

The 2nd ROK-Australia Strategic & Academic Dialogue



Date: December 2 (Friday), 2022

Time:

10:30 ~ 12:30 (Seoul)

12:30 ~ 14:30 (Sydney)

Venue: Online Zoom Session

Organizer: US-China Policy Institute, Ajou University, South Korea

Program

10:30~11:30(Seoul)
12:30~13:30(Sydney)

Session I: How Would We Evaluate the Indo-Pacific Security Situation and Its Prospects?

Moderator: **KIM Heung Kyu**, *Chief, US-China Policy Institute, Ajou University*

Presenters: **LEE Sang Hyun**, *President, Sejong Institute*

Lauren Richardson, *Professor, Australia National University*

Discussants: **Peter LEE**, *Research Fellow, Foreign Policy and Defense Program, United States Studies Centre, The University of Sydney*

YEON Won Ho, *Research Fellow and Head of Economic Security Team, The Korea Institute for International Economic Policy*

11:30~12:30(Seoul)
13:30~14:30(Sydney)

Session II: How Would the ROK-Australia Cooperate?

Moderator: **KIM Heung Kyu**, *Chief, US-China Policy Institute, Ajou University*

Presenters: **Bill Paterson**, *Former Australian Ambassador to Korea*

LEE Baek Soon, *Former Korean Ambassador to Australia*

Discussants: **LEE Wang Hwi**, *Professor, Ajou University*

Gordon Flake, *Chief Executive Officer, Perth USAsia Centre at The University of Western Australia*

Session I: How Would We Evaluate the Indo-Pacific Security Situation and Its Prospects?

Moderator

KIM Heung Kyu

Chief, Professor / U.S.-China Policy Institute at Ajou University

Dr. Heung-Kyu KIM received his BA and MA in international relations at Seoul National University, ROK, and Ph.D. in Political Science from the University of Michigan, USA. He is a founder of the *US-China Policy Institute* and serves as Director, and Professor in the department of political science and diplomacy at Ajou University, ROK. He previously served for six years as Professor at the Institute of Foreign Affairs and National Security (IFANS), MOFA. He was a visiting fellow at Georgetown University, USA in 2018 and the Institute for Security and Development Policy (ISDP) in Stockholm, Sweden in February 2020.

His careers include Chairperson in the Reform Commission of the Ministry of Foreign Affairs, a board member of the Policy Advisory Commission in the Presidential National Security Council, and other governmental positions such as in the Ministry of Foreign Affairs, Unification, National Defense, the Army, and the National Assembly. Also, Dr. Kim was Chairperson of the foreign policy sub-committee in the Presidential Policy Planning Commission, an executive consultant in the State Affairs Planning Advisory Committee for the former Moon Jae-in government, and a regular participant at ROK-China Strategic Dialogues. He was invited as a member of the national integration commission in the Presidential transition committee for the Yoon Suk-yeol government.

Dr. Kim has written more than 300 articles, books, and policy papers regarding Chinese politics and foreign policy, US-China relations, and security issues in Northeast Asia. He's been the reviewer of *International Relations of the Asia-Pacific (IRAP)* since 2020. He wrote a book titled *China's Central- Local Relations and Decision-Making* and got an award for Excellency of the year by the Ministry of Culture in 2008. He also got awarded the NEAR Foundation Academic prize of the year in Foreign Policy and Security area in 2014.

Presenters

Lee Sang Hyun

President / SEJONG Institute

▶ Degree and Work Experience

Sang Hyun Lee is a senior research fellow at the Sejong Institute in Korea. He also serves as President of the Korea Nuclear Policy Society (KNPS). He received his B.A. and M.A. from Seoul National University and Ph.D. from the Department of Political Science at the University of Illinois at Urbana-Champaign in 1999.

He was a research fellow at the Korean Institute for International Studies (1987-88), the Korea Institute for Defense Analysis (1988-90), and policy advisor for Ministry of Foreign Affairs, Ministry of National Unification, and Ministry of National Defense. He has served as Director-General for Policy Planning, Ministry of Foreign Affairs (MOFA) from May 2011 to April 2013. He is a member of Asia-Pacific Leadership Network (APLN) for Nuclear Nonproliferation and Disarmament, and Korea-US Nuclear Policy Leadership Initiative (NPLI). He has been a visiting scholar at Institute for Development and Security (ISDP) in Stockholm, Sweden, and Stimson Center in Washington DC.

▶ Interests and Expertise

International Politics; International Security; Korea-US Relations; Security issues in Northeast Asia; War and Disputes; Military Security

Indo-Pacific Security and Its Prospects

Sang Hyun Lee (President, the Sejong Institute, KOREA)

Key Security Trends in the Indo-Pacific

The Indo-Pacific region is not free from great power rivalry and geopolitical confrontation in the future. Major countries, including the U.S. and the EU, are already announcing or establishing their own Indo-Pacific strategies, and the Indo-Pacific region is expected to be a major battleground for geopolitical and geoeconomic competition.

