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# Unified Korea and the Future of the U.S.-South Korea Alliance

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## Introduction

Korean unification could arguably occur within the next decade. No other country in the world is as diplomatically isolated as North Korea. Even its closest ally and benefactor, China, is showing signs of becoming increasingly intolerant of the North's saber rattling and brinkmanship tactics. On diplomacy and economic competition, the North is losing badly. South Korea is often cited as a successful model of economic and political development in the developing world, whereas North Korea is one of the world's poorest nations; having experienced a massive famine in the 1990s, the country now subsists on handouts from China. Cracks are also appearing in the edifice of the North Korean state, as the regime's ability to control the flow of outside information to ordinary citizens diminishes. In December 2013, the country's third-generation dictator Kim Jong-un executed Jang Song-thaek, his uncle and the second-most-powerful man in the regime, on charges of plotting against the leader. Kim has also executed more than seventy other high-ranking officials since coming to power. Although popular uprisings of the kind that toppled governments from East Germany and the Philippines to Egypt, Libya, and Tunisia are still unlikely in North Korea, these events are a reminder that sudden change is always possible and it is impossible to predict exactly when the North Korean state would collapse. Within the next five-to-ten years, a cascading series of events could conceivably end with regime collapse in the North, leading to the unification of the two Koreas.

Unification would constitute one of the most decisive changes in the history of Northeast Asia since the outbreak of the Korean War in 1950, with far-reaching implications for the United States and the balance of power in the region. Assuming that unification does not result from a devastating war, a Korea unified in the next five to ten years would likely emerge as a consumer and industrial powerhouse with a well-educated and hardworking population of approximately seventy-five million people, considerable natural resources (mostly in the North), advanced technology, armed forces that are among the largest and most capable in the world, and, possibly, nuclear weapons. In addition, Korea's policy-makers would need to address an important issue about their country's future: whether to remain closely aligned with the United States, draw closer to China, or adopt an independent posture, balancing between the two Pacific giants.

In the first decade or two following unification, Korea would be preoccupied with nation-building in the North, stabilizing it politically and economically, demobilizing and decommissioning the North Korean military, closing the vast economic disparity between the two Koreas, and melding two societies that have diverged for seventy years or more. The likely strategic orientation of a unified Korea after the completion of the initial phase should be of considerable concern not only to Koreans, both North and South, but also to their neighbors—China, Russia, Japan—and to the United States. The future direction of a unified Korea's foreign policy could affect the balance of power in Northeast Asia. Unless the unification process backfires and produces a crippled, inward-focused state—an unlikely outcome—a unified Korea is likely to be more politically and economically influential in both regional and global affairs than either South or North Korea is today.

Given the inevitability of unification, the United States should take steps now to increase the likelihood that the U.S.-South Korea alliance would survive the disappearance of North Korea. If Washington failed to act to lock in its relationship with Seoul, the United States could face the risk, in a post-unification world, that Korea could either align with China or, more likely, pursue an independent foreign policy, maintaining equidistant relations with the United States and China.

## The Nature of a Unified Korean State

Experts have described several different unification scenarios from a “soft landing” of gradual and peaceful integration of the two Koreas to a “hard landing” following an internal upheaval in the North or even a renewed war between North and South.<sup>1</sup> Given the South’s economic prowess, alliance with the United States, and international influence, however, South Korea would likely absorb and integrate the North, not the other way around. Even if unification occurred as a result of a military conflict—in which, following a major attack from the North, South Korean and U.S. forces would finally destroy the regime—the outcome would still be unification under South Korea’s government. Another safe assumption is that a unified state would be similar to, if larger than, South Korea today and would inherit the South’s liberal democratic political system and market economy.

The way in which unification occurs could do much to affect a unified Korea’s strategic orientation. If unification occurred through a negotiated political agreement between the two Koreas, the U.S.-South Korea alliance, including the continued deployment of U.S. forces on the Korean peninsula, might be dissolved; Pyongyang undoubtedly would insist on their removal as a precondition of a negotiated unification. If the North Korean regime collapsed and the United States aided the unification process, the bonds between the United States and Korea would likely be strengthened. Should the United States come to assist the South in another war initiated by the North, the renewed government-to-government and people-to-people ties between the United States and Korea would likely draw the two allies closer, like the first Korean War did. (This is not, of course, a reason to hope for the outbreak of another Korean war.)

Were unification to occur under circumstances in which Koreans saw the United States as impeding the unification process, resentment could form between the two allies and harm their relationship. Similarly, if North Korea became unstable and China intervened, not to bolster North Korea but to help South Korea with the unification process—admittedly, an unlikely scenario—then unified Korea might alter its strategic orientation toward China. If Koreans viewed China as obstructing the unification process or if China unilaterally intervened to gain control of North Korea’s weapons of mass destruction (WMDs)—or, worse yet, tried to support a pro-Chinese faction to keep North Korea afloat—China would risk deteriorating relations with South Korea and, later, unified Korea.

