

兩韓關係與兩岸關係的比較研究： 台灣的大陸政策 vs. 南韓的北韓政策

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中文摘要

儘管進入冷戰後時代以來，發生戰爭的機率在世界各地都明顯地大幅減少，但是經濟繁榮的東北亞卻未能完全擺脫戰爭的陰影，危機仍此起彼落。我們若比較冷戰後時代的台海兩岸關係與朝鮮半島的兩韓關係，不難發現鐘擺現象不僅存在於這兩組雙邊關係間，而且也存在於兩岸互動與兩韓互動之間。1990 年代初期當兩韓關係因發生第一次北韓核武危機而陷入緊張情勢之時，兩岸關係卻出現首度對話。而 1990 年代後期至本世紀初，當兩韓關係因自由派金大中與盧武鉉兩任總統執政而走向和解，並舉行有史以來的兩度高峰會之時，兩岸關係卻因台灣島內台獨意識抬頭而陷入低潮，甚至有 1995-1996 年的台海危機。

2008 年馬英九就任總統後兩岸關係政經關係始大幅改善，而另一方面，兩韓關係在 2008 年 2 月李明博總統上台後由於他對北韓採取高姿態的強硬路線，北韓進行了一連串的挑釁(2009 年的第二次核子試爆、2010 年 3 月涉嫌擊沈天安艦、11 月砲擊延坪島) 而一再出現危機。

本文主旨在就兩韓關係與兩岸關係做一比較研究，尤其聚焦於台灣的大陸政策 vs. 南韓的北韓政策。首先檢視過去六十多年兩岸關係與兩韓關係的發展，並點出每個時期的特徵與重大變化。然後再討論台灣在民進黨陳水扁總統時代的大陸政策 vs. 南韓在盧武鉉總統時代的北韓政策。試圖探索兩韓與兩岸兩種互動模式的比較，俾利找出促進與阻礙兩種互動模式的主要動力與阻力。而這些動力與阻力對未來兩韓與兩岸關係的影響，其中包括兩岸互動是否會再出現鐘擺現象由 2008 年時的正面導向擺向負面導向抑或是維持目前的經濟整合或由經濟整合走向政治整合。

A Comparative Study of Sibling Policy of the Divided Nations : Taiwan versus South Korea

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Keywords: Roh Moo-hyun, South Korea, North Korea, Chen Shui-bian, Taiwan, China, divided nations

Abstract

Both Taiwan and South Korea are countries embracing a presidential system and their major foreign and security policy making is in the National Security Council led by the President. Against this background, exploring the political elite's perceptions of the international environment at an idiosyncratic level is especially conducive to our understanding of their foreign policy behaviors. In this article, horizontal comparative analysis is employed to explore Chen Shui-bian_China policy and Roh Moo-hyun North Korea policy. As both Taiwan and South Korea are divided nations, their foreign

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policies behaviour is characterized by security orientation and its relationship with the 'other half' and overall foreign policy are inseparable. In fact, foreign policies makers of divided nations are constantly puzzled by which policy should be regarded as the first priority. Hence, this article will center on the security factor in Taiwan's Mainland China policy under President Chen Shui-bian and South Korea's North Korea policy under President Roh Moo-hyun by examining their ruling elite's perceptions of their siblings, policy goals and preferred approaches as well as evaluation of their policy implementation in a comparative way with an aim to clarifying linkage between their policies toward siblings.

There were four major divided nations after the end of the World War II. However, with the unification of Vietnam in 1975 and reunification of Germany in 1990, China and Korea are now the remaining divided nations in the world. With the advent of the post-Cold War era, the battlefield of ideological confrontation has shifted from international arena between Democracy and Communism to domestic stage between conservative and progressive forces. This phenomenon can be easily identified in the domestic politics of Taiwan and South Korea. Their ideological line can be drawn from how they deal with their siblings. In the Korean case, the first liberalist government in South Korean politics since 1948 emerged in 1998 when President Kim Dae-jung took office that year. His government inaugurated a policy of engaging North Korea under the Sunshine Policy. It was followed by Moo-hyun

Roh's Peace and Prosperity Policy.² After ten years in power, liberals were replaced by the conservative Lee Myung-bak Government from 2008 to 2013. President Lee's North Korea policy put denuclearization ahead of engagement. As a result, inter-Korea relations have dramatically changed from peaceful reconciliation to heightened tension culminating in 2010's sinking of the South Korean Navy patrol ship Cheonan that was allegedly attacked by North Korean torpedoes.³

Alternatively, Taiwan's relations with China under pro-independence President Chen Shui-bian of the Democratic Progressive Party (DPP) were on the verge of war in 2005 when Beijing promulgated the Anti-secession Law which was designed to provide China with a legal rationale to use force against Taiwan independence.⁴ Nevertheless, with the emergence of the Ma Ying-jeou Government of Kuomintang (KMT), cross-strait relations have reversed to constructive engagement marked by the opening of direct transportation across the Taiwan Straits and the signing of an economic cooperation framework agreement (ECFA) in June 2010.

² Choong Nam Kim, "The Roh Moo Hyun Government's Policy toward North Korea," *International Journal of Korean Studies*, Fall/Winter 2005, Vol. IX, No.2, pp. 1-33,
http://www.icks.org/publication/pdf_2005_f/1_Nam_Kim.pdf

³ "Editorial: Wrangling over Cheonan," *The Korea Herald*, June 17, 2010,
<http://www.koreaherald.com/opinion/Detail.jsp?newsMLId=20100617000577>

⁴ Pasha L. Hsieh, "The Taiwan Question and the One-China Policy: Legal Challenges,"
http://works.bepress.com/cgi/viewcontent.cgi?article=1006&context=pasha_hsieh

Against this background, this article intends to centre on the exploration of Shui-bian Chen's China policy and Moo-hyun Roh's North Korea policy in a comparative fashion,⁵ with a focus on the security factor. Both Taiwan and South Korea are divided nations,⁶ whose foreign policy behaviour is characterized by a security orientation,⁷ and inseparability of their relationship with the other half (Taiwan's Mainland China Policy and South Korea's North Korea policy) and overall foreign policy.⁸ In fact, foreign policy makers of divided nations are constantly puzzled by which policy should be regarded as the first priority, overall foreign policy or their policy toward the other sibling.⁹ Given that the definition of security dictates their perceptions of the other half, this article will center on the security factor in Taiwan's Mainland China policy under President Shui-bian Chen and South Korea's North Korea policy under President Moo-hyun Roh by examining their ruling elite's perceptions of their siblings, policy goals and preferred approaches as well as evaluation of their policy implementation in a comparative way with an aim to identifying linkages between their

⁵ Adam Przeworski and Henry Teune, *Logic of Comparative Social Inquiry*, Krieger Publishing Company (March 1982).

⁶ To-hai Liou, *South Korea's Foreign Relations Since the mid 1980s* (Chinese), Taipei: Young Wang Publishers, 1997, p. 4.

⁷ Edward A. Olsen, *Korea: the Divided Nation*, Praeger Security International, 2005.

⁸ Yung-Hwan Jo and Stephen Walker, "Divided Nations and Reunification Strategies," *Journal of Peace Research*, 1972, Vol. 9, No. 3, 247-259.

⁹ The definition of divided nations here means that as long as one side claims the other is a part of its jurisdiction, then they are divided nations.

policies toward siblings and eventually drawing lessons from the two cases.

Ruling elite's perceptions of their siblings

Taiwan

Current Taiwan politics can be largely divided into two camps, the pan-green coalition and the pan-blue group. One of the major dividing lines is how to deal with emerging China. In view of the emerging importance of economic interest in the post-Cold War period and the increasing dependence of Taiwan's economic prosperity on China,¹⁰ the pan-blue group consisting of the KMT, the People First Party and the New Party, is convinced that Mainland affairs and foreign policy cannot be dealt with separately, hence relations with China should be put as the nation's first priority.

