

Emanuel Yi Pastreich

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**The Korean Peninsula and the Struggle between World Powers**  
**100 Years after the Taft-Katsura Agreement and the Portsmouth Treaty**

**Opening Remarks**

Any serious attempt to achieve a lasting and effective resolution to the economic and security issues of the Korean peninsula must perforce address the perceptions and beliefs of the Korean people themselves. Unfortunately, we Americans find ourselves making decisions regarding the future of the Korean peninsula without any sense of the historical context surrounding the present standoff with North Korea. Nor do we grasp the historical events long before the present day that have determined Korean attitudes towards the United States. This paper does not focus on the negotiations with North Korea that have gone on since 1994. Rather it considers the decisive first encounters between the United States and Korea in the nineteenth and early twentieth century and goes on to present a comparison between the geopolitical issues critical in the present day and those critical one hundred years ago in the hope that some larger issues normally not treated in an analysis of security issues may be broached.

Koreans<sup>1</sup> have complex emotions about the United States. On the one hand, American culture, economic ties, and military support have been so overwhelmingly important to Koreans that at times Koreans have feared that they would lose their own culture as a result of the absolute domination of the omnipotent United States. Although the U.S. establishment tends to view Japan as the most consistent of allies, the Japanese have relatively little

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<sup>1</sup> I am referring primarily to South Koreans here, although to a lesser degree the same issues apply to Korean Americans and North Koreans.

interest in actually traveling to the United States or adopting American practices. It could be argued that no country in Asia, with the possible exception of the Philippines, has so completely adopted American, habits, institutions, legal precedents, and values.

Since the second half of the nineteenth century Koreans have felt that America offered hope and support to their nation. America has been held up as a model of a just and honest society for the Koreans, even to a degree that obscured its imperfect and self-interested actions. Although the United States has acted often for its national interests, as all nations do, the great promise of freedom that America projected, whether in the calls for an “open door” in the nineteenth century, or “self determination” in the twentieth century, have had immense resonance in Korea. The very promise that the United States offered is the root of disillusionment.

We frequently see media reports in the American media that describe growing “anti-Americanism” in South Korea. Anyone who has made the effort to investigate the concrete issues behind Korean perceptions of the United States will conclude that Koreans hold a far more nuanced view of that country than is commonly suggested, granted that moments of outrage can be found. Such anger at the United States is best embodied in the strong reaction, including massive demonstrations, after the United States military failed to take the standard disciplinary measures it would have in other nations hosting U.S. troops when two 14-year old South Korean girls were killed in June 2002 by an armored vehicle. But the anger and betrayal felt by Koreans goes back much further and has more to do with the gap between what the United States is and what Koreans wished to imagine it as.

Korean views of the great power are interwoven with resentments, or *han*, concerning Korea’s treatment during the colonial period by the great powers.<sup>2</sup> The most significant issue is how some Koreans came to feel that they had been betrayed by the United States. As Korea was subject to pressures from all the great powers, it came to imagine the United States as a just nation that would not reduce all relations to self-interest. Such a view was encouraged in the late nineteenth century by Chinese hopes that the United States, through its “Open Door” policy would bring a lasting and just peace to East Asia. The famed Chinese diplomat and expert on Western affairs Huang Zunxian went as far as to counsel Korea that the United States “has always upheld justice” and “never permitted the European powers to

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<sup>2</sup>See Feffer, John. *North Korea; South Korea: U.S. Policy at a Time of Crisis*. Seven Stories Press: New York, 2003, 20-24.

freely perpetrate their evil deeds.”<sup>3</sup>

Such statements may seem like ancient history, but the possibility that a lasting peace can be maintained in East Asia is still linked to the United States and equally importantly, that success can only be achieved if the general perception of the United States is as a trustworthy nation. No degree of military technology or prowess will maintain the position of the United States in the long run without such a general impression—which is not to say that Asians are unforgiving of smaller acts of self-interest which are inevitable in any human society.

Don Oberdorfer summed up the feelings of Koreans succinctly in his book *The Two Koreas: A Contemporary History*. He wrote,

“In 1905, in what many Koreans consider their first betrayal by the United States, Secretary of War William Howard Taft approved Japan’s domination of Korea in a secret agreement with the Japanese foreign minister, in return for assurances that Tokyo would not challenge U.S. colonial domination of the Philippines. Later the same year, Japan’s paramount political, military and economic interests in Korea were codified in the Treaty of Portsmouth (New Hampshire), in which President Theodore Roosevelt played peacemaker and dealmaker between Japan and Russia, and for which he was awarded the Nobel Peace Prize. With no opposition in sight, Japan occupied Korea in 1905 and annexed it outright as a Japanese possession in 1910. Japan then ruled as the harsh colonial master of the peninsula until its defeat in World War II.

“What many Koreans consider the second American betrayal—the division of Korea—occurred in the final days of World War II. The United States, Britain and China had declared in the Cairo declaration in 1943 that “in due course, Korea shall become free and independent,” and at the 1945 Yalta Conference President Franklin D. Roosevelt proposed a U.S.—Soviet—Chinese trusteeship over Korea. Beyond these few words, there was no agreement among the wartime allies and no practical planning in Washington about the postwar future of the peninsula. It was reported that in 1945 Secretary of State Edward Stettinius asked a subordinate in a State Department meeting

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<sup>3</sup>Kim, Hong-jip. *Sushinsa ilgi* (Seoul: Tamgudang, 1971): 165.

to please tell him where Korea was.”<sup>4</sup>

After the Second World War, Korea was divided in two by the fiat of the Soviet Union and the United States. The division was random and left the heavy industry, mineral resources and power in the hands of the communist Democratic People’s Republic of Korea and the agricultural breadbasket and larger population with the capitalist Republic of Korea. Whatever we may think of this decision from a geopolitical perspective, for the Korean on the ground it felt like betrayal. As the scholar Gregory Henderson has written,

No division of a nation in the present world is so astonishing in its origin as the division of Korea; none is so unrelated to conditions or sentiment within the nation itself at the time the division was effected; none is to this day so unexplained; in none does blunder and planning oversight appear to have played so large a role. Finally, there is no division for which the U.S. government bears so heavy a share of the responsibility as it bears for the division of Korea.<sup>5</sup>

There is great value in considering what exactly the first agreement between powers signified because we find ourselves once again in a period of great flux. Theodore Roosevelt brought Russia and Japan together for a peace conference in July, 1905 in an attempt to end the Russo Japanese War quickly for fear that the balance of power would be upset if Japan made further inroads in Siberia. Secretary of War William Howard Taft was on the way to Canton China at the time to deal with Chinese boycotts of American products in Canton and elsewhere when he stopped in Tokyo and met with Japanese Prime Minister Katsura Taro. The private talk between the two concerning Korea and East Asia was summarized as the Taft-Katsura Memorandum. This secret memorandum was later alluded to by the Japanese *Kokumin Shimbun* in October 4, 1905 as a bargain between the two powers to guarantee United States authority in the Philippines in return for recognition of Japan’s new status as colonial master of Korea. The text itself has taken on an unnatural degree of authority, perhaps more than it had at that moment. It does reveal something of the thinking of Roosevelt, and by extension, the United States, with regards to East Asia.

