South Korea’s Strategic Approach to China (or Lack of It)

Chung Jae Ho
Pertinent literature abounds on how East Asian states have struggled to position themselves vis-à-vis a rising China over the past two decades. Due to its geographical proximity and cultural similarities with China, as well as its strategic importance to both the United States and China, South Korea’s tightrope-walking has been more pronounced than anyone else’s.\(^1\) Given the crucial strategic issues regarding U.S.-China relations and the North Korean conundrum, how the Seoul-Beijing relationship is to evolve undoubtedly constitutes a key variable in regional security dynamics. This chapter asks what is Seoul’s recipe for dealing with a China that is becoming more “assertive,” examining its changing strategic and diplomatic stance over the years of the Park Geun-hye administration and the first year of the Moon Jae-in government.

Of the six sections, the first offers a brief overview of the complex relationship since diplomatic normalization in 1992. The second outlines key features of an era of over-optimism during the first three years of the Park administration (2013-15). The third delves into the issue of THAAD (terminal high-altitude area defense) deployment and how that utterly shattered the Park-Xi honeymoon in 2016. The fourth offers a discussion on China’s narrowly-focused sanctions during 2016-17. The fifth is devoted to the first year of the Moon administration, focusing on envoy politics, the “three-noes controversy,” and Moon’s state visit to China. The final section provides concluding assessments of the factors critical in shaping Moon’s policy toward China and where the room for mending relations remains.

**Four Crises and Three Variables: An Overview of South Korea-China Relations**

Over 25 years, in terms of official designations, the bilateral relationship has gone from a “cooperative partnership for the 21st century” (under Kim Dae-jung) and a “comprehensive cooperative partnership” (under Roh Moo-hyun) to a “strategic cooperative partnership” (under Lee Myung-bak, Park Geun-hye, and Moon).\(^2\) No elaboration is needed here on the rapid pace at which bilateral trade, investment, and human exchanges expanded during the quarter century. Euphemism alone, however, does not suffice to describe Sino-South Korean relations as they went through ebbs and flows, most notably, four principal crises: 1) the “garlic battle” of 1999-2001;\(^3\) 2) the Koguryo-centered historiographical controversy of 2004;\(^4\) 3) the rift in the midst of two military provocations by North Korea—the *Cheonan* sinking and the Yeonpyong shelling in 2010—when China one-sidedly defended North Korea, rendering Sino-South Korea relations politically frozen for nearly two years; and 4) the worsening relationship since 2016 over the issue of deploying THAAD.\(^5\) The earlier two crises were of a purely bilateral nature and were over more or less “soft” issues. In contrast, the latest two included third parties (North Korea in the *Cheonan* and Yeonpyong cases, and both the United States and North Korea in the case of THAAD) and were over hard-security issues. South Korea-China relations have recently entered a stage where conflict resolution is more difficult than before due to the third-party involvement as well as to the hard-security nature of the problems.\(^6\)
Another key factor increasingly weighs in; while economic relations were the most important cornerstone of Sino-South Korean relations before and after the diplomatic normalization—mutual complementarity and increasing interdependence characterized the ever-growing trade and investment between the two—the rapid “rise” of China significantly altered the structure of economic relations, introducing ample room for disparities in mutual dependence. The bilateral trade increased from $19 million in 1979 to $239.9 billion in 2017, thus China is South Korea’s top trading partner and South Korea has been China’s fourth largest trading partner for several years. Since 1992 South Korea has not had any trade deficits with China. As Seoul has long valued trade, investment, and tourism as its core national interests, China’s economic rise meant an increasing level of vulnerability for South Korea.

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<th>Year</th>
<th>China trade in South Korea’s total trade (%)</th>
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<tr>
<td>1990</td>
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<td>2017</td>
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As Table 1 illustrates, South Korea’s trade dependence on China (22.8 percent) was much higher than China’s dependence on South Korea (5.8 percent) in 2017. While China’s ratio remained relatively low and stable (due mainly to its fast-growing trade volumes), South Korea’s dependence on China skyrocketed from 2.8 percent in 1990 to the 20-percent range during the 2010s. Some earlier estimates went so far as to suggest that a one-percent drop in China’s GDP might generate a decrease in Korea’s GDP by 0.2 percent.\(^7\)

Academic and policy communities in South Korea have naturally been concerned that China might utilize such high levels of economic dependence on China as a means of leverage or retaliation. Chinese media already hinted at the possibility of making use of South Korea’s economic dependence on China as a policy instrument if necessary.\(^8\) The records suggest that China threatened to use Japan’s heavy dependence on China-produced rare earth products in the row over the Senkaku/Diaoyudao in 2010. Considering the chilling effect of China’s import ban on South Korea-made polyethylene and mobile phones during the garlic dispute in 2000 (when trade dependency on Beijing was less than 9 percent), South Korea should have sought ways to reduce such dependency in preparation for a worst-case scenario.
When Park Geun-hye was elected in December 2012, relations with China had reached their nadir for two reasons. First, for much of the Lee administration revitalizing the Korea-U.S. alliance was the top foreign policy priority, relegating China to a secondary or even tertiary place. Second, North Korea’s two provocations in 2010 put Sino-South Korean relations in a very awkward situation for nearly two years. Naturally, the incoming government and its foreign policy team saw a blue ocean in rebuilding Seoul’s badly damaged relations with Beijing. Coincidentally, Park and Xi came to power nearly at the same time and from similar family backgrounds (children of national leaders), on which advisors on both sides sought to capitalize.

