South Korea in 2013
Meeting New Challenges with the Old Guard

ABSTRACT
The new government led by President Park Geun-hye faced challenges that the previous government had largely failed to address: rising income disparity, stagnant growth, political reform, and foreign policy issues, including a nuclear North Korea and an assertive Japan. Park's foreign policy scored some successes while her old-style management of political affairs supported by the old guard caused a prolonged political stalemate with the opposition party.

KEYWORDS: welfare, old guard, smear campaign, alliance rebalance, trustpolitik

The year 2013 began with a new government led by President Park Geun-hye. Park inherited a full plate of challenges, both domestic and international, left by the previous president, Lee Myung-bak, who has been criticized for his management of the economy. With a stagnant economy and job worries, Park is under pressure to live up to her “economic democratization” campaign vows to restore economic growth and fight against societal disparity by providing a social safety net. To do so, major structural changes are required. In addition, Park faces major foreign policy challenges. South Korea needs a shift from Lee’s hard-line policy vis-à-vis the North. Seoul also needs to ameliorate tense diplomatic relationships with both China and Japan while maintaining its robust alliance with the United States. Though Park came into office as a new president for a new path, her reign has not been entirely liberated from a past filled with widespread popular discontent for the domestic policies of her predecessor. Her foreign policy scores some successes, but there are rising challenges with regard to a dangerous
North Korea, an assertive Japan, and precarious Sino-Japanese relations that undermine her vision and strategy.

**RELYING ON THE “OLD GUARD”**

President Park relied heavily upon elderly voters in last year’s election. She won 73.4% among voters in their 60s and older, whereas major opposition candidate Moon Jae-in garnered only 26.6%. Elderly voters’ support for Park was particularly ardent, tending to see in her a reflection of her father and ex-president, Park Chung-hee. The old generation admires Park Chung-hee for modernization of the country even though he was portrayed as a military strongman among younger generations. The elderly may long for those days, proud of their contributions to South Korea’s achievements under the first President Park.

Park Geun-hye, for her part, assigned key government posts to elderly elites. For instance, the presidential chief of staff, Kim Ki-choon, is 73 years old and Park’s long-time political adviser. He served under Park Chung-hee. Other examples of elderly appointments to high profile posts include the following: 68-year-old Kang Chang-hee, the Speaker of the National Assembly; 70-year-old Suh Chung-won, an influential politician and close aide to Park in the governing Saenuri Party (former Grand National Party); and 69-year-old Nam Jae-joon, the chief of the National Intelligence Service (NIS). Park also relies heavily on retired military generals for foreign policy and security affairs. The chief of the National Security Council, the chief of the Presidential Security Service, the chief of NIS, and the defense minister are all retired generals who graduated from the Korea Military Academy—all in their late 60s.

These elderly appointments caused criticism from the public, particularly given that ideological and generational gaps are closely intertwined in South Korean society. Some believe that the appointees are too old to lead “the creative economy” promised by President Park. Others are worried that these appointments invite a throwback to her father’s day of authoritarianism and militarism. Relatedly, there were expectations among the public that the election of the first female president would help remedy the country’s long

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history of gender inequality, currently the highest in the developed world. Yet, Park has named only two women to her 17 cabinet positions—and to posts of little political significance.

A key issue in the 2012 election was social welfare policies, drawing public attention not only to South Korea’s pronounced socioeconomic disparity but also to its rapidly aging population. Park’s narrow victory contributed to her commitment to more and better welfare services coupled with “economic growth.” Accordingly, her inaugural speech promised to create more jobs, expand welfare services, and strengthen national defense. She also attempted to keep the promise of “welfare expansion without tax increase” made during her campaign, though this quickly became unrealistic, and some promises of welfare provision had to be modified. Additionally, she retreated on several key pledges, including the introduction of a basic pension plan and full government support for care of people with major illnesses such as cancer, heart disease, cerebrovascular disorders, and rare and incurable diseases. These broken promises have undermined her popularity.