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<sup>4</sup> *The Two Koreas*, p. 5.

<sup>5</sup> *Divided Nations in a Divided World..* David McKay ed. 1974, p. 43.

Korea was at the center of both the Sino-Japanese War and the Russo-Japanese War. The Sino-Japanese War (1894-1895) arose from rivalry between China and Japan for control of Korean politics. China had allowed Japan to recognize Korea as an independent state since 1875, but when Yuan Shikai attempted to reassert Chinese authority, an falling out between the two countries, and their supporters in Korea resulted. The Japanese army defeated the Chinese in battles around Seoul and Pyongyang with the result that Port Arthur fell to the Japanese. China lost Taiwan, the Liaodong Peninsula<sup>6</sup> and the Pescadores to Japan. The Russo-Japanese War resulted from the rival schemes of the two powers in Manchuria and Northern Korea. Russia refused to withdraw from the territories or accept Japanese calls for a negotiation. The attack launched by Japan on February 8, 1904 cut off the Russian fleet and led to the fall of Port Arthur. The conflict was formally ended by the Portsmouth Treaty of September 5, 1905 after months of negotiations brokered by Roosevelt. Japan agreed to an Open Door policy in Manchuria and the administration of the region by China. Russia recognized the “paramount political, military and economic interests” of Japan in Korea, as did the United States and Great Britain. Finally, the railway lines constructed by Russia in Southern Manchuria were ceded to Japan.

The meeting between Secretary of War Taft and Count Katsura took place at the same moment that the negotiations to end the Russo-Japanese War were under way. The exact content of the memorandum summarizing their discussion is as follows:

Count Katsura and Secretary Taft had a long and confidential conversation on the morning of July 27<sup>th</sup>. Among other topics of conversation, the following views were exchanged regarding the question of the Philippine Islands, of Corea, and of the maintenance of general peace in the East:

First. In speaking of some pro-Russians in America who would have the public believe that the victory of Japan would be a certain prelude to her aggression in the direction of the Philippine Islands, Secretary Taft observed that Japan’s only interests in the Philippines would be in his opinion to have these islands governed by a strong and friendly nation like the United States, and not to have them placed either under the misrule of the natives yet unfit for self-government or in the hands of some unfriendly European power. Count Katsura confirmed in strongest terms the correctness of his views on the point

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<sup>6</sup> The Triple Intervention by Russia, France and Germany forced Japan to return the Liaodong Peninsula, but only in return for further compensation.

and positively stated that Japan does not harbor any aggressive design whatever on the Philippines, holding that all insinuations of the “Yellow Peril” type are nothing more or less than malicious and clumsy slanders calculated to do mischief to Japan.

Second. Count Katsura observed that the maintenance of general peace in the extreme East forms the fundamental principle of Japan’s international policy. Such being the case, he was very anxious to exchange views with Secretary Taft as to the most effective means for insuring this principle. In his opinion, the best and, in fact, the only means for accomplishing the above objective would be to form good understanding between the three governments of Japan, the United States and Great Britain, which have the common interest in upholding the principle of “Open Door.” The Count well understands the traditional policy of the United States in this respect and perceives fully the impossibility of their entering into a formal alliance of such nature with any foreign nation. But in view of our common interests, he cannot see why some good understanding or an alliance, in practice, if not in name, should not be made between those three nations in so far as respects the affairs in the East. With such understanding firmly formed, general peace in these regions would be easily maintained to the great benefit of all powers concerned.

Secretary Taft said that it was difficult, indeed impossible, for the President of the United States to enter even into any understanding amounting in effect to a confidential informal agreement without the consent of the Senate, but that he felt sure that without any agreement at all the people of the United States were so fully in accord with a policy of Japan and Great Britain in the maintenance of peace in the Far East that wherever occasion arose appropriate action of the government of the United States in conjunction with Japan and Great Britain for such a purpose could be counted on by them quite as confidently as if the United States were under treaty obligations to take it.

Third. In regard to the Korean question, Count Katsura observed that Korea being the direct cause of our war with Russia, it is a matter of absolute importance to Japan that a complete solution of the peninsula question should be made as the logical consequence of the war. If left to herself after the war, Korea will certainly drift back to her former habit of improvidently entering into any agreements or treaties with other powers, thus resuscitating the same international complications as existed before the war. In view of the foregoing

circumstances, Japan feels absolutely constrained to take some definite step with a view to precluding the possibility of Korea falling back into her former condition and of placing us again under the necessity of entering upon another foreign war.

Secretary Taft fully admitted the justness of the Count's observations and remarked to the effect that in his personal opinion the establishment of a suzerainty over Korea to the extent of requiring that Korea enter into no foreign treaties without the consent of Japan was the logical result of the present war and would directly contribute to permanent peace in the Far East. His judgment was that President Roosevelt would concur in his views in this regard, although he had no authority to give assurance of this. Indeed Secretary Taft added that he felt much delicacy in advancing the views he did, for he had no mandate for the purpose from the president, and since he left Washington Mr. Root had been appointed Secretary of State, and he might seem thus to be trespassing on another's department. He could not, however, in view of Count Katsura's courteous desire to discuss the questions, decline to express his opinions which he had formed while he was temporarily discharging the duties of Secretary of State under the direction of the president; and he would forward to Mr. Root and the President a memorandum of the conversation. Count Katsura said that he would transmit the same confidentiality to Baron Komura.

End of quotation

Prime Minister quite anxious for interview. If I have spoken too freely or inaccurately or unwisely, I know you can and will correct it. Do not want to butt in but under circumstances difficult to avoid statement and so told truth as I believe it. Count Katsura especially requested that our conversation be confined to you and the President so have not advised Griscom (Lloyd C. Griscom, American Minister to Japan). If necessary under your direction Foreign Office can give him a copy.<sup>7</sup>

Roosevelt regarded the Russian presence in Manchuria as a challenge to the United States Open Door policy. He also imagined that the United States had a destined role to play in East Asia, much under the influence of Brooks Adams' book *America's Economic Supremacy* and Alfred Mahan's *Problems of Asia*.<sup>8</sup> Equally important was Roosevelt's admiration of the

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<sup>7</sup>"The Impact of the Taft-Katsura Memorandum on Korea—A Reassessment" 14-15.

