide the means for predicting and influencing the policies of the next South Korean president as they relate to shared U.S.–Korean interests.

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