In retrospect, much of what went on in Sino-South Korean relations during the first three years of the Park administration was an outcome of excessive politicization of foreign affairs management and of exaggeration of the individual leader’s accomplishments. For instance, Park’s state visit to China in 2013 was named a “trip for heart-to-heart building of trust” (xinxin zhi lu). The first summit in Beijing in 2013 produced a series of agreements, including the establishment of a dialogue channel between South Korea’s national security chief and China’s state councilor in charge of foreign affairs, but only one meeting occurred in 2013. Xi’s state visit to Seoul in 2014 was designated a “trip to look for relatives” (tanqin), making China and South Korea more than just friendly neighbors. From Seoul’s viewpoint, it was significant that the Chinese president visited South Korea for the first time before the North and that Xi’s itinerary had only one country—South Korea—on the list while his predecessors covered a few countries on a single tour. Expectations soared.

Xi’s visit produced important agreements, including those to conclude a bilateral free trade agreement (FTA) before the end of 2014 (it was signed on November 10, 2014 and ratified on November 27, 2015), to establish an offshore yuan center in Seoul (the first one in Asia outside the greater China region), and to grant South Korea an 80 billion renminbi quota for domestic investors to buy Chinese securities under the Renminbi Qualified Foreign Institutional Investor (RQ-FII) scheme. One notable non-economic outcome was the commencement of official negotiations on the demarcation of maritime boundaries, including the exclusive economic zones (EEZ) in which the Socotra Rock (leodo, Suyanjiao) is located. A South Korean official offered the following comments on the 2014 summit: “The media in Seoul went way ahead on setting the atmosphere and agendas for the summit.... Granted that media people always look for something new instead of important continuities, they were generally excessive and often dead wrong.” The same official also pointed out that some media organizations performed as a mouthpiece for China by demanding that the bilateral relationship be “upgraded” to a “comprehensive strategic cooperative partnership,” which was quietly rejected by Seoul’s decision to keep the official designation intact.

Many analysts on both sides lauded the current state of affairs as another heyday for Sino-South Korean relations. Some even went so far as to characterize the relationship as “two fish caring for each other by spitting to remain wet” (xiangru yimo). China might have come to consider the bizarre regime in North Korea as a political liability and, at the same time, it was high time to drive a wedge between Seoul and Washington. Naturally, the
Xi administration put much effort into wooing Seoul, often at the expense of Pyongyang. Several South Korean officials interviewed in 2014 by the author referred to Beijing’s approach as a “charm offensive.”

Right after the 2014 summit, the People’s Daily described Seoul as Beijing’s close partner in regional peace and global prosperity. The Global Times went further to characterize the bilateral relationship as “politically hot and economically hot as well” (zhengre jingre), as if to contrast it with the relationship under the Lee administration (economically hot but politically cold). Soon, however, sober voices grew louder in Seoul. Mainstream editorials warned the Park administration against moving too fast to consolidate security ties with China. In Washington and Tokyo the view spread that South Korea was tilting increasingly toward China at the expense of U.S. relations, and would eventually align itself with China. It was also common to hear in Seoul and Beijing that South Korea-China relations were never better.

If we look into Seoul’s specific positioning on the three intricate issues during the period of 2013-15, the view that South Korea was increasingly tilting toward China made more sense. First, Seoul’s hesitation to join the negotiations for the U.S.-centered Trans-Pacific Partnership (TPP) agreement was one indicator although Seoul had its own rationale—having signed FTAs with 10 of the 12 countries in the framework, joining the TPP would not bring much marginal utility. Second, in spite of Washington’s opposition, Seoul’s decision to join the China-initiated Asian Infrastructure Investment Bank (AIIB) in 2014 was deemed as yet another sign of South Korea tilting more toward China. Third, against Washington’s explicit reservations, Park’s attendance at Beijing’s V-Day commemoration in September 2015 offered further evidence.

Optimism Shattered: The Case of THAAD

Despite the excessive optimism in the first three years of the Park administration, dark clouds began to appear. As the earlier manifestations of the bilateral relationship rested largely on the excessive emphasis on the personal friendship between Park and Xi, insufficient attention was paid to the task of institutionalizing adequate channels of high-level communications and formal mechanisms for conflict prevention and resolution. Beginning in early 2016, relations took a steep downturn with the disagreement over the issue of THAAD. The THAAD controversy is a highly complex and long-lasting case of inter-state dispute involving many dimensions: 1) technical; 2) strategic; 3) diplomatic; 4) domestic politics; and (5) “proxy competition.”

The Technical Dimension

THAAD is indisputably a defensive system designed to destroy incoming missiles at an altitude of 150 kilometers or higher. Four issues are particularly pertinent. One: while Seoul views THAAD as effective against incoming North Korean missiles launched at a high angle, Beijing disagrees. Two: whereas Seoul argues that the range and direction of X-band radars can be arranged in such a way that China’s Northeast (Liaoning in particular) is not to be detected by it, Beijing argues otherwise with its finger pointing to South Korea’s lack of direct access to them. Three: Seoul contends that X-band radars are more useful in detecting incoming (rather than outgoing) missiles, whereas Beijing hints that those in South Korea...
may actually provide critical information on the back side of Chinese outgoing ICBMs launched in its Northeast. Four: while Seoul argues that THAAD deployment is irrelevant to joining the U.S.-led system of missile defense (MD), Beijing sees it as getting closer to MD.

The issue is replete with uncertainties, and even knowledgeable experts talk with radically different perspectives. However, first, national security and defense are the utmost realm of one’s sovereignty and, if so, why was Seoul so talkative about all these in the first place? Second, if it could not maintain silence, why did it not better coordinate with Washington while persistently engaging in technical debates with Beijing? Seoul lost on both fronts as Washington often produced differing voices (as discussed in a later section), and Beijing simply refused to listen to what the South had to say.