<sup>8</sup> Ibid., 6.

Japanese as “the most dashing fighters in the world.”<sup>9</sup> Japan represented the modern in East Asia and formed a striking parallel with American assendency. Roosevelt went as far as to suggest that Japan establish her own Monroe doctrine in the region and saw similarity between Japanese claims for Korea with American claims for Cuba. He did not express any concern about Japanese annexation.<sup>10</sup> And Korea was not significant to the United States yet; it contributed little to United States trade.

Five months after this meeting, on November 17, 1905, the Japanese government compelled the Korean foreign minister to sign an agreement establishing a Japanese protectorate. China lost control of its last client state as Japan locked down both economic and political control over Korea. Japan would in turn begin a systematic conquest of China over the next thirty years in economic terms (control of market share, investment in the Chinese economy and control of technology) that only ended with complete military defeat. Russia ceased to be a presence for four decades as internal disruptions undermined its national will. The United States remained a presence on the Korean peninsula through missionary work and offered an alternative to the Japanese vision of a “Co-Prosperity Sphere.” The ideals of self-determination and the League of Nations that Wilson proclaimed after the First World War encouraged an image of the United States as an honest broker that offered Korea a better future. After the Second World War, however, many Koreans were bitterly disappointed to see that American interest shifted quickly to rebuilding Japan.

A comparison between George W. Bush and Theodore Roosevelt has some basis. Both pursued an aggressive foreign policy that included considerable involvement abroad and a broad interpretation of national security. In the case of Roosevelt, Cuba, Panama and the Philippines were the hotspots for American interest. Bush has plunged into Afghanistan and Iraq, and waded into a number of other countries, over the last four years as part his plan for realizing an enhanced *Pax Americana*. Although both moments are similar, the status of the United States has changed profoundly. In 2005, the United States is already the big boy on the block and on the defensive against other rising nations. Moreover, whereas the United States was becoming a creditor nation and expanding its manufacturing base in 1905, it is now a debtor nation which requires foreign investment at the same moment it continues to lose the most critical elements of its manufacturing and technological base.

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<sup>9</sup> Ibid., 5.

<sup>10</sup> Ibid., 12. Roosevelt’s position is detailed in the memoirs of diplomat Kaneko Kentaro.

If Bush is Roosevelt, then it would follow that Roh Moo-hyun must be King Kojong of the Joseon Kingdom. Well the analogy is less perfect there, but although Roh, a man who never finished college and has been supported by many leftist groups, is a far call from the elitist King Kojong, both are similar in their attempt to redefine Korea's position in East Asia. Kojong took a reign name for himself modeled on the Chinese emperor's and along with his regent started to rebuild the Gyeongbok Palace that had lain in ruins since the Japanese invasions of the sixteenth century. He imagined a Korea that stood alone, even as he turned to China to protect him from the Western powers. President Roh has also worked hard to make Korea a cultural and political force in East Asia. Korea has certainly become far more open to the outside world over the last four years, and the International Airport at Incheon is a model for a new Asian order. The question is whether South Korea can control the influx of foreign capital and investment while maintaining autonomy. Kojong's attempts to play the great powers against each other were ultimately futile when Japan edged China out and made it a protectorate; Roh's fate is still unknown.

We commonly speak of the conflicting and paradoxical developments in North East Asia (specifically the Korean Peninsula) as a product of the Post-Cold War era. That is to say, we contrast the relatively clear-cut ideological and military alignment that defined economic and security issues from the 1940s until the 1980s with a shifting and uncertain environment in which individuals and groups around the globe form relationships irrespective of geographical location. More significantly, we find that our allies in Asia no longer have the same immediate and compelling need to rely on the United States today as they once did.

Yet, for the Asian observer, a historical period of fifty years is short compared with the legacies of Korea, China and Japan. The world has changed fundamentally over the last ten years. Nonetheless, changes wrought by technological transformation and the collapse of ideology have created, ironically, an environment oddly similar to previous historical configurations. The Internet has promoted unprecedented integration on a global scale. Yet at the same time, it has also encouraged a fragmentation within societies into distinct segments. One might call those segments "web communities" but the phenomenon seems rather like feudalism.

The motivations behind the diplomatic and political dances we observe are more intriguing if we see them in a historical context. We may live our lives perforce pressured by deadlines, but history will judge us by a grander measure. This paper describes the similarities and the differences in the motivations of the great powers that jostled over the Korean peninsula in

1905 and the nations that do so today in 2005. The selection of the year 1905 is both convenient and random. I am in the middle of history as I write and cannot step back and gaze on the events of the moment. Picking a historical moment exactly one hundred years earlier is an easy frame of reference. Yet both 1905 and 2005 were/are years in which a previous world order was (is) losing its certainty and the balance of power was (is) unclear. There has not been *yet* an equivalent in science this year of Albert Einstein's publication of three papers on special relativity, the photoelectric effect and an explanation of Brownian motion in 1905. Nevertheless the phenomenal acceleration of technological change in this age has produced great uncertainty in the world. Advancements in the technologies of reproduction (media and audiovisual) result in an atmosphere in which information can be produced, altered and disseminated so easily, that uncertainty spreads concerning the nature of reality not unlike that found in 1905 when the previous laws of physics were drawn into question.

The rhetoric we employ in the United States evokes an image of the world profoundly transformed by globalization with the result that our economic, social and security needs are fundamentally changed. This paper does not deny that assumption. Yet I want to suggest that our rush towards an unknown future has propelled us back into the past. We find the same uncertainty and the same concerns about a balance of power today that existed in 1905.

The paper first identifies the great powers in 1905, their motives, and what deep issues lay beneath their actions. Next it turns to great powers participating in the present day power configuration which is best represented by the Six-Party Talks (China, United States, Japan, Russia, South Korea and North Korea) on North Korea's nuclear program. Finally, I list the misapprehensions that arise because the Korean peninsula is not seen in historical perspective and my concerns about American policy.

History is immediately relevant to today. Koreans lament that their country was torn apart and manipulated by the great powers and forced into ideological and economic confrontations not of their own choosing. As Americans, we often take a broader universal perspective on these issues which, although not wrong, blinds us to the reality of the Korean experience. There will not be a lasting peace in Korea, or Iraq, unless it takes root among the people themselves. We must understand history so that the interests of the United States can be bound to those of Korea in a manner that will survive the test of time.

### **The Balance of Powers in North East Asia in 1905**

The Six-Party Talks concerning North Korea's nuclear development consist of the United States, China, Japan, Russia, North Korea and South Korea. The debate over the future of the Korean peninsula in 1905 did not allow much Korean participation. Great Britain was involved to some degree in 1905. Otherwise the "great powers" remain basically the same. Their relative strengths and weakness, their insecurities, and the issues that motivated them have shifted considerably in some cases, and remained constant in others.