In contrast to the pan-blue group, the pan-green group, including the DPP and the Taiwan Solidarity Union, stresses Taiwan identity and favours Taiwan's independence.¹¹ Consequently, the pan-green group is reluctant to use the Republic of China (ROC) but rather claim 'Taiwan', while referring to the People's Republic of China (PRC) as China in order to show Taiwan is an independent country from China. They view the PRC as a

¹⁰ Nancy Bernkopf Tucker, "If Taiwan Chooses Unification, Should the U.S. Care?" *The Washington Quarterly*, Summer 2002, Vol. 25, No. 3: 18.

¹¹ Lowell Dittmer, "Taiwan and the Issue of National Identity," *Asian Survey*, August 2004, Vol. 44, No. 4: 477.

threat as Beijing claims that Taiwan is a renegade province of China and it refuses to rule out the possibility of using force against Taiwan's announcement of independence.¹² For instance, former Mainland Affairs Council Chairman Joseph Wu indicated that "China continues to prepare for an invasion of Taiwan and now has more than 900 missiles targeted on the island and located in five bases in nearby Fujian Province plus eleven military satellites in orbit."¹³

Furthermore, President Chen Shui-bian also pointed out that "Despite China's impressive economic rise, it has become more authoritarian, posing a grave threat to our sovereignty...".¹⁴ The passage of China's Anti-Secession Law codifying non-peaceful measures against Taiwan in March 2005, was interpreted by the DPP Government as a deliberate action to unilaterally change the status quo. Moreover, an analysis by the Integrated Assessment Office of Taiwan's Ministry of National Defense also suggested that "if Taiwan is unable to smoothly implement its three major military procurement projects, China will enjoy a nearly three-to-one advantage in total combat capabilities over Taiwan at some point between 2020 and 2035. This will give China a military edge in an attack

¹² Phillip C. Saunders, "Long-term Trends in China-Taiwan Relations: Implications for U.S. Taiwan Policy," *Asian Survey*, December 2005, Vol. 45, No. 6: 974.

¹³ "Taiwan: China targeting island with 900 missiles on 5 bases," November 16, 2006
<http://www.worldtribune.com/worldtribune/06/front2454056.070138889.html>

¹⁴ *Ibid.*

against Taiwan and an upper hand that will further induce China to resolve the Taiwan issue through military action.”¹⁵

In addition, an editorial of the ROC Ministry of Defense in October 2006 indicated that North Korea’s nuclear test revealed the fact that “China has not made serious efforts in assisting in solving the Northeast Asia problem in the past ten years.” Lee Wen-Chung, former DPP Legislator and member of the National Defense Committee, the Legislative Yuan, was quoted as saying that by Beijing rejecting strict sanctions against North Korea, proposed by the U.S. and Japan it was attempting to extract concessions from Washington and Tokyo on another diplomatic front. He also said that when U.S. Secretary of State Condoleezza Rice and Chinese Foreign Minister Li Zhaoxing held a joint press conference after their talks over the implementation of the United Nation’s 1718 Resolution, Rice hoped that China would follow the resolution to examine if there was any dangerous illegal materials in its trade with North Korea. Not responding to the call directly, Minister Li instead said that Beijing wanted the U.S. to honor its commitments to the ‘One China Policy’, the three joint communiqués and opposition to Taiwan independence. Ostensibly, China was using the North Korean nuclear crisis to attack another target (Taiwan). The editorial concluded by stating that “What we can learn from this crisis is that differences in resolving the North Korean issue among the related parties can be employed by China to maneuver against us [Taiwan]. We

¹⁵ <http://www.tp.org.tw/document/detail.htm?id=20012155>

should watch development of the North Korean crisis closely with extra carefulness. In particular, when the crisis was getting serious last year (2005) and the arrangement of six-way talks was underway, China requested the U.S. to stop arms sales to Taiwan in exchange for its cooperation with Washington in the North Korea issue. Fortunately, the U.S. did not respond accordingly.”¹⁶

South Korea

Because of the military threat from North Korea, national security has always been the most important variable that affects South Korea's politics and diplomacy since the Republic of Korea (ROK) was established in 1948. However, a changing ruling elite, with different values, can make a diametrical difference in foreign and defense policies orientation due to different perceptions of the same enemy. Until 1998, South Korea was ruled by right-wing conservatives who did not trust the Democratic People's Republic of Korea (DPRK) and regarded it as an arch rival. Hence, their foreign and defense policies were anti-DPRK-oriented and the United States was a natural military and diplomatic ally of those conservative administrations.

Nevertheless, with South Korea's democratization since 1987, reinstating direct presidential election in particular, liberalist ideology quickly emerged as an

¹⁶ Editorial: It is Obvious that Communist China is Using the North Korean Issue to Conduct Diplomatic Blackmail,” October 24, 2006, <http://www.mnd.gov.tw/modnews/mininews/matter.aspx?PublicID=5045>

alternative to the conservatives. Public opinion and civic organizations have also risen as an important variable that can affect governmental policy making. National security and foreign policy are no longer reserved for government alone as they were during the Cold War-era.¹⁷ The 1997 South Korea's financial crisis paved the way for the liberalists (or leftists) to come to power. Conglomerates which were deliberately nurtured by former military-turned President Park Chung Hee since the 1960s were now seen by South Koreans as culprits of the national disgrace, a sudden downgrade from a developed country to a Third World state. Conservative regimes based on an alliance of military, government and conglomerates were blamed for the crisis. Against this background, liberal Kim Dae-jung was elected as President in December 1997 and terminated the 50-years of conservative rule that featured much anti-communist stances.

With the emergence of liberalists who favor engaging North Korea, South Korea's DPRK-US oriented security concept thus underwent fundamental changes. The remarkable example was the 2000 inter-Korea summit under the Sunshine policy of Kim Dae-jung. South Korean's perceptions of North Korea and the U.S. had dramatically changed. In the past, North Korea had been seen as an enemy, but was now viewed as a sibling in the early 2000s. Almost at the same time, South Korean's perceptions of the U.S. on the other hand turned negative. Anti-American sentiment increased. As a result, a

¹⁷ Choong-Nam Kim, "The Management of the ROK-U.S. Relations in the Post-Cold War Era," *Journal of East Asian Affairs*, Vol. XVII, No. 1, Spring/Summer 2003, pp. 55.

perception gap between South Korean liberalist governments and the U.S. Administrations over North Korea transformed into a major policy difference between the two countries. Partly because of its accommodating approach to North Korea, partly because Seoul was within the DPRK's range of heavy artillery,¹⁸ the Kim Dae-jung Government attempted everything possible to avoid military conflicts with North Korea and stressed dialogue, interactions and reconciliation. By contrast, viewing North Korea from a superpower status with neo-Conservative fashion after 9/11 in 2001, the Bush Administration favored an approach forcing Pyongyang to come to the negotiation table and frequently threatened to resort to military options against the DPRK.¹⁹

With President Roh Moo-hyun coming to power in February 2003, South Korean politics completed a power transformation from the old generation of three Kims (Kim Young-sam, Kim Dae-jung and Kim Jong-pil) to the so-called "386 Generation". Those people were in their thirties in the 1990s, and got involved in the democratization campaign in the 1980s and were born in the 1960s. The leading elite in the Roh government was composed primarily of the "386 Generation". Growing up in the period of anti-American and anti-military rule,²⁰ they

¹⁸ North Korea deploys around 12,000 sets of artillery in the vicinity of the DMZ, most of them are targeting Seoul, *The Liberty Times*, June 29, 2003, <http://www.libertytimes.com.tw/>

¹⁹ Gregory F. Treverton, Eric Larson and Spencer H. Kim, "Bridging the 'Open Water' in the U.S.-South Korea Military Alliance," *The Korean Journal of Defense Analysis*, Vol. XV, No. 2, Fall 2003, p.154.

²⁰ <http://www.mainichi->

viewed themselves as progressive forces. A poll done with members of the ruling Uri Party, which maintained a majority in the Parliament, in April 2004 showed that 63% of surveyed members believed that China would be the ROK's most important partner in the future, while only 26% considered the U.S. the most important future partner of the country.²¹

With regards to their image of North Korea, partly because they did not experience the Korean War, partly because North Korea's economy was stagnating, the elite in the Roh government viewed North Korea as a sibling and did not consider Pyongyang as a threat.²² President Roh never suggested that North Korea was either an implacable adversary or a nation on the edge of total collapse. Rather he saw reunification as a goal that can only be achieved through progress toward a unified Asian community. As a result, they were convinced that North Korea would not use nuclear weapons against the ROK.