The Strategic Dimension
The strategic dimension here refers to three specific issues. First, Seoul must have over-estimated the strategic bonds it was then cultivating with Beijing in the midst of the excessive politicization of state visits by Park and Xi and “trust diplomacy.” Overdoses of optimism were self-defeating in retrospect. Second, if THAAD were so important and effective against North Korean missiles, the Park administration should have done some serious strategic thinking. It could have said: “THAAD may be deployed under two conditions: if North Korea should undergo a fifth nuclear test and/or if the North Korean nuclear weapons problem could not be frozen before the end of 2016.” Third, THAAD was interpreted by China as Washington’s effort to consolidate trilateral defense cooperation. Unfortunately, no high-level channel (military or civilian)—including that between Park and Xi—was working effectively between Seoul and Beijing to discuss such an intricate issue. Kim Jang-Soo, who as national security chief (a vice-premier level position) had opened a dialogue line with State Councilor Yang Jiechi in 2013, was appointed to be ambassador to China in March 2015 and, thereafter, was only able to meet regularly with the deputy-minister of foreign affairs on the Chinese side.

The Diplomatic Dimension
Despite the technical uncertainties surrounding THAAD and strategic concerns expressed by China, diplomatic prudence could have mitigated the adverse impact on relations with China. Quite the opposite occurred. Above all, Seoul’s insistence on the “three-noes” (i.e., no request from the U.S., no consultation with Washington, and no decision whatsoever regarding THAAD) from mid-2014 through early 2016 took away valuable time that could have been utilized for diplomacy. The “three-noes” was an outright lie from China’s viewpoint as Seoul was in fact discussing the issue with Washington while it was also a confidence-discounting measure in the eyes of America. After all, it was neither strategic ambiguity nor diplomatic dexterity.

Another episode illustrates the pathetic state of South Korea’s diplomacy at that critical juncture. On February 12, 2016, Chinese foreign minister Wang Yi, in an interview with Reuters, cited an old Chinese saying to the effect that “South Korea is dancing with a sword to help the United States but her real intention is to kill China” (xiangzhuang wujian yi zai peigong). This was a derogatory remark from the serving foreign minister in that: 1) South Korea was branded as America’s henchman; 2) although THAAD is at best a defensive system (i.e., shield), it was described as a sword; and (3) despite so many statements by Seoul that
THAAD was against the North Korean threat, China rejected them outright without giving specific reasons. More pathetic is the fact that South Korea’s foreign ministry did not issue any official statement rebutting Wang’s insulting remark.

Another diplomatic mishap concerns the timing at which South Korea officially announced its decision to deploy THAAD. After Pyongyang’s launch of the Kwangmyungsung long-range missile in January 2016, South Korea’s Ministry of National Defense announced that Seoul was to discuss the deployment of THAAD in response to Commander Scaperotti’s request. The official decision, however, came on July 8th, three days prior to the announcement of the Permanent Court of Arbitration’s ruling against China on the South China Sea dispute. Given that it was widely expected that an unfavorable ruling was to come against China and that actual deployment of THAAD would take at least six months, why the timing of the announcement had to be determined as such remains highly controversial.

In retrospect, South Korea’s diplomatic frontline was in complete disarray. Seoul was not able to hold on to what was clearly within the conventional realm of sovereign decisions—protection of national security. South Korea could not execute a well-thought out plan of “flexible diplomacy” that could have somehow struck a balance between the ally (Washington) and the strategic cooperative partner (Beijing). Nor was Seoul capable of pressuring provocative Pyongyang by making use of the THAAD deployment. Worse yet, South Korea came to be viewed as a non-transparent opportunist by her ally as well as her strategic partner.

The Domestic Politics Dimension

In terms of domestic politics, two factors are notable. First, there was much confusion within the South Korean government as well as among the populace regarding whether THAAD was mainly for defending the Korean people at large or the U.S. armed forces in Korea, and whether THAAD was able to protect the most populous Seoul metropolitan, which did much to put the Park administration into disarray. Second, more importantly, the “Blue House line”—national security chief General Kim Kwan-Jin and his subordinates within the Ministry of National Defense—monopolized the entire process of agenda-setting, discussions, and implementation related to THAAD. Apparently, the Ministry of Foreign Affairs was largely excluded from the process and, even within the Ministry of National Defense, only a few loyal followers of General Kim were directly involved. On the day of announcing THAAD deployment, Foreign Minister Yoon chose to detach himself from the issue by appearing at a department store while Defense Minister Han Min-ku denied such a decision at the National Assembly in the morning.

The “Proxy Competition” Dimension

One interesting factor was the involvement of what could be dubbed “proxy competition.” The United States and China are in a stage of acute strategic competition in East Asia, which Beijing has long considered its “sphere of influence” and Washington just cannot dispense with in both strategic and economic terms. Yet, the strategic nuclear balance between the two giants prevents them from engaging in a direct war. China’s lack of loyal allies—unlike the former Soviet Union—also precludes a proxy war with America’s allies as in the Cold War era. Therefore, the only remaining option, at least at this stage, is a proxy competition in which Washington and Beijing keep asking regional states the same exclusivity question “are you with us or against us?”
Regarding the priority issue on which many high-level officials, including Xi himself, expressed staunch opposition, China was not going to back off due to her strong preoccupation with “face.” An editorial in *Global Times* relays such an atmosphere: “South Korea relies completely on the United States for her security...and does not consider China in the deployment of THAAD...Seoul even preaches to Beijing that the latter must learn to put itself in the other’s shoes. China’s patience with South Korea is about to dry up.” On the other hand, to Washington, lives of the American armed forces stationed in Korea were on the line. As the level of perceived threat from North Korea rose over time, popular perceptions toward THAAD deployment also turned more positive.