China was a self-absorbed great power in 1905 experiencing a precipitous decline in its command of technology, cultural authority and economic vitality. The famed civil service system in China continued to function, but the imperative for national service that had made China the center of the world (The Middle Kingdom) had vanished. As the reformer Sun Yatsen, who would eventually overthrow the corrupt Qing dynasty, said, China was a nation made of sand: There was no ideological mix to bind the sand together as cement in the public sphere. The educated devoted themselves increasingly to the preservation of their own interests and indulgent and shortsighted bureaucrats around the Dowager Empress Zixi held sway. The humiliating loss to Britain in the Opium Wars, the crippling civil war of the 1850s and the unequal treaties imposed by Western powers in the second half of the nineteenth century created an environment in which pessimism and cultural isolationism flourished. The scholar officials of the late Qing clung to the system that had worked in China for almost 2000 years while realizing that it was insufficient to the challenges of the age.

China found herself in an odd position in 1905. On the one hand, it had become apparent that China lacked the scientific or organizational infrastructure necessary to support itself as a world power on the level of Britain, France and Germany—or even of Russia and Japan. She could not produce telegraphs or heavy machinery; she did not have schools with advanced laboratories or foreign language programs, and lacked the prerequisites of great power status: a navy and colonial possessions. The explosion in population during the eighteenth century had created a large rural population which held China back (and still does) in the process of modernization. Moreover, although China retained basic sovereignty, and had managed, thanks to the unflagging efforts of its educated bureaucrats, to avoid becoming a colony, many treaty ports had been opened and extraterritoriality granted to British, French and German concessions. Foreign concerns used capital and political manipulation to influence China from within. China found itself being cut up, as a cartoon of the period

showed, like a juicy pie.

Yet even as China was colonized, she also was also learning how to be a colonizer. Chinese had been the common language of East Asia for centuries and China was acknowledged as the cultural and political center of East Asia.. Korea, Mongolia, Vietnam, Tibet, and to a lesser degree Japan, acknowledged China as suzerain, sending tribute and asking Chinese permission in diplomatic matters. China's relationship with Korea was not, however, a colonial one. China sent troops to defend Korea when it was invaded by Japan in the sixteenth century, but as a general rule China did not interfere in the domestic politics of Korea. In fact travel between China, Japan, Korea and Vietnam was extremely limited by law through the nineteenth century. Although everyone speaks of free trade today, the ideal held up before the nineteenth century was autarky in East Asia –an ideal embraced by North Korea alone today. Relations with Korea were strained after the Manchus conquered China in the seventeenth century, and often Korea's loyalty seemed to be a loyalty to a China that no longer existed.

The reformers within China, led by Li Hongzhang and his disciple (and future president) Yuan Shikai, finally were able to implement some of their modernization policies. The Qing army had adequate, if not state of the art, weapons and received advanced training in modern warfare. A forward-thinking elite corps of officials wrestled with the inertia of a great power that had fallen behind in the march of history. China started to assert itself in Korea aggressively from the end of the century as a colonial power rather than a benevolent suzerain. China played factions in the court against each other to influence domestic Korean policy. The Japanese and Russians did so as well. The struggle over Korea's internal affairs became, as would be true in the Korean War again, an extension of the jockeying between the great powers.

To some degree the Korean court sought out China as a counterweight to Japan, Russia and England. Yuan Shikai's machinations within the court were brought on in part because Korea had no choice but to borrow the military and economic authority of greater powers, and China was the nation that seemed most familiar.

Japan was the new kid on the block among great powers in 1905. The war with Russia was an opportunity for Japan to flex its muscles and establish itself as the potential center of the East Asian order. Japan developed at a distance from the great tradition of China because it was an island off the coast. The position had been a disadvantage previously, but when the demand of the day was casting off the classical tradition and embracing Western technology and culture, Japan was at a distinct

advantage. The victory of the Japanese navy over the Russian navy in the Russo-Japanese War made Japan the sole nation in East Asia with authority in the eyes of the colonial powers.

The government of Japan had been completely restructured with the restoration of the Meiji Emperor in 1867. Japan shared the institutional vitality that the United States enjoyed after the Civil War, and like the United States as well, she started to project its new concentration of national will abroad in the late nineteenth century, first in the Ryukyu Kingdom (now Okinawa) and then in Taiwan, Korea and China itself. The victory over China in the Sino-Japanese War of 1894 resulted in the Treaty of Shimonoseki of 1895 that ceded Taiwan to Japan as a colony. Yet Japan also resembled the United States in that she did not have the history as a colonial power and was not integrated into the global economic system of colonialism run by England, France, Holland, the Netherlands and Germany. Japan's victory over China, a weakened old power, was remarkably similar to the United States victory over Spain in the Spanish-American War. Japan also developed its own version of manifest destiny. Japan tried to "break out of Asia" (*datsu-a*) by abandoning the Asian cultural tradition and embracing a distinct modern culture while also striving to lead a modernized Asia.

Breaking out of Asia did not mean an end to Japan's economic ties to the rest of East Asia, just a reordering of them. Arguments for the conquest of Korea (*seikan*) emerged in Japan soon after the Meiji Restoration. Korea was a tempting colonial possession because the focusing of frustration outwards relieved the political conflicts of the era. Korea, and Manchuria beyond it, inspired hope of a larger Japan that transcended the claustrophobic culture of the archipelago. Yet the Japanese concern that Russia, China or England might make a colony out of Korea and thereby undercut Japan's economic security was not founded. The Japanese colonization of Korea after 1905 was a most sordid affair when examined closely, but a careful consideration shows that there were meaningful worried about the encroaching Western powers.

The United States was a rising power in 1905 that had only recently built a modern navy and began to project its power abroad. The American military had reached institutional maturity during the Civil War, and after the surrender of the Confederacy attention shifted to the West (Indian Wars) and then the Caribbean (Spanish-American War). That last conflict made the United States a world power and gave it for the first time two major colonial possessions which did not become states: Cuba and the Philippines. Control of Hawaii would follow soon after. The ideology of manifest destiny which had under girded the settlement of the Western states became a dream of that

United States as an international presence on a par with England.