Yet no matter how Korean unification comes about, certain factors would remain immutable and influence unified Korea’s strategic orientation. The most important is Korea’s vulnerable geography. Korea has long been shaped by its powerful neighbors—China, Russia, and Japan—that have often exerted considerable influence over the peninsula without considering the wishes of its inhabitants. Geography, however, is not destiny. Korean policymakers would still have to make difficult decisions about how to place their country in the most strategically advantageous position vis-à-vis their more powerful neighbors.

## The Nuclear Question

The first and most important question for unified Korea would be whether to keep the WMDs assembled by the North, including nuclear, chemical, and biological weapons, along with long-range ballistic missiles capable of delivering the warheads. Every major power that has an interest in Korea's future—especially the United States, China, and Japan—would press Korea to give up the WMDs. The International Atomic Energy Agency and other international bodies would echo these demands, particularly as South Korea is party to the Nuclear Nonproliferation Treaty (NPT). Indeed, U.S. and South Korean forces might even wind up deactivating or removing North Korea's nuclear weapons during the process of unification, not after. If unified Korea inherited a nuclear arsenal from the North, there would likely be a contentious debate within the Korean government over whether to give up the arsenal.

Advocates of nuclear disarmament would argue that keeping the WMD arsenal would irrevocably harm Korea's relations with its neighbors, severely strain the U.S.-Korea alliance, and possibly trigger a nuclear arms race with Japan. Such a move could endanger the international support that Korea would need during the costly process of unification.

Some Korean security hawks and nationalists might argue against giving up nuclear weapons. Even today, a number of South Korean hardliners and a few conservative commentators are calling for either the reintroduction of American tactical nuclear weapons or an independent nuclear option for the South, especially because South Korea has the technology and the wealth to develop nuclear weapons in a short period of time. Public opinion in the South is becoming more sympathetic to this argument, particularly as North Korea continues to advance its nuclear and missile capabilities. The Asan Institute for Policy Studies, a South Korean think tank, announced in February 2013, a week after the North's third nuclear test, that two-thirds of South Koreans polled "supported a domestic nuclear weapons program," and only about half believed that the United States would provide the South with a "nuclear umbrella" in case of a North Korean attack.<sup>2</sup>

Hardliners in a unified Korea could also point to the example of Ukraine, which gave up its nuclear weapons program after the dissolution of the Soviet Union and has since been invaded by Russia. Such concerns could gain traction during the period of unification if Korea felt threatened by Japan, its historic foe. If Japan had a right-wing, nationalistic prime minister, greater military capabilities and mandates, or dangerously antagonistic relations with Korea, Korea would be less likely to give up its nuclear weapons. Japan and South Korea did indeed face a crisis in 2006 when South Korea dispatched twenty gunboats and threatened to use force to prevent Japanese maritime survey ships from approaching the disputed Dokdo/Takeshima Islands in the Sea of Japan. A similar crisis could convince unified Korea to adopt a more militaristic posture, including retaining nuclear weapons.

Unified Korea's case for remaining nuclear would be further strengthened if the United States retreated from its leading role on the global stage and was no longer seen as a credible guarantor of Korean security. The value of the U.S. security umbrella is already under question due to the United States' failure to enforce the "red line" on Syrian chemical weapons, to take a tough stance against Russia over its annexation of Crimea and invasion of eastern Ukraine, or to more directly challenge

China's attempts to claim much of the South China Sea. If these trends continue, the unified Korean government could decide to maintain its nuclear weapons in order to strengthen its hand against China, Russia, and Japan.

Unified Korea would likely forego nuclear weapons if it had a more moderate government, if tensions with Japan subsided, and if the United States remained a leading power in Asia. In all likelihood, a unified Korea would be a nonnuclear, unaggressive nation that would comply with the NPT and other international regimes. As South Korean President Park Geun-hye noted in her March 2014 speech in Dresden, "A unified Korea that is free from the fear of war and nuclear weapons will be well positioned to make larger contributions to dealing with a wide range of global issues like international peace-keeping, nuclear nonproliferation, environment and energy, and development."<sup>3</sup>

Ultimately, the nuclear question will not be decided in a vacuum. The answer is likely to be an outgrowth of a broader debate on the future of the unified state's foreign policy.

## Three Possible Strategic Choices for a Unified Korea

There are three broad categories of security strategies for unified Korea. In the order of most to least likely: the status quo or a somewhat reconfigured, but still strong, security alliance with the United States; a policy of independence, isolationism, or neutrality; or a tilt toward China. Other strategies, such as a multilateral security arrangement or a collective security pact, are possible, but a unified Korea is nevertheless likely to confront these three options.

### *OPTION 1. MAINTAIN THE STATUS QUO OR A RECONFIGURED SECURITY ALLIANCE WITH THE UNITED STATES*

If unified Korea emerged as a result of a South Korea-led initiative backed by the major powers, the most likely security arrangement would be a reconfigured U.S.-South Korea alliance. Given that the alliance already exists, its continuation is the most likely option, especially during the period of post-unification consolidation. Immediately following unification, the new Korean state would be preoccupied with domestic issues, including resolving ownership rights to North Korean property; seeking transitional justice for North Korean elites; imposing law and order; and establishing health care, schools, electricity, and other basic services in the North. The unified Korean state would have little energy or desire to formulate a bold new foreign policy. To the extent that Korea focused on foreign policy at all, it would be to seek a balance of power between China, Russia, and Japan, the major powers in Northeast Asia. As long as unified Korea is preoccupied with internal issues, Korean leaders are likely to seek a continued alliance with the United States, including keeping a U.S. military presence at some level.