### China’s Sanctions over the THAAD Issue

Prior to Seoul’s declaration of its final position to deploy THAAD in July 2016, China repeated her strong opposition on various occasions. On June 5th, General Sun Jianguo (deputy chief of staff of the People’s Liberation Army) made China’s position crystal-clear in front of the delegations from 35 countries present at the Shangri-la Dialogue in Singapore. On June 30th, in a meeting with South Korea’s prime minister Hwang Gyo-an, Xi Jinping reiterated his opposition. On July 7th—one day prior to South Korea’s announcement—Park sent a personal letter to Xi explaining that THAAD deployment was by no means against China but North Korea. The next day came the announcement. On the very same day, China’s Foreign Ministry called in South Korea’s ambassador to file a complaint and, on that night, China’s Ministry of Defense issued a statement that Beijing would consider all necessary measures in response. From August 1st onward, *People’s Daily*, *Global Times*, *Guangming Daily*, and CCTV all lambasted South Korea, even with a threat that South Korea would be the first to be attacked in case of war. The long-rumored phase of retaliation finally began, and the politics of vulnerability noted in an earlier section weighed in. The Park-Xi summit at Hangzhou’s G-20 in September 2016 only found mutual disagreements over THAAD.

China’s sanctions against South Korea possessed the following characteristics. First, retaliatory measures were concentrated in the sectors where adverse impact on China would be minimal. Applying tighter inspection measures to Korea-imported cosmetic products was one example. Virtually no barrier was set up against the sectors—e.g., semi-conductors, displays, and other key intermediate goods—that were crucial to China’s economy. In 2016, South Korea’s trade surplus with China amounted to $37.4 billion, and the export of semi-conductors accounted for 64.7 percent of that value. But China applied no sanction to this item as it was so important to her own economy.

Second, China’s sanctions were applied mainly to the areas where government regulations were convenient to be meted out or withdrawn, tourism in particular. China’s retaliation against South Korea’s tourism industry began with the cancellation of simplified procedures granted for visa applications. Local governments in Shanghai, Zhejiang, and Anhui issued oral instructions that the number of Chinese group tours to South Korea be reduced by 20 percent, and the frequency of local shopping be limited to only once a day. The number of Chinese visitors to South Korea in January 2017 was 563,000 as opposed to 917,000 in July 2016. China’s National Bureau of Tourism, in a meeting on March 2, 2017 instructed travel agencies that all group tours to South Korea be suspended after March 15th and only individual tourists who purchased tickets online would be permitted to go.
Third, China’s General Administration of Communication and Television issued an oral instruction (to evade criticisms of government intervention) that forbid the airing of K-Wave (hanliu) programs from South Korea and prohibited Chinese studios from re-making South Korean TV dramas and co-producing TV programs and movies with South Korean partners.\(^{36}\)

Fourth, China’s retaliation also included tough sanctions against individual corporations. The first target, of course, was Lotte—a South Korean conglomerate which provided one of its golf courses as a site for THAAD deployment. Lotte was followed by Amore-Pacific (cosmetics), LG Cosmetics, and Hyundai Motors as targets of retaliatory sanctions. Even a Chinese expert was critical of China’s use of economic and cultural means to retaliate over the THAAD issue.\(^{37}\)

Fifth, China shut down most formal diplomatic channels with South Korea. Ambassador Kim was left quite inactive as counterparts refused to meet with him, a state of affairs alleged to have lasted for eight months from July 2016 through March 2017 (until the impeachment of Park).\(^{38}\) The same was true with the mil-mil exchanges. South Korea’s request for Defense Minister Han Min-Ku’s visit was unrealized. The PLA refused to attend the Seoul Security Forum held in September 2016, and China’s Air Show held in Zhuhai forbid South Korean participation.\(^{39}\)

Overall, China’s sharply focused sanctions were painful from South Korea’s perspective—particularly for tourism industries—but they were not as painful as though Seoul had to give in unconditionally. Reflecting on the shameful experiences during the “garlic battle,” government agencies, corporations, and media organizations were more or less united in feeling as if they somehow had to put up with Chinese pressure this time around. South Korea’s Ministry of Trade and Industry was contemplating suing China at WTO for its THAAD-related sanctions in September 2017, but the Blue House immediately stopped the effort “in consideration of cooperation with China.”

**The Moon Phase: Politics of Appeasement?**

While THAAD was generating a big fuss in foreign affairs, tectonic plates were shifting in South Korea’s domestic politics in the latter half of 2016. Park was implicated in unprecedented power abuse, violations of due diligence, and monetary scandals. Popular outrage was so overwhelming that on December 9, 2016, the National Assembly passed the proposal for Park’s impeachment with 234 votes out of its 300 members. On March 10, 2017, the Constitutional Court in a unanimous decision among its eight judges finalized Park’s impeachment. On May 10th, Moon Jae-in was elected president, obtaining 41.8 percent of the votes, and commenced his five-year term the very next day.