Yet the American manifest destiny projected abroad in the Philippines or Cuba was profoundly different than European colonialism. The United States did not attempt to form a closed economic system of trade between its own colonies such as England had. Rather Americans imagined a larger shared market in which the world powers all played by a set of universal rules. Although the American ideals were often compromised, the position that the United States took set it apart from the other colonial powers and gave it a legitimacy that would be decisive in the twentieth century. The United States dunned Korea, Japan and China for open markets (as it does today) and did not criticize the unfair treaties granting extraterritoriality to Western Powers (and the United States). At the same time, it trumpeted an “Open Door Policy” towards China intended to stop the colonial powers from carving China up into exclusive domains of control. It is not that America was altruistic in its daily behavior—that would be too much to expect of the sum of individual desires—but rather that it wished to see itself as altruistic and was perceived as such by weaker nations. Korea and China considered the United States as the honest broker in the struggle to contain other ravenous colonial powers. In the case of Korea, expectations were so great that disappointment was inevitable. But American missionaries offered Koreans a model for the modernization project without the immediate threat of economic and cultural annihilation. America’s role in mediating the peace talks concerning the Russo-Japanese War was a direct result of that positive image.

Russia was a weakened power in 1905 facing serious social unrest that would eventually lead to increasingly radical revolutions. It remained a major player on the world stage, however, and was engaged in a project of expanding its infrastructure in the Far East. Most importantly, Russia was looking for an ice-free port on the Pacific and had clear designs on Muncheon on the East Coast of Korea (which the Russians named Port Lazareff).<sup>11</sup> Russia had locked horns with China over the Ili territory and had a clear record of gobbling up borderlands. Yet 1905 marked the end of Russia’s presence as a major player in East Asia. When Russia refused to withdraw from Manchuria and the Northern part of Korea and refused Japanese proposals to draw up spheres of influence, a conflict broke out. A series of quick victories, starting with the Japanese attack on Port Arthur stunned the world. The Japanese had inflicted massive damage on the pride of the Russian fleet and left a wound in the national psyche that would not

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<sup>11</sup>Kim, Key-Hiuk. *The Last Phase of the East Asian World Order: Korea, Japan and the Chinese Empire 1860-1882*. University of California Press: Berkeley, 1980, 266.

heal until the 1930s.

England, France and Germany were also players in East Asia, but they did not have as direct a role in Korean affairs as the powers listed above. France made an initial reconnaissance of the Korean west coast in 1866 but eventually moved on to colonize Vietnam and wrest concessions from China. Germany concentrated its efforts in East Asia on Shandong province, which would be transferred to Japan, rather than being repatriated to China, after the First World War. After the United States signed the “Treaty of Amity and Commerce” with Korea on May 22, 1882, Germany also obtained a similar treaty one month later. Commercial interests were the limit of German ambitions in Korea.

Great Britain was always in the background in Korean affairs, but never the primary player. Great Britain was the central power in the world, however. Her colonies around the globe were integrated into a dynamic economic system and the British navy controlled the sea-lanes. Equally important, the British Sterling had unquestioned status as a global currency. But as the Chinese classic the *Book of Changes* notes, when the dragon reaches its highest place, it begins its decline. Great Britain was seriously challenged by Germany and the United States, and to a lesser degree by Japan, as a mercantile, military and cultural power. In fact the cordial relations between the United States and Japan at the time<sup>12</sup> can be read as an effort by these newly industrialized powers to counter British domination.

Finally there was Korea itself, a country which had maintained stable peaceful rule for five hundred years, but consequentially become economically static, bureaucratically sclerotic, and culturally inflexible. The ruling Yangban class embraced a tradition of conservatism that was essentially autarkic and anti-capitalist. The very notion of free trade was alien to a country that limited all foreign transactions and cultural exchanges to infrequent emissaries to China (and occasionally Japan). Korea in the late nineteenth century claimed that as a suzerain state all decisions in diplomacy and trade must be approved by China. In reality, however, the Joseon Dynasty was essentially independent of China until the first decade of the twentieth century. Claims that treaties could not be signed without China’s approval were often ruses to discourage foreign intrusion. King Kojong and Daeweongun<sup>13</sup> made efforts to modernize Korea in their own way. Kojong’s decision to adopt a reign name like a Chinese emperor and declare an “Empire of Korea” suggests a concern with autonomy that was unprecedented. But Korea simply did not have the technological capacity,

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<sup>12</sup> Concerning such issues as Korea, Hawaii, and the Philippines.

<sup>13</sup>The regent who dominated his reign in the late nineteenth century.

the population and market, or the political will to engage in a thorough modernization project.

### **The Transformations taking place in 1905**

We often feel that the transformations rocking the world in 2005 are unprecedented in history and profound in their implications. That perception is quite accurate. Nevertheless, the change unleashed in the world in 1905 seemed at least as profound and earth shattering at the time. Because of the retrenchment after the First World War, the seemingly limitless possibility for international exchange and market growth in the decade before has been obscured. The emergence of a bureaucratic and business class that challenged the political and economic authority of aristocratic families in Europe (and Japan) produced a remarkable fluidity in society at that time. Capital flowed freely through markets in Europe, the Americas and Asia; producers and merchants saw an endless horizon for their products stretching across the globe. Technological change was equally impressive. Telegraphs spanning the Atlantic and the Pacific Ocean, and telephones, promised to tie nations together as never before. Intellectuals speculated about a world so tied together for mutual benefit that war would become a thing of the past: a brave new world defined by trade treaties, international law, international markets and instantaneous communication.

But at the very moment that some imagined a new era of peace, technological evolution was also transforming the military. A new class of iron-clad steam-powered battleships emerged that were so effective as to promise absolute control of the seas to their possessors. Machine guns, accurate long-distance artillery, and the automobile promised a revolution in conflict. Many of the new technologies had yet to be fully applied, and their consequences would remain unknown until the First World War. Cavalry remained central to military strategy even as railroads and automobiles raised doubts as to its future effectiveness.

1905 was the height of the great balance of power between competing states that would later become confused with ideology after 1915. Russia, Germany, France, Italy, the United States, Japan and other nations formed shifting alliances in the endless pursuit of self-interest and stability. The Korean peninsula was but one of several flashpoints where their conflicting interests had concrete manifestations. Although the future of the peninsula was a matter of life and death for Koreans, it was but another pile of chips in a global game of cards for the capitalists, bureaucrats and military officers who made critical decisions at the start of the twentieth century.

## **The Great Powers and the Korean Peninsula in 2005**

China in 2005 radiates self-confidence and diplomatic skill in a striking contrast to the defensive and inward-looking power of one hundred years ago. China has taken up a series of initiatives from foreign aid to cultural exchanges that demonstrate a desire to be a central player in Asia, Africa, and even Latin America, while avoiding the most high-profile activities.