Despite mounting pressure on North Korea to relinquish its suspected nuclear weapons program from Washington,²³ President Roh pledged in June 2003 that his government would step up efforts to promote cooperation and exchanges inheriting the spirit of the June

msn.co.jp/kokusai/asia/news/20040417k0000m030176000c.html

²¹ <http://www.chosun.co.kr/w21data/html/news/200404/200404280242.html>

²² Morton Abramowitz and Stephen Bosworth, "Adjusting to the New Asia," *Foreign Affairs*, July/August 2003, p.121.

²³ South Korea, the U.S. and Japan agreed at the Trilateral Cooperation and Oversight Group (TCOG) on June 12-13 to crack down on the suspected illegal activities of the North including drug trafficking and money counterfeiting. *The Korea Herald*, June 17, 2003.

15 inter-Korea Summit in 2000. In addition, taking a lenient position on North Korea's nuclear programs, President Roh made a speech in Los Angeles on November 13, 2004 that a hard line policy over North Korea's nuclear weapons would have "grave repercussions," adding, "There is no alternative left in dealing with this issue except dialogue." He also mentioned that North Korea's assertion of developing nuclear weapons was not groundless but for self-defense. This message was obviously targeted at Kim Jong Il whom President Roh intended to build trust with by expressing his understanding of North Korea's security concern.²⁴ Later in the same month, when interviewed by the Brazilian newspaper *Estado de Sao Paulo*, President Roh stressed that "the DPRK would abandon its nuclear development programs if it were provided with sufficient compensation."²⁵ In the wake of North Korea's detonation of its first nuclear bomb in October 2006, President Roh warned that it should not be exaggerated, admitting that the detonation did increase the security threat. Kim Tae-woo, Director of the Arms Control Section, Korea Institute for Defense Analyses, supported President Roh's argument. He said that "from a security perspective, the situation is grave, but if exaggerated, it could bring about a negative impact on the economy."²⁶

²⁴ Taehyun Kim, "Bush Relected, Roh Speaks Up, and Kim Redirected? Prospect of the Second Nuclear Crisis on the Korean Peninsula: Part I," *Sejong Policy Research*, Vol. 1, No. 2, 2005, p. 238,
http://www.sejong.org/Pub_st/PUB_ST_DATA/kst002-13.pdf

²⁵ <http://www.nautilus.org/napsnet/dr/2004/nov/ndr17nov04.html#item1>

²⁶ "Roh Moo-hyun's Remarks: No Exaggeration on Nuclear Threat were Criticized," *Chosun Ilbo*, November 3, 2006,

Security Policy Goals and Preferred Approaches

Taiwan

For the Chen Shui-bian Government, anti-China sentiments and an anti-unification positions were primary sources of the DPP's claim to legitimacy as the first indigenous regime and the integral element for the pan-green camp to justify its rationale for Taiwan's independence based on Taiwan identity.²⁷ In fact, Chen Shui-bian won the presidential election in 2000 mainly because of his successful manipulation of this approach. During his eight-year presidency, he did not change his approach of maintaining power through political means. His approach featured mustering domestic support through incessant campaigns to demonize China and to de-siniccate under the name of Taiwan consciousness. This operation became more evident a year before the 2008 presidential election. In March 2007, President Chen accelerated his drive to edge the island towards formal independence from China by saying Taiwan must seek independence in a pro-independence group, the Formosan Association for Public Affairs (FAPA).²⁸ In the previous month, he had adopted the policy of de-

http://chn.chosun.com/site/data/html_dir/2006/11/03/20061103000014.html

²⁷ Yu-Shan Wu, "Taiwan in 2001: Stalemated on All Fronts," *Asian Survey*, February 2002, Vol. 42, No. 1: 42-43.

²⁸ "China fury after call for independence," *The Australian*, March 6, 2007, <http://www.theaustralian.news.com.au/story/0,20867,21333905-2703,00.html>

sinification aimed at severing ties between the Chinese mainland and Taiwan. His government deliberately replaced the word China with Taiwan on postage stamps on February 28, which was the 60th anniversary of a Taiwanese uprising against Generalissimo Chiang Kai Shek Nationalists. The DPP government also encouraged state enterprises to drop the name China in their titles. As a consequence, the Chinese Petroleum Corporation became CPC Corporation, Taiwan, while China Shipbuilding Corp was changed to CSBC Corporation, Taiwan.²⁹

To counterweigh China's military threat, the Chen Shui-bian Government attempted to upgrade its military capabilities by overseas arms procurements and to reinforce indigenous research and development. Taiwan developed its own Hsiung Feng 2E, Brave Wind cruise missiles capable of reaching Shanghai and Hong Kong.³⁰ The Pan-green coalition also made every possible effort to purchase advanced weapons from the U.S. and other countries as well.³¹ Until the end of its second term, the

²⁹ "China fury after call for independence," *The Australian*, March 6, 2007, <http://www.theaustralian.news.com.au/story/0,20867,21333905-2703,00.html>

³⁰ "Military balance tilting toward China," *Yomiuri Shimbun*, January 25, 2008, <http://www.yomiuri.co.jp/dy/world/20080125TDY05305.htm>

³¹ Minister of National Defense under DPP rule was involved setting up a company named Taiwan Goal. The company was allegedly engaged in secret talks with France on the procurement of eight minehunter vessels, multi-role fighter jets and other weaponry. "Ministry of defense to complete probe of firm Taiwan Goal," *Taipei Times*, March 28, 2008, <http://www.taipeitimes.com/News/taiwan/archives/2008/03/28/20034073>

Chen Shui-bian Government made a number of attempts to push through an arms purchase deal of billions of US dollars in the Legislative Yuan (equivalent to Congress) but failed mainly because the Pan-blue held the majority in the legislative body.³² The Government planned to buy US\$12 billion worth of weapons, including 30 Boeing AH-64D Apache Longbow attack helicopters, 60 Sikorsky UH-60 Black Hawk helicopters, eight diesel electric submarines, four Raytheon Patriot PAC-3 air defense missile batteries and 66 Lockheed Martin F-16C/D Block 50/52 fighters.³³ Nevertheless, Taiwan did increase its defense spending by 16.4 percent in 2008, seeking to strengthen the island's military in response to a rising threat from China. The defense budget of US\$10.3 billion accounted for 20.1 percent of total government spending in 2008.³⁴

Furthermore, the DPP government also spared no effort in seeking security and diplomatic collaboration with the U.S. and Japan to check and balance rising China. To counter China's military threat, the government tended to seek security cooperation with the U.S. and Japan. It also supported the proposed democratic alliance of the U.S., Japan, Australia and India in the name of anti-authoritarian

³² Initially, the total sum was US\$19 billion in 2001. Steve Chan, "Taiwan in 2005: Strategic Interaction in Two-Level Games," *Asian Survey*, February 2006, Vol. 46, No. 1: 66.