It is more than ironic that the Moon administration found itself in a similar situation to Park Geun-Hye right after her inauguration—i.e., having to rebuild Seoul’s badly damaged relations with Beijing. It appears that the Moon government—and its national security advisors— was already determined to improve relations with China even if that meant that it had to make considerable concessions. In retrospect, much of the overall design (a rapprochement with China, starting a dialogue with North Korea, and utilizing the Pyeongchang Winter Olympic Games as a venue for summit meetings with the United States, China, and Japan) had already been drawn up before Moon’s inauguration.\(^{40}\)
Envoy Politics

Within a short span of two months after the inauguration on May 11th, three special envoys were separately dispatched to China. First was a delegation for the “One Belt, One Road” conference on May 14-15, 2017. In the midst of serious political turmoil, the government initially had no plans to send a delegation. After Xi Jinping gave a congratulatory phone call to Moon on May 11th, however, Seoul quickly decided to send a delegation headed by Park Byung-seok, former deputy speaker of the National Assembly. According to media reports and the author’s interviews, in his meetings with Chinese officials (including Xi Jinping and Yang Jiechi), Assembly member Park maintained a relatively reasonable and modest position that THAAD deployment was largely inevitable and closely related to the growing threat from North Korea’s nuclear and missile programs (i.e., not a means for containing China).41

Only a few days after the inauguration, Moon sent special envoy delegations to the United States, China, Japan, Russia, and the European Union. Of these five delegations, the head of the China delegation—former prime minister Lee Hae-Chan—enjoyed the highest protocol. Regarding the delegation’s visit to China on May 18-20, a couple of issues merit mention. First, the members of the delegation offered much criticism of the Park government including its THAAD deployment, and, as expected, Chinese counterparts (Xi, Yang, and Wang Yi) demanded that “obstacles” to healthy bilateral relations be removed by Seoul.42 Second, more importantly, the delegation allegedly remarked, as for THAAD deployment: 1) no further progress beyond the status quo;43 2) officiating THAAD deployment must go through due process, including endorsement by the National Assembly; 3) THAAD may be permanently withdrawn once the North Korean threat is effectively terminated; and 4) South Korea will not join the America-led missile defense system.44

Third, the delegation allegedly also inquired about a Moon summit with Xi at the G-20 meeting in Germany and about his early visit to China possibly in late August to commemorate the 25th anniversary of South Korea’s diplomatic normalization with China. China said yes to the former since Xi was to attend it as well but offered no response to the latter as if to reflect continued concerns with THAAD.45 Fourth, the delegation’s meeting with Xi caught much of the media’s attention in terms of inappropriate protocol. Unlike Xi’s similar meeting with the presidential envoy from South Korea in early 2013, the head of the delegation Lee was seated right across from State Councilor Yang Jiechi while Xi sat alone at the head seat. No formal complaints were filed, however.46

Former prime minister Lee visited China again in late June to head a delegation to a forum organized by the Conference on Interaction and Confidence-Building in Asia (CICA). During this visit, Lee met again with Wang Yi, offering the same position to the pleasure of his Chinese counterparts. The overtures during the three high-profile visits clearly showed how serious the Moon administration was in improving relations with China.
The G-20 Summit and the “Three-Noes” Controversy

The Moon-Xi summit at the G-20 in Germany was preceded by Trump’s state visit to South Korea. At the Moon-Trump meeting on June 30th, THAAD deployment was clearly defined as the alliance’s joint decision and to be respected as such. Furthermore, due to North Korea’s launch of a ballistic missile on July 4th, it was declared that THAAD was not to be withdrawn. Seoul’s decision also reflected the changing popular sentiments in South Korea at a time when those in support of THAAD deployment were 57 percent (versus 27 percent opposed).47

The Moon-Xi summit in Berlin on July 6th is notable in three respects. First, the exact schedule and venue (Xi’s hotel) of the summit were notified to the South Korean government only on the night of July 5th.48 Yet, the summit was such a priority that no complaints were filed. Second, although both sides formally acknowledged the importance of Seoul-Beijing relations, no agreement was reached on how to remove the “key obstacle” (THAAD). Xi specifically demanded that China’s core interests be protected in order for relations to go back on track.49 Moon, however, could not make any commitment on this after the summit with Trump only a couple of days earlier, where the position of “no reversal” was declared. Third, South Korean media paid much attention to Xi’s reference to “Sino-North Korean relations as sealed in blood” (xianxie yingcheng de guanxi) during the summit. While the media interpreted it as China still caring for her relations with North Korea, the Blue House explained that Xi used it in the “past” tense.

In its effort to walk a tight rope between the United States and China, the Moon administration’s best bet was putting off the deployment of the remaining four batteries of THAAD while operating the two already set up during Park’s tenure. In addition, it announced a general environmental assessment on the deployment site, which could take as long as 15 months. Close to midnight on the same day, however, North Korea launched its Hwasung-14 ICBM. Two hours later, South Korea’s National Security Council presided over by Moon decided to deploy all four remaining batteries as early as possible, though only “temporarily” until the general environmental assessment was completed.50

The Moon administration’s overtures toward China culminated with the so-called “three-noes position” meted out in a State Affairs Audit meeting at the National Assembly on October 30. Assembly member Park Byung-seok (who had headed the “One Belt, One Road” delegation in May) posed a question to Foreign Minister Kang Kyung-wha. In her reply, Kang remarked that: 1) the South Korean government is not considering additional deployment of THAAD; 2) there is no change in the long-held stance that Seoul will not join America’s MD system; and 3) trilateral security cooperation among South Korea, the United States, and Japan will not develop into a military alliance.51 These exchanges seemed at the time out of the blue. But, the next day, the reason became crystal-clear. On October 31st, the South Korean and Chinese foreign ministries posted the following text on their websites. Since it was announced only in their respective languages without an English text, here, the official Korean text is translated with potentially controversial parts highlighted in bold.
Text of Consultation as to Improving Korea-China Relations (China and Korea Carry out Communication on China-Korea Relations and so on)

Korea and China of late carried out mutual communication on issues of the Korean Peninsula between Nam Gwan-pyo, Deputy Chief of the Office of National Security of the Republic of Korea, and Kong Xuanyou, Deputy Minister of Foreign Affairs of the People’s Republic of China. The two sides once again confirmed the principles of de-nuclearizing the Korean Peninsula, of peaceful resolution, and of resolving North Korea’s nuclear problems by way of diplomatic means. The two sides also agreed to further strengthen strategic communication and cooperation for that purpose.