UNRESOLVED COMPETITION WITH THE OPPOSITION

Controversies over lingering issues from the 2012 presidential election shook domestic politics throughout 2013. The former head of the NIS was indicted for allegations of a smear campaign against Democratic Party (DP) candidate Moon and independent candidate Ahn Cheol-soo, involving negative messages posted on social networking and news websites by the NIS’s anti-North Korea psychological warfare members. They attempted to taint Moon’s and Ahn’s images as being pro-North Korea. The opposition parties demanded an apology from President Park for the alleged involvement of the NIS and sought reforms against smear campaigns. The major opposition leader, Kim Han-gil, even staged outdoor rallies in front of the Seoul City Hall. Park initially did not respond and subsequently declined the demands, insisting on waiting for the court’s decision on the indictment. A meeting between Park and Kim only deepened mistrust and tension.

Another of the year’s controversies relates to a 2007 inter-Korean summit transcript. The DP claims that some key figures of Park’s governing Saenuri Party had improper access to the classified transcript between former President Roh Moo-hyun, of the DP, and North Korean leader Kim Jong-il, making use of its contents against DP presidential candidate Moon in the
2012 election. By contrast, according to the governing party, the transcript confirmed that President Roh and his DP undermined the country’s sovereignty in his conversation with Kim by effectively denying the validity of the Northern Limit Line (NLL), the de facto maritime boundary between North and South Korea in the West Sea. When the transcript was not found at the National Archives, the opposition DP called for an independent investigation, while the ruling Saenuri Party claimed that close aides of former Democratic President Roh were responsible for the loss of the transcript.

Despite a prolonged political stalemate, President Park is not willing to get actively involved in settling such disputes. Even though she served five times as a member of the National Assembly and is the leader of the Saenuri Party, she deliberately distances herself from political controversies and inter-party disputes. In fact, when she took office, she abolished the ministry for Political Affairs, which had facilitated cooperation and coordination within the National Assembly. She also appointed a senior diplomat who has no political experience as senior presidential secretary for Political Affairs in the Blue House after a two months’ vacancy. Given her leadership style, not only will South Korea’s politics likely become increasingly adversarial, but the lack of proper communications between the president and the governing party will become more problematic.

Park seems to benefit from such adversarial politics, tending to take advantage of opposition parties in disarray. After its defeat in the presidential election, the DP appears capable neither of restoring public confidence nor of establishing strong party leadership. Its approval rating remains at around 20%. By contrast, the approval rating of the governing Saenuri Party is about 40%. But the traditional political landscape may change. Ahn Cheol-soo entered the National Assembly in a by-election victory, preparing to set up a new party for the local elections in June 2014. If Ahn’s party draws substantial support from traditional DP voters, particularly in Jeolla, in the southwest region of the peninsula, the DP will face a serious challenge from Ahn, and it will in turn likely restructure the opposition bloc.

Generally speaking, the prospects of President Park Geun-hye still look positive. Her approval rating remains at around 55%. Moreover, she has rock-solid core supporters. The governing party won five seats out of six in the by-elections of 2013. However, next year’s local elections will be a critical time under South Korea’s single-term, five-year presidential system. The voters, who are willing to be patient in the first year, will want more
tangible achievements in following years—particularly with respect to the economy.

**TRUSTPOLITIK AND NORTH KOREA**

President Park finds no less difficulty in foreign affairs than domestic politics. Beginning the presidency, she prepared a new approach to complex regional strategic problems: *trustpolitik*, an ideal vision as well as a practical policy applied to South Korea’s dealing with North Korea and South Korea’s Northeast Asian regional partners.\(^2\) The first pillar of *trustpolitik* is the trust-building process on the Korean Peninsula, using both instruments of dialogue and pressure in order to build trust between the two Koreas based on a solid foundation of security. The second pillar proclaims the “Northeast Asian Peace and Co-operation Initiative,” a roadmap for implementing *trustpolitik* at the regional level. Starting from developing a habit of cooperation among regional players on soft issues, it eventually contributes to addressing the region’s thornier issues, aiming to transform the existing structure of mistrust and confrontation into one of trust and cooperation. The third pillar aims for South Korea to play a greater role in responding to global issues as a responsible middle power. Details were slow in coming, and quickly overshadowed by North Korea’s third nuclear test on February 12, two weeks before the inauguration of Park. The test, intended for Kim Jong-un’s domestic audience, brought the country closer to nuclear power status. North-South relations have dramatically deteriorated.

