

ACKNOWLEDGEMENTS

Don Oberdorfer

Chairman, U.S.-Korea Institute at SAIS

The year 2006 was a landmark in the development of Korea studies, research, and outreach at the Paul H. Nitze School of Advanced International Studies (SAIS). In September both the U.S.-Korea Institute at SAIS and a Korea Studies Program were established at SAIS. The Institute aims to increase information and understanding of Korea and Korean affairs in the United States, especially in the Washington, D.C. area, by sponsoring courses, fellowships, research, and outreach activities. The Korea Studies Program is an approved academic concentration at SAIS, enabling students to major in this important discipline.

As part of the new Korea program at SAIS, a course was also introduced for the fall semester 2006: "The Two Koreas: Contemporary Research and Record." SAIS students researched current issues in U.S. relations with North and South Korea under the direction of David Straub, a former director of Korean affairs at the State Department. In addition to conducting numerous interviews of U.S. government officials and other experts on U.S.-Korean relations in Washington, D.C., the students traveled as a group to Seoul in November to receive briefings from and conduct interviews with Korean government officials, scholars, and politicians. This inaugural edition of the U.S.-Korea Yearbook, covering the chief security, economic, and cultural issues in relations between the U.S. and the two Koreas in calendar year 2006, is the product of their research.

The U.S.-Korea Yearbook for 2006 could not have been produced without the help of many individuals and institutions. While there are too many to mention all, we would like to note in particular the generous financial contribution of Mr. Spencer H. Kim, Chairman of CBOL Corporation, which enabled the students to make their research trip to Seoul. We are very grateful for the support of South Korean Ambassador to Washington Lee Tae-sik and American Ambassador to South Korea Alexander Vershbow, not only for the forewords they contributed to this yearbook but also for the numerous interviews granted by their staff members to the student-authors of the yearbook.

In Seoul, the SAIS faculty and students were the guests of Seoul National University's Graduate School of International Studies (GSIS). We would like to thank GSIS Dean Bark Taeho and Associate Dean Paik Jin-Hyun for making the SNU guesthouse available as student lodging, for the dinner they hosted for the SAIS students, and especially for arranging opportunities for the SAIS students to meet their GSIS counterparts to share the results of their research projects. Others who provided hospitality in Seoul included the SAIS alumni association in Korea, General (ret.) Park Jun Seong, and Mrs. Choo Young Bok.

In Seoul the students were honored to be able to interview former foreign ministers Yoon Young-kwan and Han Sung-Joo (who also hosted a luncheon for the students). At the National Assembly, senior parliamentarians Chang Young-dal and Chung Eui-yong briefed the students on Korean policies and politics and generously answered their questions. Dr. Koo Heekwon, chief of staff of the assembly's foreign affairs committee, arranged for the students to tour the National Assembly and receive a briefing on its history and work. We are grateful also for the many briefings and interviews provided by senior officials of the Korean Ministry of Foreign Affairs and Trade, Ministry of Unification, Ministry of National Defense, Korea Institute for International Economic Policy, United States Forces Korea, and the U.S. embassy in Seoul.

We hope you will find the 2006 U.S.-Korea Yearbook an aid to understanding the complex but vitally important U.S.-Korean relationship and a valuable record of trends and developments. As a continuing project, the course for fall 2007 will be led by Professor J.J. Suh, the newly appointed Director of Korea Studies at SAIS and Academic Advisor to the U.S.-Korea Institute. With many major developments having already occurred in U.S.-Korean relations thus far in 2007, including renewed progress in the Six-Party Talks on ending North Korea's nuclear program, and with a South Korean presidential election scheduled for December, the 2007 U.S.-Korea Yearbook will again cover critical developments in U.S.-Korean relations.

FOREWORD

2006 SAIS U.S.-KOREA YEARBOOK

Alexander Vershbow

*U.S. Ambassador to the Republic of Korea
August 2007*

Congratulations to the SAIS and especially to the students and faculty of the U.S.-Korea Institute on the publication of the first yearbook. As U.S. Ambassador in Seoul for the past two years, I know how rapidly things change in Korea. Your decision to publish a U.S.-Korea Yearbook will be very helpful to all of us involved in the relationship – diplomats, journalists, scholars and, of course, anyone else interested in learning more about the dynamic relationship between our two great countries.

The United States' alliance with the Republic of Korea is now well over a half-century old. This is an enduring alliance, because it is supported by the values that both our two nations cherish: democracy, freedom and market economics. Like all healthy relationships, this too is an alliance that adjusts and changes with the times.