The Korean side was aware of China’s position and concern regarding THAAD and made clear that the THAAD deployed in South Korea is in accordance with its original purpose and not targeted at a third country and does not harm China’s strategic security interest. The Chinese side once again expressed her opposition to THAAD in order to safeguard national security. At the same time, the Chinese side took note of the stance South Korea had announced and hoped that the Korean side would handle the pertinent problems properly. The two sides agreed to engage in communication between their military authorities on THAAD-related issues about which the Chinese side is concerned.

The Chinese side expressed its positions and concerns regarding MD, additional THAAD deployment, Korea-U.S.-Japan military cooperation, and so on. The Korean side once again stated her previously and publicly announced position. The two sides regard bilateral relations as very important and, in accordance with the spirit of the communiques of the past, agreed to develop the Korea-China strategic cooperative partnership. The two sides concurred that strengthened exchanges and cooperation are in the mutual interest and agreed to put exchanges and cooperation in all areas back on a normal track as fast as possible.\(^{52}\)

The “October 31st statement” (how to brand it—consultation outcome, agreement, position or what—was an issue since it was not officially signed) is problematic in five aspects. First, the titles of the same statement are different as the Korean one includes the word “improving”—i.e., more wishful thinking—while the Chinese one (in parenthesis) does not. This is not trivial as high doses of wishful thinking were sustained for much of the Moon administration’s dealing with China in its first year. Second, many were critical of the fact that South Korea’s deputy chief of the Office of National Security (of vice-ministerial level) was paired with China’s deputy minister (of which there were five in the ministry) in negotiating the statement. More puzzling is the fact that Nam himself—not the Chinese Foreign Ministry—had to explain why he was paired with Kong.\(^{53}\)
Third, a close reading of the statement suggests that the Chinese position on THAAD is very specific and Beijing’s concerns are repeatedly emphasized. In stark contrast, the South Korean position—i.e., its deployment was both necessary and inevitable to cope with North Korea’s growing and imminent threat—is completely missing.

Fourth, the statement includes the following two phrases: “[the Chinese side] hoped that the Korean side would handle the pertinent problems properly...The Korean side once again stated her previously and publicly announced position.” Yet, the statement does not specify what are these problems and position. The missing piece of the puzzle is found in the exchange between Assembly member Park and Foreign Minister Kang in which were declared no further consideration of additional THAAD deployment, no change in Seoul’s position on not joining America’s MD, and no development of Korea-U.S.-Japan security cooperation into a military alliance.54

There is much room for criticism regarding this October 31st statement. Even though the first two positions were previously expressed by the South Korean government, they should not have been explicitly stated. The chance of turning trilateral security cooperation into a military alliance is low, but that does not mean that Seoul should voluntarily give it up. Most importantly, strategic situations constantly change (as does North Korea’s threat); therefore, South Korea should not have limited its own options that way. The draft statement initially had conditionality of “under the current situation,” but the Blue House deleted it.55

Fifth, the South Korean side once again had a high dose of wishful thinking as to what the October 31st statement could do for the THAAD conundrum. It appears to have thought that the problem was effectively “sutured” by the statement, not to be brought up again. The Chinese side, however, had a totally different idea: the statement was just a beginning, and the whole problem had to be gradually dealt with until the complete withdrawal of THAAD.”56 The size of South Korea’s loss can be measured with the positive coverage of the issue in Chinese media. People’s Daily referred to the statement as “South Korea’s sincere accommodation of China’s demand” and Global Times viewed it as a “materialization of optimal results.”57 A Hong Kong-based newspaper branded it “China winning its war against THAAD without firing a shot.”58 Furthermore, both Xi Jinping at the Danang APEC and Li Keqiang at the Manila ASEAN+3 specifically referred to the THAAD issue. Xi demanded that South Korea must face the responsibility of history, and Li emphasized that the problem must be managed stage by stage.59

Why did South Korea agree to the October 31st statement despite the fact it could not resolve all the differences with China at once? For one, the Moon administration wished to continue implementing its grand design of improving relations with China, setting up Moon’s state visit to China before the end of the year, inviting Xi to the Pyeongchang Winter Olympic Games, and facilitating a summit between Trump and Xi, thereby paving the road to peaceful resolution of the North Korean problem. For another, the administration was apparently “confident” in talking with two voices regarding the October 31st statement. Toward China, it branded the statement a “position” or “stance” (ipjang), while toward the United States, Seoul designated it only an “intention” (euihyang) but not a commitment or agreement. Perhaps it was a bad case of inexperienced hedging only inviting distrust from both.
Moon’s State Visit to China

After the Moon-Xi summit in Danang on November 11th, the South Korean state
tement referred to Moon’s China visit scheduled for December although the Chinese statement did
not mention it. At a meeting with Foreign Minister Kang on November 24th, designed to
mete out details of Moon’s China visit, Wang Yi remarked that “words must be reliable and
deeds must produce results” (yanbixin xingbiguo), pushing Seoul to do more to mitigate
China’s security concerns with THAAD. Kang subsequently denied that Seoul was mulling
any restriction on THAAD operations, including that of installing a wall near the site.60

Moon’s China visit provided abundant sources of controversy. First, the state visit started
on December 13th, the 80th anniversary of the Nanjing Massacre. All national leaders—
including Xi and other members of the Politburo Standing Committee—were in Nanjing that
day. It is not clear why that particular date was chosen for the start of the visit. Naturally,
Moon’s itinerary for the first day did not have any meetings with Chinese officials. Given that
South Korean media reported on the selection of a wrong date only after the visit actually
took place, it is possible that the South Korean side was not aware of what December 13th
stands for in China.