China does not play the active role in the politics of the Korean peninsula she did in 1905. Rather Beijing has adopted its own “open door” policy towards Korea and the world: open exchange and trade without any political interference from either side. Television specials in South Korea often feature Chinese culture and representatives of Chinese organizations that are well-received. A friendly and non-threatening image of China has skillfully been built up over the last fifteen years. In North Korea China has considerable cultural and political authority even as the administration of Kim Jong-il fights to assert its independence. China’s actions against the Chinese administrator of the Sinuiju special trade region Yang Bin suggests an attempt to assert Chinese authority in North Korea, granted direct control is not the goal.<sup>14</sup>

In many respects the traditional model of China as the political center that does not impose excessively on its tributaries has returned. The difference is that the Internet, foreign investment, and modern patterns of business travel and tourism have woven a far denser fabric connecting institutions and individuals. The ultimate question for East Asia, and the world, is whether China, which has become the manufacturing center of the world, and is producing the lion’s share of intellectual capital, will hold together as a political whole.<sup>15</sup>

Japan has shown distinct signs of realigning itself culturally with the

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<sup>14</sup> See posting “*Beijing yu huashengdun ge shi shouduan dui xiaoquan he jin zhengri huan yi yanse.*” Wenxuecheng, September 4, 2004.

<http://www.wenxuecity.com/BBSView.php?SubID=news&MsgID=17091>.

<sup>15</sup> The jury is still out concerning the relative fragmentation and integration within the People’s Republic of China. For two contrasting views of China’s future see David Sheff’s *China Dawn* (Harper Business, New York, 2002) and Gordon Chang’s *The Coming Collapse of China* (Random House, New York, 2001). Both give concrete examples of the centripetal and centrifugal forces rippling through China in a highly anecdotal manner.

rest of East Asia after a post-war move to integrate itself with the United States. In diplomatic circles Japan remains the stalwart ally of the United States. Nevertheless, the image of the United States has been much tarnished in Japan, and an increasing number of Japanese take a strong interest in Chinese and Korean culture. Whereas Japanese once felt a need to assert their cultural and economic superiority over Korea, now they unabashedly express fascination with Korean movies, television dramas and pop songs. China also has been integrated with Japan through economic means, particularly the shift of manufacturing from Japan to the mainland. Although a recent crime wave involving Chinese citizens in Japan has had a negative impact on China's image, China as a whole remains critical to Japan's future.<sup>16</sup> Whereas Japan was on a clear road of expansion in 1905, now it has a rapidly aging population, a low birthrate, and an industrial base which is increasingly shifting to China. Thus at the same time that Japan becomes increasingly a part of Asia in terms of trade, technology and culture, Japan cannot articulate a convincing vision of itself as the center of the new Asian order as it once did.

Japan's perceptions of North Korea reveal the conflict within Japan as to its future role. The recent controversy concerning Japanese citizens kidnapped by North Korea has dominated the media over the last two years, and generated to strong suspicions about North Korea in the general population. Ironically, because North Korea finally agreed to account for its sordid actions, events that had been largely forgotten by the public took the headlines again and impeded normalization. Yet Koizumi's visit to North Korea in September 2002, something no American president has done,<sup>17</sup> suggests there is a real interest in expanding business opportunities throughout East Asia. Japanese informal, and often unreported, business transactions with North Korea continue to increase. Moreover, the Korean population of Japan has strong links with North Korea, and many North Korean websites are hosted in Japan. Positive images of cultural exchanges and sports competitions with North Korea are also reported.

The United States has replaced Great Britain as the ostensive leader of the world, the possessor of the universal currency, and the mediator of international disputes between the great powers. Washington has troops in South Korea and Japan and a deep economic and security commitment to the

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<sup>16</sup> China was a critical market for Japan since the late nineteenth century. It was only because of American insistence that Japan relinquished its trade relationship after the Chinese Communist Party came to power in 1949.

<sup>17</sup> Clinton considered such a trip in the second half of 2000, but eventually abandoned the idea because of lack of support in congress.

region. That said, Washington is clearly on the defensive. Although the deep structures of the Cold War still remain, they are held up more by inertia than necessity. China is no longer a clear ideological rival. South Korea is forming its own ties to throughout the world and adjusting itself to what it perceives as a multi-polar world. Even Japan's corporations have an increasingly pan-Asian quality, as they did before 1945. The general perception is that America is holding on fiercely to its position as top dog, but has lost its technological, cultural, and political foundations of power in the region. The increasing informal diplomatic exchange concerning North Korea involving South Korea and China—and not the United States—suggests a serious realignment.

Russia, a member of the Six Party Talks, is quite active in diplomacy in East Asia. Russia also has a presence in South Korean business (and crime) on a level that has not been seen in almost one hundred years. At the same time, although Russia does offer China advanced weapons, it is not perceived as a dominant power or critical market. Russia has been the one courting China and Japan to improve bilateral relations as a first step towards increasing its presence. Moscow went as far as to suggest that two of the four disputed Kuril Islands could be handed over to Japan in November of 2004. Moreover, the decision to build an East Siberia-Pacific oil pipeline is intended to supply Japan with badly needed resources. Russia signed an agreement with China on the final delimitation of the two nations' borders in October 2004 that included Russia ceding two small islands to China. Russia has also emerged as a major supplier of military equipment to China, including the advanced Tu-22M3 bomber.<sup>18</sup> As a whole Russia has become a larger presence in East Asia, but it does not try to grab the headlines. Nor is Russia trying to station troops anywhere, or seize control of any ports.

England, France and Germany no longer play the same role in East Asia that they once did. The European Community as a whole has made efforts to increase ties with North Korea at the same moment that the United States has adamantly refused to do so. Trade and travel to North Korea, as well as direct diplomatic representation has become almost normal for the EU. Oddly, although the European Union is more willing to engage North Korea, it has been much slower in actual integration and engagement with East Asia as a whole than the United States. Far fewer Europeans travel to

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<sup>18</sup> Blagov, Sergei. "Russian Mix of Oil and Weapons to Resolve Border Disputes: The Russian, Chinese and Japanese Triangle" *The Eurasia Daily Monitor*, January 18, 2005 (Jamestown Foundation).

the region, or take up the serious study of East Asia. Likewise, Asian culture has seeped into Europe far more slowly than into the United States. Although more Asians have diversified their holdings to include the EU, Europe still remains a more distant presence than the United States.

Finally there are the two Koreas in 2005. Both are far more assertive, and far more critical to the world as a whole, than was the case one hundred years ago. Korean has become an important language for study in China, Japan and increasingly within the United States. Korean food, movies, journalism, and literature have gained an international following, particularly in Asia. So also South Korea has taken a lead in the computer industry, and above all in media, that makes it a direct rival, rather than little brother, to Japan.

South Korea increases slowly, and imperceptibly, its economic and cultural exchanges with North Korea while adhering to the general policies of the United States with regards to its neighbor. Koreans in general do not imagine normalization with North Korea in the near future, let alone reunification. Yet at the same time, North Korea has become far more accessible of late, and images of North Korean daily life are shown nightly on Korean television. The landscape of Pyongyang has become quite familiar to the average Korean, whereas it had once seemed most forbidding. Moreover, South Korea became North Korea's largest trading partner last year, while China replaced the United States as South Korea's largest trading partner. The implications of this fundamental shift are being felt everywhere.