³³ The Bush administration decided to offer Taiwan submarines, PAC-3s and P-3 Orions in 2001. "U.S. Freezes \$12B in Arms Sales to Taiwan, June 9, 2008,

<http://www.defensenews.com/story.php?i=3569882&c=ASI&s=TOP>
³⁴ "Taiwan plans big increase in defense spending," August 23, 2007, <http://www.iht.com/articles/2007/08/23/asia/taiwan.php>

Communism in addition to upgrading self-defence. A remarkable example was the North Korean nuclear detonations in October 2006. The ruling DPP elite at the time tried to take advantage of the North Korean case to sell their vision to the world. In his initial response to North Korea's nuclear test on 9 October, President Chen Shui-bian, in greeting a group of Japanese, said, as a long term partner with the same democratic values and a security ally of Japan, Taiwan would join Japan and the democratic community to impose further sanctions against North Korea without fail. He also expressed his hope that Taiwan would like to stand side-by-side with Japan and the democratic camp in the future and stressed that "Japan and the U.S. are Taiwan's best security partners. Even without formal diplomatic relations, Taiwan is willing to contribute to military interchange and cooperation and eventually some sort of quasi-military alliance of the three countries will be realized," he added.³⁵

On the second day (October 10th), while condemning North Korea's nuclear test for posing a severe threat to regional peace, President Chen urged the international community to pay equal attention to the potential military confrontation across the Taiwan Straits and to promote multilateral dialogue similar to the six-way talks. He stated that the international community should seriously review deficiency and defects of the East Asia collective security mechanism. Taiwan should be

³⁵ "North Korea's Nuclear Test: Representing Taiwan, President Chen Strongly Condemned North Korea," *The Epoch Times*, October 9, 2006, <http://www.epochtimes.com/b5/6/10/9/n1481440.htm>

included in the East Asian collective security system or mechanism, so that cross-Taiwan straits relations and peace and stability in Asia-Pacific as a whole can be maintained.³⁶ Later, on October 30, President Chen in a video conference with Japanese academics and reporters suggested this could be done in preparation for the establishment of a trilateral security mechanism involving Taiwan, Japan and the United States, given the high tension on the Korean Peninsula resulting from North Korea's missile tests and nuclear detonations.³⁷

In the same vein, David Ta-wei Lee, who was Taiwan's Representative to the U.S. at the time, in December 2006 reminded the world that "North Korea is not the only security problem in East Asia, China's continuously rapid military build-up is another equally important security problem which not only poses a threat to Taiwan's survival and development but also to security and stability in Northeast Asia." He cited examples of a Chinese submarine secretly following a U.S. aircraft carrier, another submarine's intrusion into Japan's territorial sea and China's refusal to announce no intrusion into Taiwan by force.³⁸ Professor Chen Wen-hsien, of the Graduate Institute of Taiwan History at National

³⁶ "North Korea's Nuclear Test: President Chen Said Taiwan Should Be Included in East Asian Security System," October 11, 2006, <http://news.epochtimes.com.tw/6/10/11/38544.htm>

³⁷ "Chen calls for Japanese Taiwan Relations Act," November 3, 2006, <http://taiwanjournal.nat.gov.tw/ct.asp?CtNode=122&xItem=23435>

³⁸ "China's Military Buildup Threats East Asian Security," *The Liberty Times*, December 3, 2006, <http://www.libertytimes.com.tw/2006/new/dec/3/today-p8.htm>

Chengchi University, suggested that Taiwan should take advantage of the global focus on peace in East Asia in the wake of the North Korean nuclear test and urged Beijing authorities not to blame North Korea for nuclear detonation on the one hand, while increasing its own military deployment against Taiwan on the other hand. This might strengthen North Korea's resolve and increase its bargaining chips.³⁹

With China's growing military threat in mind, the DPP elite viewed the 2006 North Korean nuclear test as a good opportunity to discredit China and to open up a window for Taiwan's involvement in the regional security mechanism and looked forward to positive implications for Taiwan security. They believed that the test severely damaged China's international prestige and provided Japan a chance to accelerate its military buildup. They also used the event to urge the international community to pay attention to the tension of cross-Straits relations with an aim to being included in the multilateral security mechanism in the future and in any regional strategic alliance against emerging China. They were also pleased to see a Japan with increasing military capabilities and even did not oppose a nuclear armed Japan, given that a strong Japan was conducive to Taiwan's bid for independence.

³⁹ "North Korea's Nuclear Test: Scholars Concern about Interactions in Northeast Asia and their Implications for Taiwan," Central New Agency, October 12, 2006, http://www.wretch.cc/blog/chaomaru&article_id=8315823

Parris Chang, former Deputy Secretary-general of Taiwan's National Security Council, indicated that North Korea's nuclear test made China and the U.S. the biggest losers. The test completely destroyed the Six-Party talks, the China-dominated strategic platform, and China's credibility as a reliable mediator. Alternatively, U.S. President Bush's approach of no war and no peace in the past six years turned out to be a disaster and his reliance on China to persuade Pyongyang to abandon its nuclear weapons via the Six-Party talks proved to be a wrong policy. North Korea's denotations of nuclear bombs would consolidate Japanese Prime Minister Shinzo Abe's stance to accelerate Japan's military build-up and make Japan a normal state.⁴⁰ The Deputy Secretary-general also believed that North Korea openly defied Beijing's advice not to resort to this provocative act and embarrassed China by going ahead with the missile tests in July 2006. He said that the nuclear test in October 2006 alarmed Japan and provided it with the convenient justification for bolstering military capability such as missile defense, spy-satellite launches and the strengthening US-Japan security alliance.

In the same vein, Chih-Cheng Lo, Chairman of Political Science Department at Soochow University and former Chairperson of the Research and Planning Committee, the ROC's Ministry of Foreign Affairs, opined that North Korea's nuclear detonation, an overt opposition to China's request, was targeted at Beijing. Japanese

⁴⁰ Parris Chang, "North Korea's Nuclear Test: Brinkmanship," *The Liberty Times*, October 11, 2006, <http://www.libertytimes.com.tw/2006/new/oct/11/today-o4.htm>

Prime Minister Abe at the time who was in his trip to Beijing was the beneficiary of North Korea's diplomatic coup against China. He was able to relieve Japan's dispute with China over several Yasukuni Shrine's visits. What is more, the nuclear detonation gave Japanese conservatives ammunition to justify their desire to possess nuclear weapons in the future.⁴¹ With North Korea's mounting threat to its security, Japan revised its law upgrading the Defense Agency to the ministerial level. The modification of its defense policy could lead to the relaxation of its weapons exports ban. In an interview with a Canadian magazine in February 2007, Vice Defense Minister Ker Chen-heng mentioned that Taiwan would welcome, and even look forward to seeing Japan adjust its national defense policy regarding the export of military techniques and weapons sales to Taiwan. He said that "It would be very helpful to Taiwan's national defense if Japan agreed to sell weapons to us." Ker specified that "Taiwan especially hopes to acquire Japan's anti-submarine techniques...."⁴²

In sum, for pan-green camp, North Korea's nuclear detonation provided Taiwan a better chance to be incorporated into the US-Japan alliance against China at

⁴¹ "North Korea's Nuclear Test: Scholars Concern about Interactions in Northeast Asia and their Implications for Taiwan," Central New Agency, October 12, 2006,

http://www.wretch.cc/blog/chaomaru&article_id=8315823

⁴² "MND official says Taiwan seeking Japan military trade," *Taiwan News*, February 2, 2007, http://www.taiwannews.com.tw/etn/news_content.php?id=380407&lang=eng_news&cate_img=83.jpg&cate_rss=news_Politics_TAIWAN

least informally and to increase its ammunition to check and balance rising China and eventually to provide a better environment for seeking independence. China's decreasing credibility seems to perfectly fit in the pan-green camp's anti-China rationale.

South Korea

When President Roh Moo-hyun took his office in February 2003, he changed North Korea policy's name from "Sunshine Policy" to "Policy for Peace and Prosperity" but retained the nature of reconciliation. For improving relations with North Korea, the Roh Government tried to play down inter-Korea sensitive issues such as North Korean human rights issues,⁴³ reducing domestic spying activities targeting the DPRK, and removing "Anti-Communist Bureau" from governmental agencies.⁴⁴ Against this background, South Korea and North Korea terminated their fifty-year propaganda warfare on the border since June 2004.⁴⁵ South Korea's *Defense White Paper* also ceased to mention North Korea as its primary enemy since October 2004, despite strong criticism from the opposition Grand National Party.⁴⁶ The Roh

⁴³ Park Soo-gil, "Seoul's Silence on North Korea's Human Rights Situation," *Korea Focus*, <http://www.koreafocus.or.kr/commentaries.asp?vol=34&no=949§ion=2>

⁴⁴ June 29, 2003, <http://www.libertytimes.com.tw/>

⁴⁵ <http://news.chinatimes.com/Chinatimes/newslist/newslist-content/0,3546,110504+112004061600077,00.html>

⁴⁶ 'Main Enemy' Controversy Set to Cloud Sunshine Policy http://www.koreatimes.co.kr/kt_nation/200111/t2001112217091241110.htm;
http://chinese.chosun.com/site/data/html_dir/2004/07/15/2004071500000

Government also revised the National Security Law deleting North Korea from the list of anti-government organizations.⁴⁷

However, South Korea under Roh did not relax its military muscle at all in response to perceive the military threat from North Korea but it sought independent defense from the US. Roh made significant remarks regarding his philosophy on national security and direction for defense development during his speech marking the national liberation day in 2004. Additionally, his statement in Los Angeles in September 2004 drew attention with regard to Korea's strenuous pursuit of the ROK- US alliance based on self-sufficient defense and further civilian control of military affairs.⁴⁸ In 2007, the defense budget increased 10% from the previous year to US\$26.4 billion, then up to US\$28.9 billion in 2008. Strengthening of strategic forces and research and development projects increasing military expenses were aimed at building up South Korea's self-defense capabilities, reducing its dependence on the US

6.html;

<http://www.nautilus.org/napsnet/dr/2004/nov/ndr18nov04.html#item14>

⁴⁷ <http://times.hankooki.com/lpage/200407/kt2004071516364510220.htm>

⁴⁸ "Scorecard on Roh's Agenda: Military Culture Changing," *The Korea Time*, February 15, 2005.

military,⁴⁹ and responding to the military build-up of neighbours Japan and China,⁵⁰ the former in particular.