The U.S. and China are already accelerating existing strategic competition with the Indo-Pacific Strategy and the Belt and Road Initiative. The United States and China are each attempting to expand their influence through various multilateral cooperative mechanisms to expand their friendly influence in the Indo-Pacific region. Quad, AUKUS, IPEF, and CHIP4 are just a few examples of such competition.

South Korea wants Indo-Pacific to be inclusive, open, integrated and balanced space, featuring strategic inter-connections, not isolation. South Korea is willing to cooperate toward common challenges and opportunities between Indian Ocean and the Pacific. Key issues for cooperation in the Indo-Pacific region include maritime security, marine ecology and resources, capacity building and resource sharing, maritime connectivity, disaster risk reduction and management, scientific and technological cooperation, trade connectivity and maritime transport. In addition, South Korea puts priority on digital connectivity, overcoming global supply chain disruptions, and cooperation in the defense industry.

Systemic fragmentation and deepening of the new Cold War require a middle ground to buffer competition among great powers. That is where middle power countries should work together. We need to strengthen the unity of like-minded middle power countries based on common values and norms. Middle power must work together for stabilization diplomacy, governance diplomacy, and like-minded middle power empowerment, which can alleviate conflicts through geopolitical competition between major powers.

Two Flash Points: Ukraine and Taiwan

The recent war in Ukraine crisis is also expected to have an important impact on security in the Indo-Pacific region.

First, North Korea will surely have a negative impact from the Ukraine crisis. North Korea, which witnessed Russia's invasion of Ukraine, is likely to have further strengthened its belief that it could fall victim to outside aggression if it gives up its nuclear weapons program. In addition, North Korea appears to have learned a lesson in the use of tactical nuclear weapons from Russia, which threatened the possibility of using nuclear weapons in Ukraine. Recently, some speculate that North Korea has decided to provide Russia with

weapons such as insufficient artillery shells and ammunitions. The U.S.-China strategic competition and the crisis in Ukraine are expected to further strengthen the close relationship between the three countries. North Korea is also expected to send personnel to reconstruction projects in Donbas, eastern Ukraine.

Second, the war in Ukraine also has important implications for the Taiwan crisis. Amid the attention of the international community, including the United States and Europe, in the Ukrainian war, it is pointed out that China may take adventurous military action to unify Taiwan. The ongoing security turmoil in Europe can also occur in the Indo-Pacific region. If China follows Putin's imperial ambitions, we cannot rule out the possibility that the Indo-Pacific region will become a regional hot spot.

A third concern from an Asian perspective is the possibility of pivot to Europe of the United States. If the U.S. returns to Europe, it will inevitably limit its security capabilities to invest in Asia, and the U.S. will have to deal with its adversaries on both fronts in Europe and Asia at the same time. If that happens, China's offensive move in the Indo-Pacific region could be even greater.

Will China take military action against Taiwan under the Ukraine crisis? China's military action against Taiwan is possible in two cases. The first is when external forces, namely the United States, intervene and attempt to make Taiwan an independent state.

Second, from China's point of view, it is when China believes that the window of opportunity to unify Taiwan is closing, so if China does not act now, the opportunity will disappear. The closing of the window of opportunity to unify Taiwan means that Taiwan will become powerful enough to confront China in the comparison of China and Taiwan's national power, which is virtually unlikely.

Therefore, it is unlikely that China will use military force on Taiwan unless the U.S. intentionally tries to make Taiwan an independent country. However, the situation could be dangerous if Xi Jinping is impatient to achieve reunification of Taiwan within his term.

Although Xi Jinping has confirmed his third consecutive term, he faces three major challenges.

The first challenges facing Xi Jinping are party-people relations. It is unknown what will happen if the resistance of the people who have been tired of the COVID-19 blockade for three years with further slows down of economic growth. The difference this time is that a large number of young college students have joined the resistance. The scene of protesting with anti-Xi Jinping banners on the overpass during the 20th party congress symbolically shows the relationship between the party and the people.

Second challenge is party-party relations, internal power relationship with the CCP. Former President Hu Jintao's forced eviction during the 20th party congress symbolizes a power struggle between factions within the party.

Third challenge is U.S.-China relations. The U.S.-China strategic competition is leading to a total confrontation between systems and tech-rivalry. If China shifts its economic policy priority to domestic demand, the possibility of China's decline in the long run cannot be ruled out. The U.S.-China relationship will greatly limit China's economic growth as well

as its international status.

South Korea's Indo-Pacific Strategy

The U.S., Japan, the EU, Australia, France, and Germany have announced their own Indo-Pacific strategies. South Korea also announced its strategy to expand the horizon of our foreign policy and ensure national interests amid the rising strategic importance of the Indo-Pacific region. South Korea's Indo-Pacific strategy has three core components; the pursuit of Indo-Pacific regional order based on freedom, peace, and prosperity. Three principles of cooperation are inclusiveness, trust, and reciprocity.