### **The Current Developments in East Asia in 2005 and their Consequences**

Like 1905, the year 2005 finds the world in the midst of unprecedented social and structural shifts. In both eras global capital flowed unimpeded as advances in technology made new human interactions possible. Globalization in 2005 has created a disorienting environment in which often the surface of things remains the same while their meaning shifts radically. Groups and organizations form complex networks that defy the logic of simple geography and nationality. At the same time, nationalist sentiment arising in response to globalization results in local inhibitions on international exchange. The disorientation resulting from a cold and banal global society stimulates nationalistic sentiment.<sup>19</sup> Elements of this nation,

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<sup>19</sup>The relationship between globalization and the emergence of radical fundamentalism is carefully treated in Benjamin Barber's book *Jihad vs. McWorld: How Globalism and Tribalism Are Reshaping the World* (New York: Ballantine Books, 1995). Also see

and others, are becoming part of a greater international order that transcends the nation state while within the nation there is such radical fragmentation that neighbors inhabit different realities. Radical integration at the global level paradoxically accompanies radical fragmentation at the local level.

The debate over the future of the Korean Peninsula falls right in the middle of the transformation described above. Globalization has pulled North and South Korea together perforce. The desire to transport natural resources over the DMZ is outweighing ideological concerns. Yet the nature of that integration is complex. Let me give a concrete example of the contradictions inherent in integration between North and South Korea today. A recent story in the Korean journal *Mal*<sup>20</sup> illustrates such contradictions. The story concerns the conservative Korean politician of the conservative Hannaradang Party by the name of Cho Unggyu who has suddenly changed his mind about North Korea. Cho has worked together with a close business associate Kim Boemhun in a drive to collect signatures demanding the liberalization of relations with North Korea. Specifically, they wished to liberalize the regulations concerning South Korean access to North Korean websites. The Ministry of Unification has strict rules concerning the ability of average Korean citizens to access these sites, including a pre-registration process. The question is, why would a conservative politician whose party has been openly antagonistic towards North Korea support the collection of signatures to change restrictions on relations with North Korea? It turns out that South Korean businesses are interested in establishing internet gambling establishments in North Korea. Easy access to North Korean websites is vital to setting up such on-line gambling. Cho Unggyu has been giving the Ministry of Reunification a lot of grief about the registration required of South Koreans who wish to explore the North Korean web. The motivation is anything but altruism. The growing consensus in South Korea is that North Korea should be open for business—and nuclear issues have not deterred this trend.<sup>21</sup>

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Thomas Friedman's *The Lexus and the Olive Tree* (New York: Anchor Books, 1999).

<sup>20</sup> "Mal" Volume 207. September, 2003. Article "Less than Humorous Events involved in the Collection of Signatures for Liberalization of Internet Access" by Sonng Boknam ([www.digitalmal.com/news/news\\_read.php?no=7186](http://www.digitalmal.com/news/news_read.php?no=7186)).

<sup>21</sup> See the October 8, 2003 posting of the Ministry of Unification on South Korean attitudes towards North Korea:

"Some 60 percent of South Korean companies engaged in trade with North Korea are doing business in an indirect way via China and other countries and that some two-thirds (64.3 percent) of them want it turned into direct trade, according to a unification ministry survey conducted last month."

Asia and Europe are both undergoing unprecedented integration in 2005, as they were in 1905. In 1905 there were those who imagined a future in which traditional conflicts between nations would be no more. The question for us today is whether the economic and technological integration brought about by the internet, global markets and cheap international travel is sufficient to insure there will not be the same unraveling that took place in 1915. East Asia in 2005 does superficially resemble Europe in 1905 to the extent that both are made up of nations bound together by close economic and cultural ties that they invest heavily in military equipment.

There are a few unpredictable factors at work in the balance of power between China, Japan, Korea and United States. The first is energy. Nations are driven increasingly by a base need to secure the energy they need to run. This demand is rarely articulated clearly, but it is expressed nonetheless through actions. We should not forget that whatever North Korea may have done with nuclear technology, its original need for a source of electrical power was quite real, and the conflicts over resources related to energy, water and raw materials will continue no matter who rules North Korea. Manchuria, with its forests, water, coal and other minerals, will remain important for that reason.

The most fundamental cause of the tension and uncertainty in East Asia today is simply the speed of technological advancement. Previously, technological change was slow enough that societies had a chance to adapt to its implications over time. Now we find organizations, economies, and populations tied together by technology and the international exchanges technology has made possible while being unaware of each other. No connective tissue has developed between the parts of this new system that could make them a cultural whole. Thus, in a real sense, all of East Asia is already an enormous integrated economic unit—and the United States is a part of it—but its inhabitants are unaware of just how far this integration has already progressed.

### **Similarities and Differences between 1905 & 2005 and their Implications for the United States**

It is hard to figure out what is going on in the world these days. We

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“The ministry and the Korea International Trade Association (KITA) conducted jointly a survey of 300 major companies September 8-23 to collect basic data for the formulation of government policies on expanded direct inter-Korean trade as agreed on during the sixth Inter-Korean Economic Cooperation Promotion Committee.”

<http://www.kois.go.kr/>

are constantly reminded that the United States has unquestioned military capability and that such capability has increased in recent years. Yet we also see that the control of high technology by the United States continues to decrease. Although the United States is allowed to grab the headlines and dominate the news, perhaps more than before, the sources of its long-term power are steadily eroded. I would argue that our competitors are perfectly happy to have us remain unaware of the shift in our status.

The greatest danger facing the United States today is not a surprise attack by terrorists or a missile launched by a rogue state. The odds of the former are high, but would not necessarily be devastating. The odds of the latter are relatively low, but not impossible. Rather the greatest danger is that the United States will fail to maintain the institutions and systems that generate wealth and power over time. That is to say, the real fear is that the United States ends up like China in the early nineteenth century: a nation convinced of its own importance, unwilling to take the new powers seriously, and failing to invest in its future at a time of immense social and technological change.

The classic movie “Go West” features a comic scene in which the Marx Brothers drive a locomotive pulling a long train through the mountains and plains of the Western United States. The train runs out of coal, but the Marx Brothers keep it going at full speed by systematically chopping up the cars of the train and using their wood to fuel the engine. After ten hours of racing ahead in this manner, the train still rolls forward at full speed. All of its cars, however, have been reduced to mere shells. This scene illustrates the real danger: we are maintaining an appearance of global domination, at full speed, while treating the foundations of power as disposable commodities.<sup>22</sup> America’s every action draws the attention of the world; we seem to have no serious rivals. Yet we have slashed funding for education, for infrastructure, for the basic services that make our country strong. When compared with Taiwan, Singapore, Japan, South Korea, and even sections of the People’s Republic of China, the U.S. is conservative in its approach to technological innovation and stingy in its investment in education.