A unified Korea could have many compelling rationales for a continued alliance with the United States, including the protection afforded by the U.S. nuclear umbrella. Without a nuclear guarantee from the United States, a nonnuclear Korea would be too weak to deal unilaterally with either China or Russia because both countries have large militaries and nuclear arsenals. Moreover, a continued alliance with the United States would guarantee access to considerable conventional military capabilities ranging from war fighting to intelligence collection and humanitarian assistance. If Korea shared these capabilities, it would be able to reduce and reorganize its military forces more than if it had to provide unilaterally for its entire defense requirements.

Even if unified Korea continued to absorb part of the cost of hosting U.S. forces on the peninsula, the alliance could save Korea hundreds of millions of dollars in military expenditures. (In 2014, South Korea spent \$867 million to subsidize the U.S. military presence.)<sup>4</sup> If Korea expelled U.S. forces, this admittedly would create opportunities for Korea's burgeoning defense industry and create new jobs. However, the cost of building a comprehensive security structure would put huge pressure on economic growth, and it is not clear if Korea would be able to readily reproduce the unique capabilities that the U.S. military has spent decades developing. Continuing to host U.S. forces, on the other hand, would preserve the special relationship between the two governments and militaries, facilitate coordination of regional strategy, and serve as a deterrent to others seeking advantage on the peninsula. A unified Korea allied with the United States would also receive more respect from



Beijing, which might otherwise be high-handed in its dealings with a Korean state that, even unified, would be only a fraction of China's size and power.

Although the United States supports a continued alliance with South Korea, either country may be disinclined to continue stationing U.S. forces on the Korean peninsula absent the North Korean threat. Many in Congress might argue that, given budget deficits, there are more urgent priorities than maintaining troops in the territory of a rich and powerful ally capable of defending itself. Critics of the troop deployment could point out it is still possible to deter China via U.S. bases in Japan and Guam. Some in Korea would argue that the continued deployment of U.S. forces is an infringement of Korean sovereignty. Even if the United States agreed to maintain a troop commitment, greater tensions between the United States and Korea over burden sharing would be likely, as would those over ancillary debates about trade, relations with China, Korea's misgivings about Japan's efforts to expand its military, and other sensitive issues. Such tensions, in fact, already exist; the removal of the North Korean threat would likely exacerbate them.

After unification, a continued alliance with the United States would not necessarily mean the continuation of the status quo. A unified Korea's national security priorities would be more complex than merely deterring North Korean aggression. Even today, South Korea increasingly desires to use the country's middle-power status to play a larger role regionally and globally. A unified Korea would also have to deftly manage increasing economic ties with China, South Korea's largest trading partner since 2004, while preserving the security relationships with the United States and Japan.

The geostrategic environment in which the U.S.-South Korea alliance was formed no longer exists. The collapse of the Soviet Union, Russia's dissolution of its military alliance with North Korea, China's rising influence in the region, and South Korea's transformation into one of the world's leading economies with an export-oriented industrial base have all contributed to a reorientation of the strategic identity of the alliance.

Most likely, the U.S.-South Korea alliance would be reconfigured after unification. Such a shift from forward defense to regional power projection would mirror the reorientation of North Atlantic Treaty Organization (NATO) forces after the Cold War. Just as the United States now expects NATO allies, including Germany, to help as far afield as Afghanistan, Washington could look for more Korean assistance in Africa and the Middle East—an arrangement that already exists to some extent. The alliance would need to go beyond the current focus on the peninsula but also avoid becoming a perceived threat to Korea's neighbors, particularly China.

Japan would welcome a unified Korea maintaining a security alliance with the United States because U.S. troop presence in Korea would assure that Korea would be neither antagonistic toward Japan nor allied with potentially hostile countries, notably China.

China and Russia would suspect that the chief rationale behind a renewed U.S.-Korean security alliance was for the United States to project its power and pursue its own interests in the region. China, in particular, sees North Korea as a "buffer zone" between itself and the democratic, pro-American South Korea and has provided virtually unconditional support to North Korea by sustaining the Kim dynasty. As such, China would not want to see a continued U.S. troop presence on the Korean peninsula after unification even if the troops remained in the southern region. Moreover, China would likely be concerned that its diplomatic leverage on the Korean peninsula would be reduced after unification because Beijing would no longer have a role to play in managing inter-Korean differences.

It is therefore possible, even likely, that various internal and external pressures would lead the United States and a unified Korea to discontinue the presence of U.S. forces on the peninsula. Nevertheless, even if a unified Korea ultimately decided that it no longer needed a U.S. military presence, the United States and unified Korea could still reap considerable benefits from continuing a multi-dimensional alliance. In fact, unified Korea could use the U.S. alliance to increase its global power and influence. A Korea closely aligned with the United States would be more influential in the world than one that goes its own way.