President Roh Moo-hyun perseveringly strived for a diplomatic solution to North Korea's nuclear programs against criticism from both domestic conservatives and the U.S. He followed Kim Dae-jung's Sunshine Policy, assuming that economic sanctions would not lead North Korea to halting the development of nuclear weapons. Moreover, he attempted to build a permanent mechanism of peace and stability in the Korean peninsula through economic assistance to North Korea, inter-Korea economic cooperation and a summit as well as multilateral approaches such as the Six-party talks. In July 2006 when North Korea fired several missiles ignoring international warnings, Japan in conjunction with the U.S. proposed to impose strict sanctions against North Korea's provocative actions in the Security Council of the United Nations.⁵¹ Japan even claimed that it had the right to initiate preemptive strikes against North Korea. Insisting on dialogue with Pyongyang,⁵² the Roh Government allied

⁴⁹ "South Korea Plans 9% Increase in 2008 Defense Budget," September 27, 2007, <http://www.defenseindustrydaily.com/south-korea-plans-9-increase-in-2008-defense-budget-03877/>;
http://www.monstersandcritics.com/news/asiapacific/news/article_1205552.php

⁵⁰ "South Korea launches \$1 billion advanced destroyer," May 26, 2007, <http://www.timesofmalta.com/articles/view/20070526/local/south-korea-launches-1-bln-advanced-destroyer.16651>

⁵¹ <http://www.yomiuri.co.jp/world/news/20060705i118.htm>;
<http://china.donga.com/big/srv/service.php3?bicode=060000&biid=2006072139358>

⁵² "Korea, China agree to seek dialogue to deal with North," *The Korea*

with China to oppose any strict sanctions and military options so as to avoid pushing Pyongyang into a corner.⁵³ The two countries also objected to the holding of five-party talks to discuss how to cope with North Korea's provocation, excluding the DPRK.⁵⁴ Even though North Korea detonated its first nuclear bomb in October 2006, still the Roh Government favored the accommodating approach to Pyongyang. In its action plan to impose sanctions against the DPRK requested by the resolution of the UN Security Council, the Roh Government did not include concrete details, in particular the Kaeseong industrial park and the Mount Geumgang resort project were untouched. The reason was that no proof could be shown that money from the South was used to develop nuclear weapons and weapons of mass destruction (WMD). At the same time, Roh Government decided not to participate in the US-proposed Proliferation Security Initiative (PSI) aimed at preventing the proliferation of WMD so as not to irritate Pyongyang.⁵⁵ North Korea had repeatedly warned it would regard the South's participation in the PSI as a declaration of war. The Roh Government also worried about the possibility of armed conflict if any attempt were made to interdict a North

Herald, July 27, 2006, http://www.koreaherald.co.kr/SITE/data/html_dir/2006/07/27/200607270044.asp

⁵³ Tony Saich, "China in 2006: Focus on Social Development," *Asian Survey*, Jan/Feb 2007. Vol. 47, No. 1, p. 43.

⁵⁴ "Seoul, Beijing rule out five-way meeting without Pyongyang," *The Hankyoreh*, July 26, 2006, http://english.hani.co.kr/arti/english_edition/e_international/144432.html

⁵⁵ <http://china.donga.com/gb/srv/service.php3?biid=2006111304448>

Korean vessel, and limited their participation in the PSI to observing offshore drills.⁵⁶

In comparison with the Kim Dae-jung Government, the Roh Mu-hyun Government was more active, bolder and more independent in terms of conducting foreign policy. This tendency was shown in Roh's seeking independence from the U.S. by insisting on engaging North Korea in spite of deteriorating U.S.-North Korean relations, attempting to serve as a mediator between Washington and Pyongyang exemplified by bringing North Korea and the U.S. back to the fourth round of the six-party talks in August 2005 and claiming to pursue a balancing role in Northeast Asia. President Roh in March 2005 stated that South Korea does not want to see the U.S. forces stationed in South Korea sent to act as task forces in Northeast Asia and his country was seeking to act as a strategic mediator between regional powers such as Japan, China and Russia.⁵⁷ U.S. Assistant Secretary of State Christopher Hill viewing the balancer doctrine was "annoyed".⁵⁸ Furthermore, South Korean Deputy Foreign Minister Lee Soo-hyuk in June 2003 pointed out that the U.S. and Japan seemed to agree on the need to manage the North Korean nuclear issue at the United Nations, but South Korea urged the two sides to wait and see as efforts

⁵⁶ "South Korean Joins PSI In Response to North Korea Nuclear Test," *GI Korea*, May 26, 2009, <http://rokdrop.com/2009/05/26/south-korean-joins-psi-in-response-to-north-korea-nuclear-test/>

⁵⁷ http://chinese.chosun.com/site/data/html_dir/2005/05/18/20050518000030.html

⁵⁸ <http://times.hankooki.com/lpage/200505/kt2005051917054510230.htm>

were underway to realize multilateral dialogue.⁵⁹ Additionally, South Korean Unification Minister Chung Dong-young conveyed President Roh's "important proposal" to Kim Jong-il in June 2005, an offer of large-scale economic assistance what was the so called South Korean version of the Marshall Plan in exchange for the scrapping of North Korea's nuclear weapons program.⁶⁰ Minister Chung then visited Washington immediately after his meeting with Kim Jong-Il and presented proposals to the U.S. in order to get North Korea back to the negotiation table.⁶¹ In the wake of the subsequent fourth round of six-party talks, even though the U.S. insisted that North Korea must dismantle its nuclear facilities including both nuclear weapons and light water reactors, ROK Unification Minister Chung Dong-young indicated that North Korea has the right to maintain its light water reactors which are used for peaceful purposes.⁶²

Unlike his predecessor, Roh Moo-hyun viewed North Korea policy as the nucleus of a grand strategy comprising an overall policy for unification, foreign relations, security,⁶³ and even economic development and regional integration. To be more specific, the lynchpin of Roh's

⁵⁹ *The Korea Times*, June 16, 2003.