South Korea will promote nine key tasks in each of the core component field:

Freedom	<ul style="list-style-type: none">• Establishing order based on norms and rules• Cooperating with the rule of law and human rights promotion
Peace	<ul style="list-style-type: none">• Strengthening non-proliferation and counterterrorism cooperation• Comprehensive security (ocean, cyber, health, etc.)
Prosperity	<ul style="list-style-type: none">• Strengthening cooperation in economic security networks• Leading cooperation in high-tech science and technology, contributing to resolving digital gaps in the region• Leading climate change and energy security
Common to all areas	<ul style="list-style-type: none">• Promoting active contribution diplomacy through customized development cooperation partnerships• Promoting sustainable two-way exchanges partner countries

It is evaluated that, following the freedom and solidarity-based alliance and multilateral diplomacy since the inauguration of the government, the basic framework of the Yoon government's foreign policy, including regional diplomacy, is completed

Presenters

Lauren Richardson

Professor / Australian National University

Lauren Richardson (PhD ANU, LL.M Keio, MA, BA Monash) is an Assistant Professor in the Department of International Relations and Director of the Japan Institute at the Australian National University. Her research focuses on the diplomatic and strategic dynamics of Northeast Asia, with a particular focus on Japan-Korea peninsula relations. She is a member of the Boards of the ANU Korea Institute, East Asia Forum and New Mandala. She has been a visiting fellow at the Japan Institute of International Affairs, a recipient of the Prime Minister's Australia-Asia Award (2011), a participant in the US-Korea NextGen Scholars Program (2015-16) and the German Marshall Fund's Young Strategist Forum (2019).

The 2nd ROK-Australia Strategic & Academic Dialogue

Session 1: How Would We Evaluate the Indo-Pacific Security Situation and Its Prospects?

Today I will be discussing the vulnerabilities in the Indo-Pacific security architecture, which has implications for the security situation in the region. I will be linking my analysis of the region to the global security environment.

The world order was already transitioning, and already balancing, but it is now in distress. Both in Europe and Asia there are countries using unrestrained force. In many ways we now have a fractured world order which is divided into three blocks: (1) the US and its western allies; (2) non-aligned countries of the world; (3) as well as China and Russia.

Much of the Indo-Pacific security architecture was developed under a regional and global security environment that is very different from what we are experiencing today. It was largely shaped by concerns in relation to China's behaviour in the South China Sea, the imperatives of maintaining freedom of passage in the region, and by the logic that the Indo-Pacific would be the main arena in which conflict will likely emerge.

Amidst the rapidly changing global security environment, the vulnerabilities of the Indo-Pacific security architecture have become starkly apparent.

The so-called "rules-based order" is increasingly being challenged regionally and globally by coercive economic practices among states, the waning of US hegemony, and the Sino-US rivalry. These challenges have in turn given rise to economic and supply chain disruptions, a resurgence of protectionism, and heightened security tensions. Consequently, the rules-based order is under unprecedented threat and this state of affairs cannot simply be blamed on China; indeed, a number of countries, including the United States, are cherry picking the rules that they are interested in following and those which they are willing to discard.

Secondly, one of the major pillars of the US security architecture in the region—the trilateral security partnership between the US, Japan and South Korea—has deteriorated significantly in recent years owing to the sensitive “history problems: between Seoul and Tokyo. It is becoming increasingly apparent that this deterioration may represent a long-term rupture. There is significant distrust between the two governments, which is likely to adversely affect their ability to function effectively as security partners amid increasing tensions in the region.

Moreover, South Korea, being one of the United States key allies in the Indo-Pacific, has until quite recently been reluctant to embrace the Indo-Pacific concept and play a significant role in regional security. This has been driven by a number of factors. During the Moon administration, the focus was on dealing with the North Korea strategic burden, and with China having a central role in the North Korea strategic equation, Moon did not want to alienate Beijing by embracing the Indo-Pacific construct which has often been characterised as being premised on containing or restraining China’s behaviour. Also at play was China’s historical role in invading the Korean peninsula, as well as the tensions between President Moon and Japan’s Prime Minister Abe, who played a major role in delineating the Indo-Pacific policy construct and its attendant norms and institutions.

President Yoon is set to reveal his Indo Pacific strategy at the end of this year, and I think it is likely that it will diverge quite significantly from that of the United States and Japan. It is likely to be more focused on maintaining and promoting the economic aspect of the rules-based order, rather than defending the right to freedom of passage in the South China Sea, etc.

With China’s rise, many countries in the region to a great extent became economically dependent on Beijing, and this dependence has been exploited by China which has resulted in major economic disruptions in the Indo-Pacific, and also disruptions to supply chains. In relation to this, we have seen a collapse of the notions of national economic policy and national security. This has not been limited to the Indo Pacific, but it also apparent in Europe as well. We now see NATO, for instance taking a stance on economic issues which used to be the exclusive domain of the European Union.

Additionally, Russia’s invasion of Ukraine has revealed further limitations of the Indo-Pacific security architecture.