#### *OPTION 2. BECOME AN INDEPENDENT REGIONAL POWER*

If it chose not to maintain a close alliance with the United States, Korea could decide to pursue an independent foreign policy as a nonaligned nation. Korea would likely pursue this policy after the initial period of unification ends and the newly unified state is ready to assume a new role on the world stage. As part of this policy, a unified Korea could decide to withdraw from the NPT and keep the North's nuclear arsenal.

Unification would likely bring about a growth of Korean nationalism proportional to the country's rising national power and international standing. This nationalistic sentiment might result in a domestic political consensus that discards a security alliance or even a close political relationship with any major power. Korea could also try to stand aloof from the competition, pitting China against the United States and its allies.

A unified Korea might pursue this path if policymakers reason that, without the North Korean threat, the country faces little danger from any other state. Korea might conclude that only China, Russia, and Japan posed credible threats but that the likelihood of a conventional attack by any of these nations was slim. As a result, a unified Korea could choose to remain unaligned in the competition between the United States and China. Korea's considerable security and economic interests in its relations with the United States and China would reinforce the idea that alienating either side would only be harmful to Korean interests.

In this scenario, a unified Korea would dissolve or significantly downgrade its security relationship with the United States and remove U.S. troops from the Korean peninsula. Korea might also establish a measure of security relations with China and even Russia. For example, the Korean military could conceivably hold exercises with its Chinese or Russian counterparts and work to enhance interoperability in ways that the South Korean armed forces do today with their American counterparts. Korea might even become neutral, à la Switzerland or Austria, under a four-party agreement with the United States, China, Japan, and Russia. The volatility of Northeast Asia and the uniqueness of the Swiss model, however, make the neutrality option an unlikely possibility. To be neutral, Korea would have to abandon any active foreign policy pretensions, something that the newly unified and self-confident state would be unlikely to do.

A unified Korean state acting as an independent regional power would dramatically change the dynamics in Northeast Asia. Even after unification, the Korean peninsula would remain militarily and economically inferior to China, but Korea would become more powerful than before unification and might possess nuclear weapons. An independent or neutral Korea could upset the current balance of power in the region and potentially start a geopolitical rivalry with Japan. On the other hand, an independent, unified Korea could try to serve as a balancer and conciliator, acting as a bridge between the United States and China. In the end, however, Korea would be likely to conclude that the

costs of nonalignment outweigh the benefits because it would lose all the benefits of an alliance with the United States, which remains the only global superpower.

### *OPTION 3. TILT TOWARD CHINA*

The least likely scenario would be for a unified Korea to seek an alliance with a power other than the United States, particularly if the two Koreas unified through a negotiated settlement. China stands out as the most likely candidate; alliances with Russia or Japan are highly unlikely. Despite fifteen hundred years of cultural exchange, trade, war, and political contact, Korea has not had an alliance with Japan, and Koreans are still antagonistic toward Japan. Korea's relations with Russia are less tense, but there is no love lost between the two countries, either: Koreans remember Russia's historic role in supporting the North Korean dictatorship. In any case, there is little that Russia—whose Pacific provinces are becoming increasingly hollowed out and which lacks powerful ground, air, or naval forces in East Asia—could offer Korea by way of strategic benefits. China, however, has had a historically close relationship with Korea and is now its largest trade partner. Moreover, China is expected to become the strongest military power in Northeast Asia, and therefore, Koreans could reckon that it is in their interest to align with a rising hegemon. As with the independent foreign policy option, Korea would be likely to pursue the China option after the unification process is complete since fundamentally reorienting its foreign policy would be difficult at a time when the new state is dealing with a massive nation-building project.

Historically, China has viewed the Korean peninsula as part of the Sinic sphere of influence.<sup>5</sup> China likely hopes that its geographic proximity and strong economic links to the Korean peninsula would be the determining factors in the strategic orientation of a unified Korea. China would not be able to reestablish a new form of the old tributary system it maintained with the Korean peninsula for hundreds of years prior to the twentieth century—Korea is too rich and powerful now to make that possible. Beijing could seek to create an asymmetrical patron-client relationship of the kind that it currently has with Pyongyang. However, even that would be unlikely in the case of a unified Korea. China's more realistic hope should be that a unified Korea would not be a U.S. ally and that it would be deferential to China. To this end, Beijing would lobby hard for unified Korea to remove any U.S. military footprint from the peninsula.

This scenario, although unlikely, is not impossible. China and South Korea have robust bilateral ties. The relationship between the two countries has completely transformed since their normalization of ties in 1992. Trade between the two nations, which amounted to only \$6.4 billion in 1992, grew over 20 percent annually to exceed \$200 billion in 2011. Today, South Korea's total trade with China is twice the volume of U.S.-South Korea and Japan-South Korea trade combined. Now that China and South Korea have signed a free trade deal, South Korea's trade ministry estimates that bilateral trade would grow to over \$300 billion per year.<sup>6</sup> Moreover, China is South Korea's top outbound investment destination. In the first quarter of 2015, South Korea emerged as the second-largest foreign investor in China after Hong Kong.<sup>7</sup> Many of South Korea's largest companies operate in China and employ some two million Chinese workers.<sup>8</sup> South Korean firms are also active in developing China's border region adjacent to North Korea.