⁶⁰ http://www.koreaherald.co.kr/SITE/data/html_dir/2005/07/02/200507020021.asp

⁶¹ http://www.koreaherald.co.kr/SITE/data/html_dir/2005/07/02/200507020026.asp

⁶² *Mainichi shimbun*, August 13, 2005, <http://www.mainichi-msn.co.jp/kokusai/asia/news/20050813ddm007030103000c.html>

⁶³ Taehyun Kim, "Bush Reelected, Roh Speaks Up, and Kim Redirected? Prospect of the Second Nuclear Crisis on the Korean Peninsula: Part I," *Sejong Policy Research*, 2005, Vol. 1, No. 2, p. 238.

vision of Korea's future role in Northeast Asia was North Korea. Integration and normalization with North Korea and resolution of the crisis caused by North Korea's development of nuclear weapons capability were the foundations for a more assertive and constructive role for Korea throughout Asia, and the easing of an explosive situation that divides Northeast Asia. As organized mainly by the 386 Generation whose ideas were more liberal than the previous government, the Roh Moo-hyun Government's approach to foreign policy stressed more independence, such as playing a balancing role and in its approach to the DPRK, more active engagement. For the Roh Government, the Kaeseong industrial park was not only a symbol of inter-Korean economic cooperation but a strategic manufacturing base that increased international competitiveness of South Korean products, inter alia their price competitiveness from a combination of South Korea's technology with North Korea's cheap labor. The cost of their products would be much lower than those products made in China.⁶⁴

Hence, the Roh Government encouraged small and medium enterprises to set up factories at the Kaeseong industrial park by offering incentives such as tax holidays and loans. Moreover, when negotiating free trade agreements with any country, South Korea always attempts to include a clause regarding those products

⁶⁴ "Even though Chinese labor is cheap, North Korean labor is much cheaper still, since \$15-20 a month would be seen by the average North Korean worker as a good wage. For the same labor, they would have to pay a Chinese worker between \$100 and \$150 a month."
<http://www.nkeconwatch.com/2011/06/21/lankov-on-the-dprks-new-sezs/>

made in the Kaeseong industrial park and even other industrial parks in North Korea by South Korean companies as South Korean products and thus eligible for enjoying zero-tariff or preferential tariff. For example, South Korea was able to persuade the European Free Trade Association (EFTA) to agree to their bilateral FTA to regard products made in both the Kaeseong industrial park and the Rajin-Sonbong Free Trade Zone as products made in the ROK on the condition that more than 60% of its components came from South Korea.⁶⁵ If this rule is successfully included in other bilateral FTAs signed by South Korea and its counterparts, this will contribute to exporting those products overseas for they enjoy price competitiveness and further accelerate North-South Korea economic cooperation. The economic benefit that the two Koreas could gain from this operation was estimated at US\$20 billion per annum.⁶⁶

Another major ingredient of President Roh's blueprint for the inter-Korea relationship and Northeast Asian regional integration is reconnecting inter-Korea railroads agreed by the two Koreas in their first summit in June 2000. At the time, President Kim Dae-ung described the railway as an "Iron Silk Road" to link South Korea by

⁶⁵ "Editorial: Made in which Korea?" *Joongang Daily*, November 4, 2005,
<http://joongangdaily.joins.com/200511/04/200511042208034109900090109011.html>

⁶⁶ <http://joongangdaily.joins.com/200511/04/200511042208034109900090109011.html>

land to Europe and Central Asia.⁶⁷ The Roh Government was trying to narrow the gap between the economies of the two countries and prepare for eventual reunification. South Korea's economy at the time was 35 times bigger than its northern counterpart and its citizens earned 17 times more. As a result, President Roh wanted to establish an inter-Korea rail link with the rest of Asia and ultimately to Europe from Kyongwon Railway Line (linking Seoul and Wonsan, a North Korean port city in East coast) via Russia's Trans-Siberian Railway and the Trans-China routes through the Seoul-Sinuiju railway (Kyongui Railroad Line). President Roh's Moscow summit with Russian President Vladimir Putin in September, 2004 served this function. They explored the possibility of Seoul-Moscow-Pyongyang collaboration in energy and transportation projects that eventually could help defuse tension on the Korean Peninsula. Main projects under discussion included linking pipelines to carry natural gas and oil from Russia's Far East and Siberia via North Korea to South Korea and the connection of the Trans-Korean Railway with the Trans-Siberian Railway. The proposed natural gas pipelines would provide crucial energy resources to South Korea and could also benefit the impoverished North, if all parties could agree on passage through the isolationist communist state. Provision of energy has been one of North Korea's key demands for scrapping its nuclear weapons development.⁶⁸

⁶⁷ "How Korea's new railroad will change Northeast Asia,"

<http://www.nkeconwatch.com/2011/06/21/lankov-on-the-dprks-new-sezs/>

⁶⁸ Seo Hyun-jin, "Seoul plays Moscow card with North Korea," *Asia Times*, September 24, 2004,

<http://www.atimes.com/atimes/Korea/FI24Dg06.html>

Furthermore, the railway project would enable South Korea to be directly linked to Europe through North Korea. The two Koreas exchanged test trains in May 2007 for the first time in 56 years. If realized, freight train services joining the South and Kaesong would have sharply cut costs for South Korean businesses and have helped reduce tensions between the two sides.⁶⁹ President Moo-hyun Roh had a summit with Kim Jong-il in October 2007. At the time, more than 400 trucks cross the demilitarized zone by road every day, carrying raw materials into Kaeseong and bringing back finished goods. Inter-Korean trade more than tripled to US\$1.35 billion in 2006 from US\$425 million in 2000.⁷⁰

Evaluation of Policy Implementation

Taiwan

Brinkmanship of a minor power could end up with the worst scenario of confronting either disastrous military attack from a major power or a diplomatic coalition of major powers. In the eight years of his presidency, President Chen's approach to China not only irritated Beijing but also annoyed Washington. There was a

⁶⁹ "South Korea ready for trains to North: rail chief," October 19, 2007, <http://www.reuters.com/article/2007/10/19/us-korea-north-rail-idUSSEO12463120071019?feedType=RSS&sp=true>

⁷⁰ "North Korea, South Korea Begin Cargo Train Service," December 10, 2007, <http://www.bloomberg.com/apps/news?pid=newsarchive&sid=ag1itmBblSsQ>

growing evidence of Sino-US condominium against Taiwan's independence in President Chen's second term (2005-2008), given growing accusations of Taiwan's independence from both Washington and Beijing. The PRC refused to contact Chen's government directly, while improving relations with opposition parties and non-government sectors. Meanwhile, China also changed its approach to the Taiwan issue from insisting that "the Taiwan issue is a domestic affair that other countries have no right to intervene" to quietly engaging in persuading Washington to work together to eliminate the most probable cause for Sino-U.S. military confrontation, Taiwan independence. In other words, China attempted to form a Sino-US condominium through several international issues, the North Korean crisis in particular, with an aim to constrain Taiwan's growing tendency of independence under Chen Shui-bian.

Associate Professor Jing-dong Yuan at Monterey Institute of International Studies indicated that Taiwan is one of the most important factors in China's calculus, especially when it comes to cooperating with the U.S. Beijing needs Washington's cooperation in reining in the independence elements in Taiwan. For example, one of the most important factors influencing China's North Korea policy is how it will affect Sino-US relations. Beijing has sought to maintain a good, stable bilateral relationship with Washington that serves China's interests including US willingness to restrain Taiwan from seeking

independence.⁷¹ As Yoichi Funabashi also pointed out, when Chinese Premier Wen Jiabao visited the U.S. in December 2003, he proposed a deal to his U.S. counterpart that China would try to rein in and bring North Korea to the negotiation table while the U.S. should be self-restrained in its treatment of Taiwan.⁷² In addition, both Professor David Shambaugh of George Washington University (GWU) and Former US Ambassador to China James Lilley echoed this analysis. While attending a conference on East Asian Security and Taiwan held by the Elliott School of International Affairs at George Washington University in December 2006, Shambaugh and Lilley asserted that Sino-US relations had reached a mature stage. Taiwan was no longer a core issue on the Sino-US Agenda. “Since Chinese Premier Wen Jiabao met US President Bush in December 2003, both countries have dealt with the Taiwan issue in a proper way and have put the issue under control.” Shambaugh explained.⁷³

In fact, President Chen’s approach of anti-China and pro-independence served as a driving force to make the condominium possible, for his approach was perceived by the U.S. as provocative, for Taipei was engaging in changing the cross-Straits status quo unilaterally against

⁷¹ Jing-dong Yuan, “China’s new North Korea diplomacy,” *Asian Times*, November 14, 2006, <http://www.atimes.com/atimes/China/HK14Ad02.html>

⁷² Yoichi Funabashi, “China’s New Thinking on North Korea Policy?,” July 12, 2005, <http://northkorea.ssrc.org/Funabashi/>

⁷³ “David Shambaugh : Taiwan No Longer a Core Issue on Sino-US Agenda,” *The United Daily*, December 3, 2006, <http://udn.com/NEWS/WORLD/WOR1/3631341.shtml>

Washington's favoured position of status quo. Consequently, the Bush Administration changed its attitude toward the Chen Government from positive to negative. In July 2004, Cato Institute Vice President Ted Galen Carpenter asserted that the US should tell Taiwan that its future depended on the Taiwan people themselves, no matter if they wanted reunification with China or sought independence or the status quo Taiwanese should take all the risks for their own decision. Taking this kind of crystal clear policy toward Taiwan as the first priority, the US could avoid a war with China years ahead because big powers should not fight a war for something irrelevant of their vital interest.⁷⁴ When receiving Chinese President Hu Jintao in Washington in 2006, US President George W. Bush, in his speech, made a long list of demands on problem like trade, counterfeit goods, human rights, North Korea and Iran.⁷⁵ This shows that the US needed China's assistance in many international issues, North Korea and Iran's nuclear crises in particular, Washington became more and more unsatisfied with the Chen Shui-bian Government's tough measures against Beijing. From the Bush Administration's perspective, Taiwan was attempting to raise tension between China and the US. The Administration was especially angered at President Chen's initiative to hold a referendum on the United Nations bid under Taiwan's name.