The evolving relationship between China and Russia has also further revealed a number of vulnerabilities in the United States global security architecture and strategy, which is very much divided in its focus between two distinct regions, Europe and the Indo-Pacific and there are rather weak connections between the United States Indo-Pacific allies and its European allies. Having said this, the partnership between China and Russia is not a symmetrical relationship. It is driven by self-interest. The two countries are coming together more by circumstance than any particularly overarching strategy. China is in many ways economically vulnerable, and dependent on Russia for wheat, energy etc. The US is now attempting to compensate for this lack of connection between Indo-Pacific and Europe allies (or NATO) to look for ways to socialize them more.

I would now like to turn to the Quad, a mechanism that is focused on the Indo-Pacific, the region where the convergence of interests among Quad countries principally lie. It has become apparent that India's relations with Russia are quite different from that of the other Quad partners. Prominent analysts in India have also condemned what they term to be sanctions imposed by the "west," and that these have caused massive disruptions to the economies across the world and especially to developing countries. Interesting that this concept of the west is not something that India includes itself in, but it does include Japan as being part of the west.

There is also the North Korea nuclear issue, which has long been a strategic burden carried by South Korean and US governments. It has not, however, been effectively incorporated into the Indo-Pacific security architecture. It is not a significant agenda for the Quad, for instance.

China has also gained somewhat of a strategic foothold in the Pacific, which has revealed another weakness in the Indo-Pacific security architecture: it was not sufficiently focused on the Pacific and there was very limited coordination between Indo-Pacific security partners like Japan, Australia and the US, all of whom have strong interests in minimising China's strategic presence in this region.

Discussants

Peter K. LEE

Research Fellow / United States Studies Centre at The University of Sydney

Dr Peter K. Lee is a Research Fellow in the Foreign Policy and Defence Program at the United States Studies Centre. His work explores security dynamics in the Indo-Pacific, including US foreign policy, middle powers, alliance politics and regional cooperation. His analysis has appeared in news outlets such as the *Australian Financial Review*, *ABC News*, and *Korea Times* as well as policy forums such as *Asialink Insights*, *East Asia Forum*, and *The Strategist*.

Peter was previously a PhD scholar at the Australian National University's Strategic and Defence Studies Centre, where he also taught courses on international relations and strategic studies. He has over a decade of experience as a research associate and editor at the Asan Institute for Policy Studies, a leading South Korean think tank.

Peter received his PhD from the Australian National University and a Master of International Relations and a Bachelor of Arts with First Class Honours in Political Science from the University of Melbourne.

► Areas of expertise

US-Asia relations; US foreign policy, defence and strategy.

Discussants

YEON Won Ho

Research Fellow and Head of Economic Security Team / the Korea Institute for International Economic Policy

Wonho Yeon is a research fellow and head of Economic Security Team at the Korea Institute for International Economic Policy (KIEP). He received his B.A. in East Asian History from Yonsei University, M.A. in International Relations from UC San Diego's School of Global Policy and Strategy, and Ph.D. in Economics from Stony Brook University. His current research interests include U.S.-China trade conflict, US-China technological rivalry, and economic security. His recent publications include: "Restructuring Global Supply Chains," Korea's Medium- and Long-Term Trade Strategies by Region and International Economic Cooperation Plans (KIEP 2022), Multidimensional Substitutability Measurement and Analysis: with an Application to Trade between China and South Korea (KIEP 2021), U.S.-China Technological Rivalry and Its Implications for Korea (KIEP 2020), and "Is China's Innovation a Threat to the South Korea-China Economic Relationship?" (KEI 2020). Currently, he is a member of the advisory committee on economic security and foreign affairs to the Ministry of Foreign Affairs, on strategic technologies to the Ministry of Science and ICT, and on industrial security to the Ministry of Trade, Industry and Energy. In April 2022, he was also a member of then-President-elect Yoon Suk Yeol's R.O.K.-U.S. Policy Consultation Delegation, where he was in charge of economic security issues.

Three Major Economic Security Challenges(2022.12.02.)¹⁾

YEON Wonho

Research Fellow

Head of Economic Security Team

Korea Institute for International Economic Policy

Having Both the United States and China competing strategically for cutting-edge technology and trying to form resilient supply chains, Korea faces three major challenges:

First challenge is the development of international trading blocs

- As the strategic competition between the US and China intensifies, global trade has begun to split into two blocs based on trust and value which goes beyond economic interests.
- The U.S. is building regional and functional minilateral initiatives based on shared values, while also strengthening ties with allies and key partners. (such as US-EU TTC, AUKUS, IPEF, APEP, MSP, PGII etc.)
- In terms of economic security, there is no doubt that all nations share the overarching goal of protecting against external economic dangers or risks, but detailed policies are likely to vary from country to country due to the differences in industrial base and trade structure.
- Thus, Korea should define its clear role, determine what kind of benefits it can provide or share within the minilateral initiatives, and find ways to jointly respond to China's economic coercion