Fortunately, the North Korean nuclear challenge came at a time when the new Chinese leader, Xi Jinping, was working to improve China’s relations with the U.S. On June 7–8, the leaders of China and the U.S. struck positive tones in a two-day summit that forged a “new type of great power relationship” going forward. Both countries emphasized the denuclearization of North Korea as one area of convergence upon which the two might create this new type of relationship. Such hopes were reflected in Xi’s coldness during his meeting on May 22 with Kim Jong-un’s personal envoy, Vice Marshal Choe Ryong-hae, who reportedly rushed to Beijing right after the announcement of the China-U.S. summit. Xi bluntly told Choe that North

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2. For *trustpolitik*, see Yun Byung-se, “Park Geun-hye’s Trustpolitik: A New Framework for South Korea’s Foreign Policy,” *Global Asia* 8:3 (Fall 2013).
Korea should return to the Six Party Talks intended to get rid of its nuclear weapons.

Ties between South Korea’s new government and China were off to a good start. President Park hoped to upgrade the bilateral relationship that had been strained during most of the Lee Myung-bak era. Park’s choice of China as the second nation to visit after she assumed the presidency was a signal of South Korea’s new policy that carefully coordinates its U.S. alliance with China relations. Her state visit to Beijing on June 27–29 was successful and was warmly received by Xi and the Chinese people. Together with another diplomatic success on May 8 in her address to a joint meeting of the U.S. Congress, Park paved the way to underscore that these three nations were united toward North Korea’s provocations.

Since July 2013, North-South relations have been less strained. The two countries held several rounds of talks over reopening a joint industrial complex in the North Korean city of Kaesong along the South Korean border that had been shut down since April. The breakthrough came in August, when the North accepted an agreement under which the two Koreas guaranteed that the normal operation of the Kaesong industrial complex would not be affected by political situations under any circumstance. This seems to prove the trustpolitik belief that “in order to build a more enduring and lasting trust, one party must clearly show the willingness to use robust and credible deterrence against breaches of agreements by the other party, while leaving open the possibility for constructive co-operation.” But it remains to be seen whether this breakthrough begins the trust-building process on the Korean Peninsula.³ More to the point, however, is Beijing’s need for a new type of Sino-American relationship that urges Beijing to put pressure on the North to stop provoking the South and the United States. The U.S. has warned China that a failure to rein in North Korea would lead to a further buildup of American military forces in the region.⁴

STRUGGLING WITH A NEW JAPAN

In stark contrast to China, South Korea’s Japan policy remains strained. Bilateral relations soured after former President Lee visited the disputed

³. Ibid.
Dokdo Islands in August 2012. Park was clearly dissatisfied with Japanese Prime Minister Abe Shinzo and his cabinet’s Japanese nationalist understanding of history, evident in Abe’s remarks in a Diet session in April that the precise definition of “aggression” had yet to be established. Park stuck with hard-line policies and demanded more appropriate attitudes for historical responsibility for war. She raised the issue of Japanese revisionism on World War Two on her visits to Washington and Beijing. The upshot was the standoff between South Korea and China on the one hand and Japan on the other. The prospects for a summit between Abe and Park remain dim.

South Korea’s Japan problem loomed large when Tokyo and Washington released a joint statement of the Security Consultative Committee on October 3, which endorsed Japan’s desire to take a more active military role in their bilateral alliance. Japan agreed to increase military capabilities and thereby lessen the U.S. regional security burden. Alongside increased military spending, Japan is preparing for a more systematic and active security strategy. This attitude contrasts with South Korea’s approach to revisions of the U.S.-Japan alliance, which indicates an obvious wariness to become too militarily independent too quickly. The October 2 statement issued by Seoul and Washington agreed to a “conditions-based” transfer of operational control of the Combined Forces Command by 2016, which has already been delayed twice. A handover is unlikely to occur for another two years.5

Although rebalanced alliance contributions work best for the U.S. in an era of financial distress, newly independent allied military capabilities mean that South Korea is pressed to fundamentally review the regional security dynamics. With the U.S. welcoming the Abe government’s anticipated re-interpretation of collective self-defense, Tokyo will be able to provide military assistance in the region, including on the Korean Peninsula, which worries Seoul. More importantly, a rebalancing of the U.S.-Japan alliance provokes security fears in China. Given Japan’s legacies from its colonial and wartime past, an increasingly robust Japanese military carries with it complex regional dynamics that trouble Seoul. The twin problems of Japan and North Korea will shape South Korea’s premier foreign policy challenges in the years ahead.