⁷⁴ "US Expert : America should tell Taiwan specifically that Taiwan's future is in its hands and it should take all risks," *The China Times*, July 18, 2004, <http://news.chinatimes.com/Chinatimes/newslist/newslist-content/0,3546,110505+112004071800055,00.html>

⁷⁵ "U.S.-Chinese Relations under the Bushes, Clinton and Obama," <http://factsanddetails.com/china.php?itemid=1714>

Hence, direct accusations of the Chen Government by U.S. high ranking official appeared in 2007. US Secretary of State Condoleezza Rice in December 2007 openly condemned the move as an unnecessary provocative policy to raise tension across the Taiwan Straits.⁷⁶ This was a sharp contrast with US President Bush's emphasis on increasing support to Taiwan in March 2001.⁷⁷ Robert Sutter, a visiting professor of Asian studies at Georgetown University, also accused President Chen of promoting provocative policies and failing to take advantage of the Bush administration's goodwill over the past six years in an academic conference at GWU in December 2006.⁷⁸ As Professor Michael Wesley pointed out that Taiwan and North Korea were regarded as the two most destabilizing actors in Northeast Asia as both of them were choosing brinkmanship. As a result, big powers in this area had converging interest and growing interdependence.⁷⁹

⁷⁶ Ted Galen Carpenter, "Wild Card: A Democratic Taiwan," *China Security*, Vol. 4 No. 1, Winter 2008, pp. 47-48,
<http://www.cato.org/people/ted-galen-carpenter>

⁷⁷ Kenneth Lieberthal, "The United States and Asia in 2001: Changing agendas," *Asian Survey*, January/February 2002. Vol. 42, No. 1, p. 4.

⁷⁸ "Academic warns of pan-blues' impact on Taiwan-US ties," *Taipei Times*, December 3, 2006, p 1.
<http://www.taipetimes.com/News/front/archives/2006/12/03/2003338882>

⁷⁹ Michael Wesley, "The Emerging Security Environment in the Asia Pacific," *Regional Outlook*, Volume 1, 2004,
<http://www.griffith.edu.au/business/griffith-asia-institute/publications/regional-outlook>

In addition, the Chen Shui-bian Government's intensified anti-China approach was also against the cross-Strait business community in Taiwan. President Chen Shui-bian had changed the official China investment policy from "active opening and effective management" in 2001 to "active management and effective opening" in early 2006. This policy imposed restriction on Taiwanese firms' investment in Mainland China and urged Taiwan investors to invest more in Southeast Asia, India and Americas rather than China to avoid risk under the so-called "Southbound policy". The change was seen as the government's move to tighten control on China investments against businesses' calls for further liberalization.⁸⁰

Nevertheless, Taiwanese businessmen tend to view China not only as a huge market but as a main manufacturing base for their global strategy. That was why more than 70 percent of Taiwan's outbound investment went to China in 2006,⁸¹ and China has emerged as Taiwan's major trading partner as well as largest export market, despite the hostile political situation across the Taiwan Straits. It is reported that Taiwanese investment in China already exceeds US\$120 billion on an accumulative basis. According to Taiwan's Investment Commission, the ROC's Ministry of Economic Affairs, the

⁸⁰ "Westbound ? Southbound ? Factories only want Money-bound," *The United Evening News*, August 23, 2007, <http://udn.com/NEWS/FINANCE/FIN7/3983174.shtml>

⁸¹ According to the Investment Commission, MOEA, approved investment to Mainland China by Taiwanese businesses reached a recorded high in 2006, with a total of US\$7.64 billion.

total amount of Taiwan's investment in China stood at US\$64.8 billion by December 2007. In 2007 alone it was US\$9.9 billion. Total indirect trade between the two sides was only US\$3.9 billion in 1989; the first year business contact was officially permitted. In 2004, total trade was at US\$62 billion - a 16-fold increase in just a decade and a half and then up to US\$102.3 billion in 2007, with a trade surplus of US\$46.2 billion favorable to Taiwan. Currently, more than 40% of Taiwan's exports head for China and Hong Kong.

By the end of Chen's era, Taiwan who led Asia's four little dragons eight years ago was ranking the last among the four in terms of economic growth and in a weaker position in all aspects than before. "To put it bluntly, Taiwan now needs mainland China more than vice versa."⁸² The previous two presidential elections have shown that the top issue for voters was the economy, which was widely seen as having lost its competitiveness during Chen's eight-year rule. Thus, Taiwanese voters shifted their support from DPP to KMT in the Legislative Yuan election in January 2008 first,⁸³ then again in March's presidential election in that same year.

⁸² Dr. William Fang, "Cross-strait ideas need correcting," *The China Post*, April 30, 2008, <http://www.chinapost.com.tw/commentary/the%20china%20post/william%20fang/2008/04/30/154220/Cross%2Dstrait%2Dideas.htm>

⁸³ Opposition Nationalist Party won by a landslide, gaining 81 seats in the 113-member assembly. The election outcome indicates that Taiwanese voters favor the Nationalists' engagement policy toward Beijing, against the ruling Democratic Progressive Party's provocative stance to formalize "independence" from the mainland. 2008.01.15

South Korea

While insisting on actively engaging North Korea, the Roh Government also attempted to accommodate the Bush Administration's requests as much as possible such as sending troops to Afghanistan and Iraq. By keeping a warm relationship, they hoped that it would eventually persuade Washington to soften its policy toward the DPRK. On the other hand, improving relations with Pyongyang gave President Roh a leverage to play a leading role in politics in the Korean peninsula and to increase South Korea's autonomy in the US-ROK alliance. He also planned to take advantage of North Korea's cheap labor to increase South Korea's international competitiveness with a view to reducing the ROK's economic dependence on China, simultaneously preventing North Korea from integrating into China,⁸⁴ and countering mounting pressure from *Chaiwan* enterprises 'competition,⁸⁵ eventually making South Korea a hub of Northeast Asia's economic integration and the axis of politics and security in Northeast Asia.

http://www.koreaherald.co.kr/NEWKHSITE/data/html_dir/2008/01/15/200801150011.asp

⁸⁴ Stephan Haggard and Marcus Noland, "North Korea in 2007: Shuffling in from the Cold," *Asian Survey*: January/February 2008, Vol. 48, No. 1, p. 111.

⁸⁵ *Chaiwan* refers to China plus Taiwan.
http://chinese.chosun.com/big5/site/data/html_dir/2008/03/25/2008032500019.html

Generally speaking, President Roh's active engagement of North Korea was well received in the ROK but not without opposition.⁸⁶ A poll done immediately after North Korea's nuclear detonation shows that 73% of people under the survey hoped that his engagement policy continued with only minor revision, while 15.2% favored the termination of the engagement policy. More than three fifths of the people endorsed the continuation of inter-Korea economic cooperation projects.⁸⁷ However, his North Korea policy confronted increasing criticism from the opposition particularly in the wake of North Korea's nuclear detonation in October 2006, mainly because the Roh Government refused to take tough sanction measures against Pyongyang.⁸⁸

By early 2007, the Roh Moo-hyun government's unfavourable situation turned out to be positive mainly because the Bush Administration's North Korea policy became pragmatic and US-DPRK relations improved. The remarkable example was the February 13 document

⁸⁶ "Whereas progressives emphasize prioritizing inter-Korean collaboration, conservatives underline the need for greater reciprocity from the North." Gi-Wook Shin and Kristin C Burke, "North Korea and Identity Politics in South Korea," *The Brown Journal of World Affairs*, Vol: 15 Issue: 1, 2008, p. 299.