Second challenge is Restructuring of supply chain

- At the signing of the Executive Order on Supply Chain Investigation in February 2021, President Biden mentioned that, "We should not have to rely on a foreign country – especially one that doesn't share our interests or our values – in order to protect and provide our people during a national emergency." This clearly suggests a change in the international trade paradigm.
- The problem is that the establishment of a resilient supply chain inevitably entails economic costs because it emphasizes building redundancy to cope with any unexpected disruptions. In other words, it is an environment where it is easy to fall into the temptation to pass on those costs to other countries.
- Therefore, it is important for us to think about how to minimize nationalism or protectionism. We should work together in advance so that the

1) Yeon, Wonho(2022) "U.S.-China Strategic Competition and Economic Security Strategy of Korea" <https://www.wilsoncenter.org/publication/between-eagle-and-dragon-essays>.

independent measures of each country do not harm others. In this regard, Korea should actively participate and become more involved in the discussions of global and regional rule-making or framework-making by the United States, EU or even China.

Third challenge is Intensifying Tech and Industrial Policy Competition

- The long and stiff U.S.-China competition appears to be unavoidable due to the structural struggle for technological supremacy.
- Increased pressure from the United States is expected to strengthen China's R&D efforts in indigenizing advanced technology and accelerating its competitiveness in emerging industries.
- In return, the West will perceive China's efforts as a threat and expand their industrial policies to outperform China,
- which will eventually open an era of unlimited competition in high-tech industries.
- In brief, maintaining global competitiveness in technological innovation has become a vital task for every country including Korea.

Session II: How Would the ROK-Australia Cooperate?

Moderator

KIM Heung Kyu

Chief, Professor / U.S.-China Policy Institute at Ajou University

Dr. Heung-Kyu KIM received his BA and MA in international relations at Seoul National University, ROK, and Ph.D. in Political Science from the University of Michigan, USA. He is a founder of the *US-China Policy Institute* and serves as Director, and Professor in the department of political science and diplomacy at Ajou University, ROK. He previously served for six years as Professor at the Institute of Foreign Affairs and National Security (IFANS), MOFA. He was a visiting fellow at Georgetown University, USA in 2018 and the Institute for Security and Development Policy (ISDP) in Stockholm, Sweden in February 2020.

His careers include Chairperson in the Reform Commission of the Ministry of Foreign Affairs, a board member of the Policy Advisory Commission in the Presidential National Security Council, and other governmental positions such as in the Ministry of Foreign Affairs, Unification, National Defense, the Army, and the National Assembly. Also, Dr. Kim was Chairperson of the foreign policy sub-committee in the Presidential Policy Planning Commission, an executive consultant in the State Affairs Planning Advisory Committee for the former Moon Jae-in government, and a regular participant at ROK-China Strategic Dialogues. He was invited as a member of the national integration commission in the Presidential transition committee for the Yoon Suk-yeol government.

Dr. Kim has written more than 300 articles, books, and policy papers regarding Chinese politics and foreign policy, US-China relations, and security issues in Northeast Asia. He's been the reviewer of *International Relations of the Asia-Pacific (IRAP)* since 2020. He wrote a book titled *China's Central- Local Relations and Decision-Making* and got an award for Excellency of the year by the Ministry of Culture in 2008. He also got awarded the NEAR Foundation Academic prize of the year in Foreign Policy and Security area in 2014.

Presenters

Bill Paterson

Former Australian Ambassador to Korea

Mr Paterson has held senior positions in the Australian Government with responsibility for counter-terrorism, international strategic and security policy, politico-military affairs, intelligence and regional issues, particularly in Asia and the Middle East.

Most recently, he was Senior Analyst in the Office of National Intelligence (ONI), covering in particular the United States.

From 2013 to 2016, he was Ambassador to the Republic of Korea (ROK), dually accredited to North Korea and Mongolia. Mr Paterson was Australia's representative on the United Nations Command (UNC) for Korea and worked closely with US forces Korea (USFK), positioning Australia as a key security partner to both the US and ROK. He led the campaign to deliver the Korea-Australia Free Trade Agreement in 2013, and worked closely on resources trade issues.

From 2008-13, he was Australian Ambassador for Counter-Terrorism and Head of the International Security Division in Australia's Department of Foreign Affairs and Trade (DFAT), undertaking frequent missions in the Middle East, South and Southeast Asia, the US and Europe, and working closely with Australian agencies and the federal-state national CT committee.

Mr Paterson was earlier Australian Ambassador to Thailand (2004-08), and led Australia's disaster response to the 2004 Asian tsunami. Before that, he was Head of the Southeast Asia Division in DFAT in 2003-04.

Following the events of September 11, 2001, Mr Paterson was appointed Head of the Australian Government's Anti-Terrorism Task Force. He subsequently became Head of the Government's Iraq Task Force (2002-03), planning and implementing Australia's involvement in the Iraq campaign.

He served as Chief of Staff and Principal Adviser to the Foreign Minister in 2000.