Second, criticisms abound as to whether the visit was worthy of a state visit. China typically
accords a state visit with highest protocol to a national leader once in his or her term. Several aspects of the visit, however, suggest that the occasion was not really up to a state
visit. There was only one formal dinner with Xi out of ten chances for meals while in China.
Another formal meal was not in Beijing—i.e., not with Li Keqiang or Zhang Dejiang—but, in
Chongqing with Chen Min’er (a Politburo member).61 Seven meals out of ten were among
the delegation members. This was not exactly a state visit, it seems.

Third, once again, South Korea’s wishful thinking proved futile as Xi, Li, and Zhang all talked
about the THAAD issue, making one wonder of what use the October 31st statement was.
Moon issued an invitation to Xi to attend the Pyeongchang Winter Olympic Games, but Xi
showed reservations.62 Eventually, China decided to send Han Zheng (the lowest ranked
Standing Committee member) as the head of the delegation.

Fourth, Moon’s visit produced no joint statement or joint press statement. It was the
first time since March 1994 that the state visit of a South Korean president to China
did not produce any joint statement. A few accomplishments were realized, including
commencement of negotiations for a second phase (i.e., regarding services and investment
issues) of the Korea-China FTA. But Seoul’s proposal to designate 2018 as the year of mutual
visits was bagged by Beijing.63 A seven-month journey of the new administration culminated
in Moon’s state visit to China. One may wonder, however, if a state visit was necessary at
that juncture. If the answer is negative, that provides abundant food for thought as to the
Moon phase of Sino-South Korean relations.

At the time of this writing—early May—the historic South-North Korean summit had already
taken place, raising expectations for the Trump-Kim summit meeting as well as for North
Korean denuclearization. The recent dramatic developments have created a vital concern
for China: how much of a role can they really play given the fast pace of rapprochement
between the South and the North, and possibly even the United States? Will South Korea
utilize this new window of opportunity as its leverage vis-à-vis China or will it, again, give
this away as a gift to China?
Conclusion

The Moon administration refuses to define itself as Roh 2.0. (Moon pledged that he would not return to Roh’s residence before his term expires). The rationale for such a conscious differentiation is that the new administration would not repeat the mistakes of Roh 1.0. As far as its foreign affairs management is concerned—although the assessment is about the first eight months only—it cannot be more than mediocre. A couple of issues need mentioning.

Some of the problems are not unique to the Moon administration as the previous administrations were also plagued with them. One concerns the over-politicization of foreign affairs. Since managing foreign policy has become such a media-prone agenda for politicians, in an era of shuttle diplomacy, all heads of states wish to stand at the center of global affairs. Naturally, the White House or the Blue House gets more involved in foreign affairs than such conventional players as the State Department or the Ministry of Foreign Affairs. The core objective of these institutions is to get the president re-elected or at least sustain his high popularity. Politicization takes place often at the expense of national interests.

South Korea’s successive governments, including the current one, talked a lot about “balanced diplomacy” (gyunhyong woegyo). Yet, lacking clearly defined national goals and strategic roadmaps, most of the time, “balanced diplomacy” ended up being mere sutures for damaged relations with the ally or neighbors. One related symptom was that of “talking too much too fast.” Many slogans, such as “Northeast Asian balancer,” “New Asia Diplomacy,” “Trust Diplomacy,” and “Northeast Asian Peace and Cooperation Initiative,” are no longer talked about. It is hoped that the Moon administration’s new line of “New Northern and New Southern Diplomacy” does not go down the same path.

Another concern is an overdose of ideological ingredients in the Moon administration’s foreign affairs management. This may, to a considerable extent, be inevitable in an ideologically polarized country. Yet, the government appears to be lacking a rational assessment of the overall strategic environment in three respects: 1) underestimating the level of threat posed by North Korea; 2) overestimating China’s willingness to resolve the North Korean conundrum; and 3) undervaluing the necessity of sustaining the alliance with the United States, particularly at this critical juncture. The whole process thus far is reminiscent of Roh 1.0. One must wonder what remains if the “Pyeongchang Master Plan” should fail to offer an effective way out of the North Korean problem.

Seoul’s confusing responses to America’s new concept of the “Indo-Pacific” illustrates the intertwining of the symptoms noted above. The concept, though still quite vague, refers to a multilateral strategic network interweaving the United States, Japan, Australia, and India designed to sustain America’s hegemonic influence and contain revisionist forces (most likely, targeting China). From Seoul’s viewpoint, it is a tough call as was the case with AIIB and THAAD. The best bet, therefore, must be strategic ambiguity if it could not maintain silence. The following responses by Seoul, however, lead to quite an opposite conclusion. In the joint press release on November 8, 2017 after the Moon-Trump summit in Seoul, the first clause stated that “President Trump highlighted that the United States-Republic of Korea Alliance, built upon mutual trust and shared values of freedom, democracy, human rights, and the rule of law, remains a linchpin for security, stability, and prosperity in the
The next day, Moon’s economic advisor (not national security advisor) remarked that “South Korea does not need to be in it.” Two hours later, the spokesperson of the Foreign Ministry commented that “it [the Indo-Pacific concept] does share something in common with our policy direction.” One hour later, someone (usually referred to as “high official”) from the Blue House explained that “the clause was included in the joint press release due to Washington’s request, and we did not necessarily agree to it.” Again, one hour later, an unnamed official from the Foreign Ministry said that “more consultation is needed to see if that concept is a proper one [for South Korea].” The next day, Second Vice-Minister of Foreign Affairs, Cho Hyun, remarked that “the concept is still in evolution...and South Korea needs to find a nexus with the U.S.”