The bilateral relationship has also expanded significantly in other areas. In 2001, China replaced the United States as the destination most visited by South Koreans.<sup>9</sup> In 2014, Chinese residents visited South Korea more than any other foreign country; approximately four million Chinese tourists

visit South Korea each year.<sup>10</sup> The number of South Korean students enrolled in Chinese universities also more than tripled between 2003 and 2013—from 18,267 to 62,855.<sup>11</sup> There is even nascent military cooperation between South Korea and China although the level of cooperation remains far below that between the United States and South Korea. Although some South Koreans are critical of Chinese policies, such as China's support of North Korea and policy of repatriating North Korean refugees, most South Koreans see China as a valuable trading partner.

Moreover, despite the close relationship between the United States and South Korea, anti-Americanism has long been a force in South Korean politics. Many Koreans still harbor a grudge over past U.S. policies, including acquiescence to Japan's dominance of Korea following the 1904–1905 Russo-Japanese War, the perceived role of the United States in the division of the Korean peninsula in 1945, and U.S. support of authoritarian rulers in South Korea from the late 1940s to the late 1980s. Although anti-Americanism has decreased in recent years, it remains a sizeable minority sentiment. The most recent evidence of this phenomenon was the knife attack on U.S. Ambassador Mark Lippert in 2015, although most Koreans holding anti-American views are not violent. Anti-Americanism could see a resurgence amid greater nationalist sentiment in the post-unification period. According to a poll conducted by the Asan Institute, while the overwhelming majority of South Koreans still support the U.S.-South Korea alliance (93 percent), the support drops to 66 percent in a hypothetical post-unification scenario. This is still a high level of support, but it suggests the possibility, however faint, of post-unification Korea shifting away from the United States, if not toward China.<sup>12</sup>

Korean attitudes toward Japan would be even more important in determining whether unified Korea pursues an alliance with China. Anti-Japanese animus, already deeply rooted in Korean society, could grow even more virulent after unification. This, in turn, could make it difficult for Korea to stay aligned with Japan's primary ally, the United States. China has already been able to exploit South Korea's antipathy toward Japan, driving a wedge between two major U.S. allies in the region. For example, during a meeting with Chinese President Xi Jinping in June 2013, Park suggested that China erect a memorial in honor of Ahn Jung-geun, a Korean nationalist who, in 1909, assassinated Japan's resident-general to Korea, Hirobumi Ito.<sup>13</sup> Xi promptly ordered that a museum honoring Ahn be built in the city of Harbin in northeast China. To Koreans, Ahn is a martyr celebrated in children's books; in Japan, he is a terrorist who killed a towering figure in modern Japan's political history.

Although China would try to build a close relationship with a unified Korea, it would encounter substantial resistance from Koreans wary of domination by the historical imperial power on their border and fearful of discontinuing a close alliance with the United States, which has served South Korean interests well for more than sixty years. More Koreans have ambivalent attitudes toward China. South Korea views China as both an important source of economic growth and an economic competitor. China's continued support for North Korea, particularly backing of the North Korean government after it sank a South Korean corvette and shelled a South Korean island in 2010, angered many South Koreans. South Korea has also been wary of China's increasingly capacious territorial claims in the East and South China seas, as well as China's expansion of its air defense identification zone (ADIZ) in 2013. South Korea rejected the enhanced ADIZ and even expanded its own ADIZ in response.

The circumstances of unification could also exacerbate China-Korea tensions. Chinese firms in North Korea could be caught up in disputes over mineral resources. China is currently the primary outside investor in at least twenty North Korean mining ventures.<sup>14</sup> In addition, China currently has

far more access to North Korea's natural resources than South Korea does; North Korea exports about \$3 billion worth of mineral resources and goods annually to China but none to South Korea. These contracts are of great strategic and economic importance to China because North Korea reportedly holds six times as much rare earth deposits as China does. If a unified Korean state were to declare such contracts null and void, Beijing would be displeased and might seek to retaliate against Korean trade or investment. If Korea were to allow the contracts to remain in place, however, it would not have full access to the North's resources.

Border disputes could also jeopardize China-Korea relations. China has recently reasserted its claim to the region surrounding Mount Paektu in North Korea (referred to as Changbai Mountain in China), which is revered by all Koreans as a historical site connected to the founding myth of Korea. China even applied to the UN Educational, Scientific, and Cultural Organization (UNESCO) to have this region recognized as a world heritage site, creating an uproar in both Koreas. Another possible territorial dispute would occur if Korea were to assert a claim on the Yanbian autonomous prefecture of Jilin province in northeast China; ethnic Koreans known as Chaoxianzu are concentrated in the area.

Even without such disputes, a unified Korea would most likely not pursue an alliance with China for many reasons. Unified Germany chose to remain allied with the United States even after the collapse of the Soviet Union; a unified Korea would likely make a similar choice despite all the pressure and incentives that China could bring to bear. For a new state, there would be considerable comfort in continuing an old alliance. In the end, unified Korea would likely continue the alliance with the United States.