Mr Paterson was Assistant Secretary (Asia) in the Department of Prime Minister and Cabinet in 1998-99, during both the Asian financial crisis and East Timor crisis, advising the Prime Minister on APEC, trade policy and regional issues.

Mr Paterson was Minister in the Australian Embassy in Tokyo from 2005-07.

He worked on global intelligence issues for the Office of National Assessments and was for four years ONA's representative to the US intelligence community in Washington.

Mr Paterson has had long-term postings in Dhaka, Baghdad, Vienna, Washington, Tokyo, Bangkok and Seoul.

He is a Senior Fellow at the Australian Strategic Policy Institute (ASPI), a Visiting Fellow at the Australian National University (ANU), and is a member of the executive of the Australia-Korea Business Council (AKBC).

In 2003, he was awarded the Public Service Medal and in 2005 the Humanitarian Overseas Service Medal. He is married with three adult children.

Ajou ROK-Aus Nov 22

AUSTRALIA-ROK RELATIONSHIP : TIME FOR A PARADIGM SHIFT

Ambassador Bill Paterson PSM

- For too long, the ROK and Australian governments have issued regular statements of satisfaction at the steadily developing, trouble-free relationship. But they haven't exploited its potential and its value for both countries.
- Formally now over 60 years old, but in fact going back to Australia's substantial involvement in the Korea War, the relationship has grown steadily and in particular is of major importance to both in terms of resources trade and Australian access to Korea's manufactured goods.
- But it has never become of 'front rank' importance to either country, possibly in part because it is largely free of contentious issues.
- A fast-changing negative strategic outlook and new governments in both countries provides the environment for a review of what each can do for the other, given the broad compatibility of values, objectives, shared links and outlook, as well as the long-established trade and investment complementarity.
- For Korea, the front rank is occupied by alliance partner the United States, and neighbours China, Japan and Russia. North Korea also has a place of key importance, but for reasons of its belligerence rather than normal state-to-state relations. Others, including Australia, are second-tier (or lower).
- None of these major relationships is simple or trouble-free, so an enduring focus on them is understandable. President Yoon Seok-yul ambitiously speaks of Korea as being a 'global pivotal state', but it's unclear what he means and how this will be achieved.
- Korea's soft power combined with its economic strength and innovation have certainly given it an increased presence. But Korea is still, in the end, a middle power, a divided country and a key US ally, factors arguably constraining its diplomatic heft.

- For Australia, North Asia is of key importance for trade and investment: China is our biggest trade partner followed by Japan and Korea, the US and Taiwan. And China and Japan, for quite separate but related reasons, are at the forefront of Australia's foreign policy preoccupations.
- But Australia perennially grapples, as a central tenet of its foreign policy, with building deep, enduring and productive links with Southeast Asia and the Pacific - its neighbourhood. It's not been easy, despite at times being a partner of choice for some in the region..
- Historically, this effort has gone in cycles, with periods of relative neglect – for instance, attention diverted to the Middle East and global terrorism – followed by periods like the present, where engaging the near region has again become a central preoccupation. Former Foreign Minister Gareth Evans spoke of Australia as the 'odd man in' in the region, but despite an increasingly Asian-origin population, the challenges of being accepted fully as part of the region still persist. Australia's advocacy for democracy and human rights, as well as its alliance with the US and recent AUKUS partnership leave some in the region uneasy – even as many privately welcome these.
- Both Australia and Korea assert the importance of ASEAN – Korea arguably initially for largely mercantilist reasons, and Australia principally for political reasons, despite scepticism as to the reality of ASEAN's 'centrality' or effectiveness. Both are members of APEC, the EAS and the US alliance system, so are well-integrated into regional multilateralism.
- And both are committed to a free and open Indo-Pacific as central elements of their policies, although Korea, while more vigorous in supporting this than in the past, remains wary of causing offence to China. Australia's new government will modulate its public position on China, but the fundamentals are unlikely to change.
- So there is a lot of commonality and interaction to build upon, if the will exists. The huge opportunities in green hydrogen and critical minerals offer the prospect of replacing the fossil fuels relationship with a 21st century agenda. The private sector in both countries is moving quite rapidly on this, but the sense is that government is lagging.
- Most recently, the two governments have asserted the importance of the relationship by upgrading it to a 'comprehensive strategic partnership', the

fashionable rhetorical device used by government leaders to proclaim more intimate and intense relations without having to put real substance into what precisely was meant.