When I began my posting as the U.S. Ambassador to the Republic of Korea in the fall of 2005, the Six-Party Talks had just produced the breakthrough September 19 Joint Statement in Beijing, but the North Koreans soon afterwards began a boycott of the negotiations that would last more than a year. Despite repeated efforts by the United States and South Korea to restart the talks, the North Koreans took increasingly provocative steps, culminating in the July missile launches and October nuclear test. It was, therefore, crucially important for the U.S. and ROK governments, along with other partners in Six-Party Talks, to present a firm response to North Korea. This included support for sanctions under UN Security Council Resolutions 1695 and 1718 and, in the ROK case, suspension of food aid to the North. Our efforts paid off, because by the end of the year, the North was looking for a way back to the Talks, and on February 13, 2007, the parties reached an agreement on "Initial Actions" on the path to denuclearization. Pursuant to that agreement, North Korea has shut down the

Yongbyon nuclear facility, and the Six-Party Talks are actively addressing next steps toward the full denuclearization of the Korean Peninsula.

On alliance issues, we grappled with some difficult and politically controversial issues in 2006, but we also saw important progress in the first half of 2007. During 2006 and into 2007, Korea continued to contribute the third-largest contingent of troops to the coalition in Iraq as well as a contingent in Afghanistan, and made the decision to send peacekeeping troops to Lebanon. On the Peninsula, our two countries reached an agreement in February 2007 to complete the transfer of wartime operational control (OPCON) to the ROK in 2012, and we jointly committed to accelerate work on the relocation of U.S. forces to Pyeongyang and the return of closed camps and bases.

The year 2006 saw the launch of negotiations on the Korea-U.S. Free Trade Agreement (KORUS FTA). While the talks triggered some opposition in Korea (and in the United States), the senior leadership in both countries remained committed to this agreement and convinced of the benefits it will bring to both the United States and Korea. Our negotiators made steady progress over eight rounds of talks, and concluded a far-reaching agreement that was signed on June 30, 2007. The KORUS FTA, the biggest U.S. trade agreement with any Asian country and our biggest trade agreement since NAFTA, will give a huge boost to trade and investment in both directions and create hundreds of thousands of new jobs. It will also cement and strengthen the partnership between our two countries in the economic area, just as the 1953 Mutual Defense Agreement bound us together in the security field. The agreement must now be approved by the U.S. Congress and the Korean National Assembly.

Of course, much work remains to be done to maintain the momentum achieved as of mid-2007. But I am optimistic, because I have seen the commitment of our countries' leaders to work together in meeting every challenge and strengthening the relationship between our nations.

I find it especially fortuitous that you, the members of the SAIS U.S.-Korea Institute Korean Program's inaugural class, had the opportunity to experience and document a pivotal year in U.S.-Korean relations, and to engage directly with government officials and leading experts in Seoul and Washington. You can be confident that the work represented in this yearbook will help future generations of scholars and policymakers to better understand what makes the United States' relationship with the Republic of Korea such a special one.

FOREWORD

2006 SAIS U.S.-KOREA YEARBOOK

Lee, Tae-sik

*Republic of Korea Ambassador
to the United States,
August 2007*

The calendar year 2006 was a true milestone in the history of Korea-U.S. relations. As this yearbook demonstrates, Korea and the United States have long shared one of the world's most successful alliances, grounded in common values such as democracy, market economy, and a respect for human rights. Yet, we have made particular strides last year to strengthen our partnership on security, political, and economic matters.

To begin, the establishment of the U.S.-Korea Institute at SAIS now plays an important role in understanding our countries' relationship. I cannot overemphasize the significance of the launch of USKI, which presents a forum and intellectual hub for scholars and opinion leaders to better understand the dynamics between our two nations. Having worked closely with Dean Jessica Einhorn and our friends at KIEP and the Korea Foundation to make USKI a reality, we are excited and confident that this institute will exceed traditional corridors and open new dimensions and understanding for our alliance.

Looking to the security front, our alliance has addressed many issues including wartime operational control and the realignment of U.S. Forces Korea. Throughout these and other changes, we have ensured that our alliance has become ever more robust and strong.

Turning to economic matters, Korea continues to excel in the globalize marketplace. Today, Korea is recognized as a leader in high technology -- including semi-conductors and telecommunications, as well as shipbuilding and automobiles -- while maintaining high labor and environmental standards. In 2006, we took another leap forward, spending most of the year conducting negotiations on the landmark KORUS (Korea-U.S.) Free Trade Agreement. The negotiations came to fruition on April 1, 2007, and we look forward to further expanding our bilateral trade and investment once the FTA is implemented.

At the same time, Korea and the United States worked closely together in an effort to bring North Korea back to the Six-Party Talks. Looking ahead, we are hopeful that with all parties united in the effort to implement the agreement reached in September of 2005, we are on track finally to resolve this issue and enhance peace in the region.

It is my hope that this yearbook will serve to highlight the long-standing alliance of our two countries and bring our two nations closer together. These books can also serve as a reference for future scholars. I appreciate the work of the students in this book, and have enjoyed reading their thoughts, wisdom, and insights.