## Policy Recommendations for the United States

From the U.S. perspective, the optimal scenario would be a continued alliance with Korea after unification and continued deployment of U.S. troops on the Korean peninsula. This would forestall a nuclear arms race in Northeast Asia, as it has done for seventy years, by reassuring Korea that the United States would defend it with nuclear weapons, if necessary. Ensuring that Korea does not develop nuclear weapons of its own would also reassure Japan that it does not need to go nuclear to keep up with Korea. The continued U.S. deployment on the peninsula, therefore, would not only project American power in the region but also dampen the hostility between Japan and Korea. Even if it were not possible to maintain a continuing U.S. troop presence—save, perhaps, for occasional deployments for joint exercises and training—it could still be possible to maintain an alliance in a more attenuated form that would deliver some, but possibly not all, of these benefits. In particular, this arrangement (a U.S. security guarantee without a permanent U.S. garrison) would continue to limit nuclear proliferation in Northeast Asia and beyond, a bedrock goal of U.S. policy since 1945. Although this more limited arrangement would still be likely to forestall a nuclear arms race, it would provide less certainty than an American commitment of ground troops, because the United States would be more likely to act in a nuclear crisis if its own troops were in the line of fire. The U.S. government would not have the power to dictate the policy of a unified Korea any more than it does today; however, policymakers can take steps now to ensure that a unified Korean state continues to align closely with the United States.

First, the United States should begin preparing now for all likely North Korean unification scenarios. As has been publicly reported, the United States and South Korea already have joint military plans to deal with a North Korean collapse or war with North Korea, but they do not have similarly comprehensive joint plans, either military or civilian, for the unification of the two Koreas. Currently, there is no organization in the U.S. government to prepare and implement a strategy to address the various unification-related challenges. The United States needs to develop potential responses, figure out how to best time and sequence the responses, and plan how to accomplish them. The United States should also begin working with South Korea to augment joint military planning and design comprehensive and detailed political, diplomatic, economic, legal, and social strategies for unification. As a first step, the U.S. National Security Council (NSC) should form an interagency policy committee—a working group headed by a senior NSC director or the assistant secretary of state for East Asia—to take the lead on this issue. The interagency committee would function as the counterpart to South Korea's Unification Preparation Council, which was launched in July 2014 to come up with a “unification charter” that details South Korea's approach to unification. The United States cannot afford to wait for the collapse of the North.

Second, the United States should continue to work with the South Korean government to upgrade, modernize, and broaden the U.S.-South Korea alliance. Although there is some anti-American sentiment in South Korea, it is much diminished from previous years; several polls show that the vast majority of Koreans favor the American alliance and want to preserve it for the future, even when a hypothetical unification scenario is posited.<sup>15</sup> Since the Joint Vision Statement of 2009 and the Joint Declaration of 2013, which promised to strengthen and globalize future cooperation, the

two sides have accelerated steps to transform the alliance, broadening it from the original purpose of deterring and defending against a North Korean attack to a regional and global partnership that includes political, economic, diplomatic, and cultural cooperation. The two sides should continue to expand the alliance's agenda to include issues beyond the Korean peninsula, including peacekeeping, counterterrorism, nonproliferation, counter-narcotics, cybersecurity, space, missile defense, nuclear safety, climate change, humanitarian assistance, and disaster relief. Presidents Park and Barack Obama made a good start in this direction during their meeting in Washington in October 2015, but far more needs to be done. For instance, U.S.-South Korea cooperation on space exploration would be an element of the alliance that extends beyond the military or even economic realm. The more the alliance expands beyond its original threat-based rationale to an alliance based on common values, such as democracy, human rights, and free markets, the more difficult it would be for a unified Korea to jettison the alliance.

Third, Washington should commit in advance to preserve extended nuclear deterrence in unified Korea. This would solidify the symbol of the U.S. security commitment to Korea and avert a potentially destabilizing regional arms race that would initially involve Korea and Japan and would then draw in China, too, because China would be determined to maintain nuclear superiority over Japan. This would be easier to accomplish if the United States kept as many troops in Korea as it has today (28,500) or even increased their number. However, the actual size and composition of that force would depend largely on the way that unification came about, with the force being minimal if unification is entirely peaceful and much larger if unification is chaotic or even violent. Nevertheless, it could be possible to maintain the U.S. nuclear guarantee—albeit in a less effective form—even if Washington withdrew U.S. troops, whether due to isolationist sentiment at home, nationalist sentiment in Korea, or a deal struck between Korea and China to win Chinese support for unification. (In the latter case, the United States could decide that the cost of pulling troops out was acceptable if it hastened the end of the current North Korean regime by cutting off Chinese support.) China would be uncomfortable with an American nuclear guarantee, but it could come to appreciate the U.S. nuclear umbrella if it kept unified Korea from going nuclear, which could lead Japan, Korea's regional rival, to go nuclear as well. China does not want more nuclear states in its periphery. The U.S.-South Korea alliance has enabled the South to disavow the development and deployment of nuclear weapons, and thus the alliance serves broader regional interests. After unification, credible extended deterrence would encourage a unified Korea to discard the North's WMD program and renounce any future WMD development.