- The term is overdone, sometimes to the point of meaninglessness. Throughout Australia's difficult relationship with China, it notionally remained in a 'comprehensive strategic partnership' with it.
- An additional challenge for Australia and Korea is its defence relationship. Aside from the US, Australia is the most active participant in the United Nations Command for Korea (UNC), and there is a widespread assumption that if hostilities were again to break out on the peninsula, Australia would commit.
- But the ROK has never strongly supported the UNC, seeing peninsula defence as a ROK-US undertaking. The US, however, sees an important logistical and support role for the UNC and welcomes Australia's participation. And Korea, beneath the surface, fears UNC's role could present unwelcome challenges in dealing with Japan should there be hostilities.
- There is a strong case for the two countries to build a significantly stronger defence relationship in support of Indo-Pacific stability and deterrence. Australia has made its first significant defence purchase from Korea, and the current Defence Strategic Review – while perhaps reducing the role of armour – will present Korea with further opportunities, particularly in unmanned warfare, missiles, AI and cyber.
- But Korea is falling behind Japan as a defence partner of choice with Australia. The fault lies with both countries. An early priority should be negotiation of a visiting forces agreement to enable closer engagement in each others' territory. Our shared strategic objectives and trusted partner status, honed over the past 60 years, can and should be much more fully exploited, in the interests of both countries.
- It's common to point to the potential in this relationship – but too often that potential has been unrealised. Strategic circumstances suggest this should now be a priority. It's time for a paradigm shift.

Presenters

LEE Baek Soon

Former Korean Ambassador to Australia

Baek Soon Lee is a Senior Advisor at Yulchon providing counsel primarily in the area of international affairs. Mr. Lee received his BA. from Seoul National University and joined Yulchon LLC after serving as Ambassador of the Republic of Korea to Australia. He spent 35 years as a career diplomat in the Ministry of Foreign Affairs (MOFA) with postings in countries all over the world, including ambassadorships to both Myanmar and Australia. Mr. Lee was twice appointed as Assistant Secretary in the Office of the President and also served as Special Advisor to the Speaker of the Korean National Assembly.

► Education

1989 University of Virginia (M.A., International Relations)

1985 Diplomatic Service Examination

1985 Seoul National University Graduate School of Social Sciences

1982 Seoul National University (B.A., Humanities)

► Experience

2020-present Senior Advisor, Yulchon LLC

2018-2020 Ambassador of Korea to the Commonwealth of Australia

2016-2018 Special Advisor to the Speaker, Korean National Assembly

2013-2016 Ambassador of Korea to the Republic of the Union of Myanmar

2012-2013 Director-General for North American Affairs, MOFA

2011-2012 Director-General for Human Resources, MOFA

ROK-AUS Action Plan

LEE Baek Soon, Former Korean Ambassador to Australia

‘21 Summit Joint Statement

‘21 Joint Statement = Comprehensive Strategic Partnership
Well elaborated in the ‘21 Joint Statement
‘21 Joint Statement almost equal to Action Plan
Real Action Plan need to strengthen CSP

Purpose of Action Plan

Platform to realize CSP visions at bi & multi-lateral level
Roadmap to check milestone for tasks envisioned in CSP

Three Pillars of Cooperation in CSP

1. First Pillar (Strategic & Security)

(Strategic Dialogue: Track 1)

-Cooperation Platform
Annual Summit Meeting
Biennial 2+2 Meeting
Annual Foreign Minister’s Meeting
Strategic Dialogue at Assistant Minister Level
Defense Talk at Assistant Minister Level

-Field of Cooperation
Bi-lateral Joint Military Exercise
Multi-Lateral Joint Military Exercise
Civil Maritime Security Cooperation
Korea Coast Guard + Australia DHA
RAA Type MOU

(Strategic Dialogue: Track 2)

ROK-AUS Future Forum
ROK-AUS Strategic & Academic Seminar

2. Second Pillar (Economic, Innovation & Technology)

(Strategic Dialogue)

-Cooperation Platform : Meeting
Annual Trade Minister’s Meeting
Joint Economic Committee

Joint Committee for Energy & Mineral Resources
Committee on Agricultural Cooperation
Relevant meetings b/w each Ministries

(Space science, Technology Field)

-Cooperation Platform: Meeting & Document
Korea-Australia Space Policy Dialogue('22.7)
MOU on Space Cooperation
MOU on Zero Emission & Hydrogen Economy

-Field of Cooperation
Military Space Training Program ('23.?)
Satellite & Rocket Technology

(Hydrogen.Energy Field)

-Field of Cooperation
Low & Zero Emission Technology Partnership
Clean Hydrogen Economy Project

(Rare Minerals Field)

-Cooperation Platform: Meeting
Critical Mineral Working Group Meeting

-Field of Cooperation
Supply Chain Mapping
Research & Development

(National defense, Defense industry Field)

-Cooperation Platform: Document
2014 Vision Statement
MOU on Defence Industry & Defence Material Cooperation

-Field of Cooperation
Haedori-Wallabi Exercise
A New Exercise Plan underway
Black-pitch Exercise + Air to Air Refueling Exercise
Talisman Sabre Exercise + ROK
Pacific Dragon Exercise + ROK
Infantry Fighting Vehicle(Redback) project
Two Defence Ministers' Visit Geelong Hanhwa Factory('22.8)

(IT Field)

-Cooperation Platform: Meeting
Cyber & Critical Technology Policy Dialogue

Korea-Australia Dialogue on Digital Trade
Korea-Australia Tech-Bridge Meeting

-Cooperation Platform : Document
MOU on Cyber & Critical Technology Cooperation
MOU on Digital Cooperation