The first official response should have been what Cho said, reflecting Seoul’s well-considered mindset when it comes to national security issues. The most reasonably crafted definition of hedging (risk-diversifying) seems “an alignment choice involving the signaling of ambiguity over the extent of shared security interests with great powers.” If the Moon government is indeed trying to hedge against the United States and China, has it been successful? Were Seoul’s diverse messages noted above designed to be ambiguous intentionally? Or were they merely the debris of a lack of experience, coordination, and strategic thinking? Many experts in Seoul are worried the answer seems to be the latter, not the former.

Endnotes


2 Although the Park administration wished to differentiate itself from the Lee administration by adding the prefix of naesilhwa (meaning substantiating), both accepted the designation of the strategic cooperative partnership (zhanlue hezuo huoban in Chinese).

3 The “garlic battle” was the first full-scale trade dispute in which Seoul and Beijing exchanged safeguards and retaliatory import bans. See Jae Ho Chung, “From a ‘Special Relationship’ to Normal Partnership: Interpreting the ‘Garlic Battle’ in Sino-South Korean Relations,” *Pacific Affairs* 76, no. 4 (Winter 2003-4): 549-68.

4 The Koguryo controversy was a full-blown diplomatic conflict in which South Korea filed complaints against China’s efforts to make revisionist interpretations as to the ancient history of Koguryo. See Jae Ho Chung, “China’s ‘Soft’ Clash with South Korea: The History War and Beyond,” *Asian Survey* 49, no. 3 (May/June 2009): 468-83.
Seoul sees THAAD as a defense mechanism against Pyongyang’s ever-advancing missile threats while Beijing views it as a destabilizer of the strategic nuclear balance between China and the United States.


Maeil Gyungje sinmun, March 18, 2011, 5.


Author’s interview with a South Korean official in November 2014.


The fact that people around the world now know where THAAD is deployed in South Korea is not something to boast about if it is such an important defense system.


Foreign Minister Yoon Byung-Se remarked on March 29, 2015 that “if the U.S. should request the deployment of THAAD, the National Security Council will deliberate and then persuade China.” What really transpired did not match such a process. *JoongAng Ilbo* on July 22, 2016 lambasted the “three noes” as an outright lie.

19 China already deployed in Inner Mongolia its own over-the-horizon radar system (Tianbo) with a detection range of 3,000 km, in addition to those with a 5,500 km range in Heilongjiang. South Korea was never consulted on their deployment. See Chosun Ilbo, March 14, 2017.

20 According to a media report, the Ministry of Foreign Affairs proposed that the announcement of the deployment decision be delayed for a few weeks (i.e., after the PCA’s ruling), but the Blue House apparently pushed for it. JoongAng Ilbo, July 14, 2016.


23 Xi Jinping made his position clearly known as early as July 2014 during his state visit to Seoul. This position allegedly made a reversal very difficult by rendering all of his subordinates strong opponents of THAAD. Particularly those in the Office of the President (zhuxishi) held on to the position by pressuring the relatively more flexible Ministry of Foreign Affairs.


26 Joong-Ang Ilbo, June 6, 2016; and Chosun Ilbo, June 30, 2016.

27 Interview in Beijing, April 22, 2017.


29 At the Hangzhou summit, Xi remarked that “South Korea must think of the origin of the water it drinks” (yinshui siyuan), reminding the politics of vulnerability between South Korea and China. Chosun Ilbo, September 6, 2016.


31 Maeil gyungje sinmun, August 22, 2017.

32 JoongAng Ilbo, August 4 and 13, 2016.

33 JoongAng Ilbo, October 25, 2016.
34 *Chosun Ilbo*, March 7, 2017.


37 As for the sanctions against Korean corporations, see *JoongAng Ilbo*, December 3, 2016; and *Chosun Ilbo*, March 7 and 16, 2017. And for the critical remark by Jia Qingguo of Peking University, see *JoongAng Sunday*, March 26/27, 2017.


39 *Chosun Ilbo*, December 5, 2017.


43 There was, of course, some room for misunderstanding since China viewed it as stoppage of radar operation while South Korea regarded it as no additional deployment of THAAD. In any case, the delegation (and probably the Blue House as well) was trying to defer the complete deployment of all six platforms to as late as possible. Interview in Seoul, May 23, 2017.

44 According to an interviewee, the South Korean delegation replied positively to four of the demands. Interview in Beijing on June 24, 2017. Also see *JoongAng Ilbo*, May 20 and 24, 2017.


47 *Chosun Ilbo*, July 8, 2017.

48 Interview on September 4, 2017.


50 *JoongAng Sunday*, July 30/31, 2017.

51 *Chosun Ilbo*, October 31, 2017.

52 The texts can be accessed from the respective country’s foreign ministry website.

53 *Chosun Ilbo*, November 2, 2017.

54 Such a linkage was reported in *JoongAng Sunday*, November 5/6, 2017; and *JoongAng Ilbo*, November 7, 2017.
As for the criticisms, see *JoongAng Ilbo*, November 2, 3, and 7, 2017. As for the temporal conditionality, see *JoongAng Ilbo*, November 28, 2017.


*Renmin ribao*, November 1, 2017; and *Huanqiu shibao*, November 1, 2017.

*South China Morning Post*, November 18, 2017.


According to a media report, South Korea initially requested that Moon meet with a new Standing Committee member—Li Zhanshu or Wang Huning—but no avail. *JoongAng Ilbo*, December 16, 2017.