Fourth, the United States should commit to aid Korea during the transitional phase of unification. Washington should be prepared to provide support for the political and economic reconstruction of unified Korea, an endeavor estimated to cost \$2 trillion or more. That would be more costly than German unification and beyond the capacity of South Korea alone. If the United States, other Western powers, and Japan did not help with the process, unification could result in a crippled state or one dependent on Chinese largesse. Such concerns, along with a sheer humanitarian desire to help people who have suffered under the worst tyranny and deprivation in the world for decades, are worrisome enough to justify a greater U.S. role in Korean unification than the one the United States played in Germany. It is true that there is popular sentiment in the United States that, as Obama has often said, "Nation-building begins at home."<sup>16</sup> Yet the United States has been generous in providing humanitarian relief abroad; in 2013, the U.S. government gave \$4.7 billion for humanitarian emergencies, making it the largest donor in the world.<sup>17</sup> Even more significant has been the United States' foreign direct investment, which amounted to \$4.92 trillion in 2014.<sup>18</sup> U.S. companies could play an

important role in rebuilding North Korea, which has valuable mineral deposits and other natural resources that will make significant investment a paying proposition. The U.S. government cannot, of course, direct private U.S. companies to invest in a unified Korea, but it can encourage them to do so and make efforts to facilitate their investments. American nongovernmental organizations also have an important role to play in alleviating suffering. The exact amount of American assistance required is unknowable because no one can predict with any certainty exactly how Korean unification will unfold and how much it will cost. The very opaqueness of North Korea (there are no reliable economic statistics for this Stalinist economy) makes it impossible to predict the price of rebuilding. The sum total of annual U.S. aid and investment would not be enough to finance the monumental costs of unification and South Korea should bear the ultimate responsibility. However, Korea would need international aid and investment to help shoulder the burden—and the United States should be one source of such aid, along with Japan, China, the European Union, and others.

Moreover, the United States possesses the only military force in the world with the experience and range of capabilities needed for nation-building on the scale that would be required—and nation-building would be required, even if unification takes place in a peaceful manner, as in Germany's case. The United States would not, of course, take the leading role as it did in Iraq or Afghanistan; the South Korean military, augmented by soldiers from the former North Korean military, would be in charge. But the United States could provide valuable assistance and advice to South Korean forces—with whom the U.S. military is already closely integrated—during the initial stages of the unification process. A likely role for the U.S. military would involve the hunt for North Korean WMDs, which would be, at most, a limited mission performed largely by U.S. special operations forces working with South Korean troops and, possibly, international partners. (From the U.S. perspective, the most important factor in assuring that unification goes well is to ensure that all of North Korea's WMDs are secured.) The United States should be careful to limit its troop presence north of the thirty-eighth parallel because a large presence could alarm China; the actual number would ideally be discussed with Beijing in advance, assuming that Beijing were open to such talks. By successfully helping to stabilize and rebuild the Korean Peninsula through humanitarian and military aid, and by encouraging private-sector investment, the United States would affirm its enduring bond with the Korean people and fulfill a security commitment to an important ally, all while building a reservoir of goodwill for the future. The more the United States does to aid the unification process, the more likely it is that a grateful Korea would maintain the U.S. alliance after unification.

Fifth, the United States should form a trilateral contact group of relevant officials from Washington, Seoul, and Tokyo to begin consultations on the framework of the post-unification security architecture. Koreans may be suspicious of foreign involvement in their internal affairs, but they also understand that they would need foreign aid to help bear the staggering cost of unification and that outside powers are unlikely to commit resources without a say in how they are used. Given the tensions that still pervade the Japan-South Korea relationship, Korea might be particularly reluctant to discuss unification with Japan, and Japan, for its part, may have some reservation regarding the potential emergence of a stronger, single Korean state, although the Japanese government would look favorably at an outcome that denuclearizes the Korean peninsula. Notwithstanding such reservations, the United States and its two Northeast Asian allies should begin candid discussions about their own visions of a post-unification security environment. Japan has legitimate interests in the future of the peninsula, and any alteration in the U.S. relationship with Korea would have an effect on U.S.-Japan relations. Moreover, trilateral consultations and coordination would be beneficial to South Korea, particularly during the initial phase of unification. After unification, Japan could make



important nonmilitary contributions to Korea by providing logistical support and economic assistance. Japan could, for example, allow international stabilization forces to use its base network to transport soldiers and supplies to Korea; donate aid, particularly food and medicine; and even send civilian medical personnel, aid workers, and police officers to participate in the stability operation. Eventually Japan could also offer significant development assistance and aid that a unified Korea would certainly need.