-Field of Cooperation
Regional Digital Trade Initiative

3. Third Pillar (People to People Exchange)

-Cooperation Platform: Document
MOU on Socio-Cultural Cooperation

-Field of Cooperation
Education, Tourism, Entertainment

Discussants

LEE Wang Hwi

Professor / Ajou University

Wang Hwi LEE, Ph.D. (London School of Economics and Political Science), is professor of political science and dean of the Division of International Studies at Ajou University, Suwon, South Korea, where he has taught international political economy since 2006. Currently he advises the Ministry of Foreign Affairs, Ministry of Industry, Commerce and Energy, and Ministry of Science and ICT on economic security issues. His research interests have been focused on issues of the political economy of East Asia and the US-China strategic competition. He is the author of “The Politics of Economic Reform in South Korea: Crony Capitalism after Ten Years”, “Pulling South Korea away from China’s Orbit: The Strategic Implications of the Korea-US Free Trade Agreement”, “US-China Cooperation on Climate Change at COP26 - Policy Implications for Environment and Energy”, and “Crisis Management of the COVID-19 Pandemic in South Korea, Taiwan, Hong Kong, and Singapore.”

Taking Points: How Would the ROK-Australia Cooperate?

Wang Hwi Lee (Professor, Ajou University)

To discuss cooperation, it is needed to understand the similarities and differences between the two countries. On the one hand, Korea and Australia have many things in common. In terms of security, both are America's ally for several decades. At the same time, both are G20 members. When it comes to trade, both are heavily dependent on China. Since the mid-2010s, both suffer from China's economic coercion. On the other hand, Korea and Australia differ in many ways. Korea is China's neighbor, while Australia does not share any border with China. Korea is more vulnerable to China threats than Australia. Industrial structures are also different. Korea's main exports are high-tech products (notably semiconductor, batteries, autos) whereas Australia exports fossil fuels, minerals, and agricultural products.

Against this background, I think that Korea and Australia are perfect partner. Korea and Australia support democracy and human rights. And both are complimentary to each other in terms of industrial structure. Korea needs Australia's oil, gas, and rare earth minerals. Australia can buy Korean cars, batteries, and electronics.

In terms of foreign policy, there are significant shifts in both countries. In Korea, the pro-American conservative party seized the power. In Australia, Labor Party became the ruling party. I am wondering how the regime change influences its China policy. It seems to me that President Yoon Seo-yeol seems a bit more hostile to China than Prime Minister Anthony Albanese.

Second, the real impact of China's economic coercion is questionable. Korea's trade with China did not decrease even after China's retaliation against the THAAD deployment in 2017. Australia's total export to China also increased, although its wine exports plunged sharply. How can we understand this irony? How long can we keep getting on with China?

Finally, Australia has multiple ties with America. It is member of AUKUS, Quad, and IPEF. Korea is a mere member of IPEF. As far as I know, Japan is very reluctant to let Korea in Quad. What is Australia's position on the Korea-Japan relations? And is Australia willing and able to persuade Japan on behalf of Korea?

Discussants

Gordon Flake

Chief Executive Officer / Perth USAsia Centre at The University of Western Australia

Professor Flake is one of the world's leading authorities on strategic developments in the Indo-Pacific. Having spent twenty-five years in the US foreign policy community focused on the Korean Peninsula and Northeast Asia and now seven years in Australia's Indian Ocean capital he is an expert on key strategic relationships in the broader Indo-Pacific. He has authored many scholarly and policy studies on security developments in the region, and their policy implications for the US and its regional partners.

Since establishing the Centre in 2014, Professor Flake has worked to build stronger international relationships between Australia, the US and the broader Indo-Pacific. He has led the growth of several major international conferences in Australia and the region; and established a range of high-level diplomatic and policy dialogues on issues of shared concern for the Indo-Pacific. Professor Flake is a sought-after media commentator, particularly on issues to do with US politics and foreign policy and strategic developments in the Indo-Pacific. His work has appeared in many leading international outlets, including the Washington Post, Wall Street Journal, New York Times, as well as across the Australian media landscape.

Professor Flake holds a number of strategic leadership roles. He is a Governor of the American Chamber of Commerce in Australia (AmCham), and serves on the board of the United States Studies Centre at the University of Sydney. He is Co-Chair of the Committee for Human Rights in North Korea, a member of the international advisory board of the David M. Kennedy Centre at Brigham Young University, and on the Board of the Australia Korea Business Council WA. Prior to joining the Centre, he was the Executive Director of the Maureen and Mike Mansfield Foundation, an Associate Director of the Program on Conflict Resolution at The Atlantic Council of the United States, and Director for Research and Academic Affairs at the Korea Economic Institute of America.

He holds a Bachelor of Arts (Korean) and Master of Arts (International and Area Studies) from Brigham Young University. He speaks both fluent Korean and Laotian.