⁸⁷ Wonhyuk Lim, "Inter-Korean Economic Cooperation at a Crossroads?," <http://www.nautilus.org/fora/security/07008Lim.pdf>><http://www.nautilus.org/fora/security/07008Lim.pdf>

⁸⁸ "Seoul lacks influence over North: analysts," *The Korea Herald*, November 3, 2006, http://www.koreaherald.co.kr/SITE/data/html_dir/2006/11/03/200611030040.asp

reached in the six party talks in Beijing in that year.⁸⁹ At the same time South Korea relations with US also turned increasingly positive as well. This was demonstrated by the signing of a bilateral FTA in July 2007.⁹⁰ What is more, President Roh was finally able to realise his dream to cross the 38th parallel and subsequently had a summit with Kim Jong Il with the Declaration of Inter-Korea Development, Peace and Stability in October 2007. Nevertheless, high inflation rates due to worsening international economic environment downgraded his government's economic performance.⁹¹ In addition, the failure of working out a single presidential candidate in the progressive parties resulted in the emergence of conservative forces led by Lee Myung-bak.

Conclusion

Three conclusions can be drawn from the above analysis. First, the ruling elite's subjective perceptions do have a decisive impact on their foreign and defense policies making. Second, geopolitics matters in the case of divided nations. As a result, a divided nation's foreign and defense policies are inseparable to its siblings. The success of overall foreign policy therefore depends on whether they can maintain positive relations with their other halves. No matter what, South Korea's North Korea

⁸⁹ <http://www.state.gov/r/pa/prs/ps/2007/february/80479.htm>

⁹⁰ To-hai Liou, "South Korea's FTA Strategy under Roh Moo-hyun," *Taiwanese Journal of WTO Studies*, No.9, pp. 177-212.

⁹¹ Sung Deuk Hahm and Dong Seong Lee, "Leadership Qualities and Political Contexts: Evaluation of the Roh Moo-hyun Administration in South Korea, 2003-2008," *Korea Observer*, Vol: 39 Issue: 2, p. 208.

policy or Taiwan's Mainland China policy should be put in front of its overall foreign policy. This is particularly true in Taiwan's case due to the disproportionate power gap across the Straits. This echoes what former ROC's Foreign Minister Federick Chien once said. "Cross-Straits relations should have the priority over foreign policy."⁹² Third, in terms of effectiveness of policy implementation, we can also find from this analysis that in spite of the importance of perceptions of decision makers and their policy choices, the success of small and medium powers' foreign and defense policies also relies on the other halves' relative power vis-à-vis themselves, their responses as well as policies of the surrounding major powers.

In Taiwan's case, ignoring the power asymmetry across the Taiwan Straits and the mounting significance of economic interactions in international relations in the 21st century, the Chen Shui-bian Government insisted on conducting a Mainland China policy characterized by promoting anti-China, Taiwan identity and Taiwan independence under the domestic political consideration. This kind of policy orientation just fell into China's hands, for Beijing engineered Sino-US condominium based on their common interest of anti-Taiwan independence. As a result, DPP lost its ruling power to the KMT, mainly because of Taiwan's poor economic performance under its rule. In other words, the axis of Taiwan's politics shifted

⁹² "Ma Seeking Advice, Federick Chien: Cross-Straits Policy has priority over foreign policy," *China Daily News*, April 8, 2008, <http://www.cdnnews.com.tw/20080409/news/zyxw/733240002008040820412224.htm>

from Taiwan consciousness to economic resurrection in President Chen's second term. At the same time, rising tension across the Taiwan Straits owing largely to its pro-independence movements such as campaigns to enter into the United Nations under the name of Taiwan and so on helped Beijing and Washington work together to jointly blame the Chen Government for its pro-independence movements and make Taiwan a troublemaker in the eyes of its neighbours in Asia Pacific.⁹³

Alternatively, the Roh Government's North Korea policy featured with peace and prosperity not only brought about improved inter-Korea relations and increased economic interactions between the two Koreas but also helped fine-tune the North Korea policies of the US and the ROK from early 2007 through to the end of Roh's term. The Bush Administration, in its second term, shifted its policy toward Pyongyang from toughness to practicality in early 2007 due to the growing concern about rising China. As a result, the agreement of nuclear disablement in exchange for energy aid was reached first between the US and North Korea and then formalized in the Six-party talks on February 13, 2007. The Roh Government served an important facilitating role in the talks.⁹⁴ Nevertheless, both the Chen Shui-bian Government and the Roh Moo-hyun Government lost presidential elections respectively to their opposition parties primarily due to their poor economic

⁹³ John F. Copper, "Taiwan's Failed President," *Asian Affairs: An American Review*, 2008, Vol. 34, No. 4, pp. 187-188.

⁹⁴ Chung-in Moon, "Diplomacy of Defiance and Facilitation: the Six Party Talks and the Roh Moo Hyun Government," *Asian Perspective*, 2008, Vol. 32, No. 4, p. 102.

performance. Another factor that brought about the victory of conservatives in South Korea was concerns about the deteriorating South Korea-US security alliance.

Interestingly enough, this horizontal comparative analysis finds that the orientation of Taiwan politics and South Korean politics in the same period changed from ideological lines to economic priority under the pressures of globalization. What is even more interesting is that the following governments of both countries take completely reversed policies toward their siblings vis-à-vis their preceding governments. The results of their policy shifts happen to attest to the second conclusion that the divided nations had better put their policy toward siblings before their overall foreign policies. Unlike the previous government's hostile China policy, the Ma Ying-jeou Government regards Mainland China policy as the first priority ahead of overall foreign policy and has actively improved relations with China, economic interactions in particular. On the other hand, the ROK President Lee Myung-bak placed foreign policy in front of North Korea policy. In other words, North Korea policy was relegated from top priority in the Roh Government to an appendix to Lee's overall foreign policy. As a consequence, cross-Straits relations so far have turned from negative during the Chen Shui-bian era to positive under the KMT Government, while inter-Korea ties have reversed from vibrant political and economic cooperation during Roh Moo-hyun period to the persistent tensions since the inauguration of President Lee Myung-bak in March 2008, exemplified by the Cheonan incident and Yeonpyeong shellings in 2010. Of course, international politics is

always dynamic, future developments of the two countries' policies toward the other halves remain to be seen. The above conclusions are to be tested.

What is worth mentioning is that Taiwan's economic integration with China proves the validity of functionalism emphasizing the private sector forces in the process of integration,⁹⁵ while the South Korean case is characterised by neo-functionalism stressing the important role of government in the integration process.⁹⁶ Both cases show that economic interactions can reduce political tension. However, the Taiwan case implies that economic interactions driven by the business sector can have a determining effect on domestic politics as well as cross-strait political relationship.⁹⁷ Which forces, non-governmental forces or governmental forces, are sustainable in the sense of integration remains to be seen. The shutdowns of the Mount Kumgang Tourist Project in 2009 and the Kaesong complex in early 2013 (The complex resumed work after 5-month shutdown) demonstrate that integration through governmental forces alone could be fragile.

⁹⁵ Theodore A. Coulombis and James H. Wolfe, *Introduction to International Relations: Power and Justice*, 4th edition, Englewood Cliffs, New Jersey: Prentice Hall Inc., 1990, pp.297-298.

⁹⁶ James E. Dougherty and Robert L. Pfaltzgraff, Jr., *Contending Theories of International Relations: A Comprehensive Survey*, 3rd Edition, New York: Harper Collins Publishers, Inc., 1990, p.433.

⁹⁷ Steve Chan, "Commerce between Rivals: Realism, Liberalism, and Credible Communication across the Taiwan Strait," *International Relations of the Asia-Pacific*, Vol. 9 (2009), 459-460.