As part of the effort to initiate trilateral coordination, Washington should continue to focus high-level attention on facilitating progress in the Japan-South Korea relationship, acting as an honest broker in tamping down tensions between these two U.S. allies. A good start would be to revive and implement an intelligence-sharing accord between Japan and South Korea (the General Security of Military Information Agreement) that was originally under negotiation in 2012 but was never signed because it became too controversial in South Korea. The Japan-South Korea relationship is currently among the most troubled relationships between mature liberal democracies because of lingering tensions over historical issues, such as the mistreatment of “comfort women” (sex slaves) and competing territorial claims over the Dokdo/Takeshima islands. After unification, the bilateral relationship might deteriorate further amid resurgent nationalism and without a mutual concern regarding the North Korean threat. U.S. policymakers should therefore make it a priority to foster reconciliation between the two U.S. allies, akin to the importance the United States once placed on resolving disputes between its allies Turkey and Greece over Cyprus and other issues.

Finally, efforts should be made to include China in the dialogue once a tentative agreement is reached in the trilateral discussion among the United States, South Korea, and Japan. As with the United States and Japan, China has an important stake in the outcome on the Korean peninsula. Beijing may be reluctant to participate in such a dialogue, but the conversation could be couched in terms of coordinating a broader multinational approach for various contingency scenarios. Beijing may be more willing to participate if the North’s nuclear program continues to expand, if it causes further provocations, including another nuclear test, or if there are signs of regime instability. Any one of these events could influence a Chinese decision to work with the United States, South Korea, and Japan, even if reluctantly.

If these conditions occur, Washington and Seoul should demonstrate to Beijing that their plans for preserving the U.S.-Korea alliance need not be viewed as a threat. Washington could assure Beijing that U.S. troops would not be permanently stationed north of the thirty-eighth parallel and might not be stationed on the peninsula at all. Moreover, Washington could argue that keeping Seoul within the framework of a U.S. alliance would dampen the competition between Korea and Japan, which could destabilize the entire region and harm Chinese interests in a peaceful and prosperous Asia Pacific. Such communications would not entirely dispel Chinese concerns about the orientation of the unified Korean state, but they could at least assuage China to some extent. Even if China remained dissatisfied with an alliance between the United States and the unified Korean state, it would not be able to prevent its emergence any more than it has been able to break up the current U.S.-South Korea alliance, which has lasted for seven decades.

## Conclusion

The trajectory of a unified Korean state's development rests on a host of variables whose ultimate outcome is impossible to predict. Nevertheless, a close reading of past and present trends offers insight into the possible outcomes of Korean unification. The United States should act today to shape Korea's future choices so that they are conducive to U.S. interests.

If the United States does not act now to increase the chances of a continued U.S.-South Korea alliance, Washington faces the risk that Korea could align with Beijing or pursue an independent foreign policy. Such a realignment has the potential to spark an East Asian arms race—possibly a nuclear one—and imperil U.S. interests in the region. The odds are that if the United States prepared the groundwork today, a unified Korea would most likely remain a pillar of the U.S. security system in Asia long after unification.

## About the Author

**Sue Mi Terry** is Bower Group Asia's (BGA) managing director for Korea. She leads the company's advisory work and development strategies for BGA clients pursuing opportunities in South Korea and East Asia. From 2011 to 2015, she served as a senior research scholar at Columbia University's Weatherhead East Asian Institute. From 2010 to 2011, she was the national intelligence fellow with the David Rockefeller Studies Program at the Council on Foreign Relations. From 2009 to 2010, she was the deputy national intelligence officer for East Asia at the National Intelligence Council. Prior to that, she served as director for Korea, Japan, and Oceanic affairs at the National Security Council from 2008 to 2009, and she worked as a senior analyst on Korean issues at the Central Intelligence Agency from 2001 to 2008. Her research focuses on the Korean peninsula, particularly North Korea's evolving nuclear strategy and the politics and foreign and security policies of South Korea. Her commentaries appear regularly in major media outlets including the BBC, Bloomberg News, CNN, Fox News, NBC, and PBS. She holds a BA in political science from New York University and an MA and PhD in international relations from Tufts University's Fletcher School of Law and Diplomacy.

## Endnotes

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1. Most Korea scholars agree to these alternative scenarios that would result in Korean unification. See, for example, Jonathan D. Pollack and Chung Min Lee, *Preparing for Korean Unification: Scenarios and Implications* (Santa Monica, CA: RAND Corporation, 1999).
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  3. Park Geun-hye, "An Initiative for Peaceful Unification on the Korean peninsula. Dresden—beyond Division, toward Integration," Speech delivered at Dresden University of Technology, Dresden, Germany, March 28, 2014.
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  5. As China scholars Andrew J. Nathan and Andrew Scobell have noted in *China's Search for Security*, Beijing appears to think of national security in terms of four concentric "rings": the first ring is a domestic one which relates to internal security with the territory China administers (i.e. Taiwan, Tibet and Xinjiang); the second consists of a ring directly proximate to Chinese territory, which includes countries adjacent to China; the third ring is more expansive, encompassing China's wider Asia-Pacific neighborhood; and the fourth ring encompasses the rest of the world. The Korean peninsula firmly belongs in the second ring and is perhaps the most important of these neighboring states because of its intimate proximity to China's political and economic center. See *China's Search for Security* (New York: Columbia University Press, 2012), especially chapter five.
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  7. *Ibid.* In the January–March period, South Korea was the second largest investor after Hong Kong, according to the report by the Beijing office of the Korea International Trade Association (KITA).
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