So also there is a dangerous underestimation of the significance of East Asia to the United States. Americans often assume that all Asians “speak English” and make little effort to shape their message in the Asian historical context, or to articulate it in Korean (or Chinese, or Japanese). And yet Korean and Chinese are not only increasingly important languages

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<sup>22</sup> For a fascinating analysis of systemic problems see Jared Diamond’s new book *Collapse: How Societies Choose to Fail or Succeed*, Chapter 14 “Why Do Some Societies Make Disastrous Decisions?”

throughout the world, they are even becoming significant languages for expression within the United States itself. Although Americans know little about South Korea, Asians, who make up an economic block larger than the United States, are keenly aware of that country. South Korea's movies, television shows, novels and popular songs have a significant following in Asia as a whole. Moreover, although South Korea and China generally conform to American norms within mainstream diplomacy, they have increased their informal influence at multitude of levels.

The analogy between the United States and China in the nineteenth century can be taken further. The United States is blessed with the tremendous resource of educated citizens and teachers and has been the envy of the world. Increasingly, however, even those within our country who generate new technology are immigrants from elsewhere—often Asia. China saw itself as the cultural and ideological center of the world in 1900 but it could not grasp the new field of modern international relations in which none of the rules concerning China's suzerainty over Vietnam and Korea applied. That new structure of international trade in which the control of the ties between markets, resources and technologies determined national power was alien to the Central Kingdom. Over time, China was dismantled from within while the elite patted themselves on the back on their preservation of Chinese authority. Similarly, the United States is in danger of being swallowed up by other nations, who have only increased their influence in Washington, all the while thinking itself an unbridled superpower. For example, although you do not see Chinese written anywhere in the halls of power within the United States, the Chinese and American economy are well on their way to merging into one, and the driving force for expansion lies on the China side, not the American side.

Part of the problem is our own ideological bent. Like kittens raised in a room painted with only vertical stripes, we are so accustomed to an ideological struggle such as that we experienced during the Cold War that we cannot conceive of the non-ideological struggle of the great powers from previous ages. The risk is while we are obsessed with a Middle East threat, we miss the deeper challenges of the current day.

At the same time, the great powers today are not quite the same as a classical nation-state. China and Japan act with autonomy. Yet the actions of both are influenced by multinational corporations and institutions. Yet even globalization has its relative center of gravity, and that center is shifting away from the United States as we speak. There is a tendency to present the problems of the day not in terms of competition over resources, technology and markets, but rather in terms of an ideological confrontation. It is like the

story of looking for a lost coin on the sidewalk, rather than the place in the street where one dropped it, because it is easier to see near a streetlamp.

### **Concerns for the Korean Peninsula and the United States**

American perceptions of the Korean peninsula and the political and security order in East Asia are as critical an issue as any. The specific fact that North Korea has increased its nuclear capability and may have nuclear weapons is a concern, but our relative ignorance of this critical part of the world is an even greater long-term problem. We should not take lightly any threat. By the same token, we should not think that the massive devastation of a war, or an event like 9-11 is the determining factor in the rise and fall of nations. That is not to say we should not be prepared, but that we should always keep our eyes on the horizon. Cultural authority, maintenance of intellectual capital, production of technological innovation, and institutional vitality are the determining long-term factors. In each of those areas there is cause for concern.

First, Americans repeatedly underestimate South Korea's importance to the United States and the world. Many Americans have an impression of Korea as a backward and weak nation. Some pundits have gone as far as to say that if South Korea wishes to engage in Anti-Americanism, it can just go its own way. They say so lightly as if the United States were losing Mozambique as an ally. To counter this misperception of South Korea as a minor player on the world stage, scholars and journalists try to stress South Korea's status as the eleventh largest economy in the world. Yet rating South Korea as the eleventh largest economy is in itself an underestimation of South Korea's stature. If we focus on the pillars of long-term state power: command of technology, control of markets and finance, intellectual capital and cultural authority, Korea deserves to be recognized at a minimum as one of the top five or six countries in the world. Whatever the economic ups and downs that South Korea has weathered, its command of the technologies directly relevant to computers has only increased. Korea is a leader in the world, moreover, in laying the infrastructure for the Internet in terms of fiber optic cables and web design. Portable phones with advanced capability for video functions are just starting to enter the slow and conservative American market, but they have been basic necessities in Korea for years.

Americans perceive Korea as a weaker nation that we need to defend against a threatening North Korea, but we fail to recognize how deeply linked we have become to South Korea in terms of technology and trade, how important South Korea has become culturally and intellectually in the

world, and how much the United States gains from its relationship with South Korea. Many assume that South Korea is less critical to the United States than a member of the G-8 like Germany, France, England or Italy, but is that assumption valid today? Will it be true in ten years?

Misperceptions of South Korea are directly related to misperceptions of East Asia's importance to the United States and they have inhibited American participation in the day-to-day battle for influence between the great powers in East Asia. The United States may set the agenda for the Six Party talks, but increasingly there are alliances and federations at a lower level being built between governments, universities and institutions in East Asia in which the United States is not represented. The long-term implications of America's relative absence from debates on the environment, education, fishing, the boy scouts, cultural exchange and other topics in Asia will have serious ramifications.

Another problem tangentially related to the future of the Korean peninsula is the American perception of the People's Republic of China. The People's Republic of China is the potential threat in the minds of some Americans and the military capability of the People's Republic of China has become a hot topic in military circles. The assumption is that China will become soon the future military rival in the manner that the Soviet Union was previously. There is no doubt that China is modernizing its military. Moreover, China's command of high technology, which is often underestimated, has serious implications.

The analogy to the Soviet Union, however, obscures more than it clarifies. The relationship between the United States and the People's Republic of China is far closer to the rivalry between Great Britain and the United States between 1915 and 1965. Great Britain had undisputed dominion in the economic and military realm at the start of the twentieth century. Its greatest rival, the United States, did not present itself as a direct military threat to Great Britain. United States rather went about systematically replacing Great Britain as a political, social and economic center. United States purchased British debt as Great Britain struggled through two world wars. The United States also increased its control of technology and intellectual capital as well as global market share while posing as a nation with its own ideals of "self-determination" as set out by Woodrow Wilson. The net result of America's efforts was the erosion of British power. The Sterling lost its position as the international currency, the British navy ceased to serve as the primary guarantor of international sea lanes and British culture lost its absolute international authority. The manner in which the United States increased its holdings in British debt, penetrated

international markets previously dominated by England and expanded its international role while giving ostensive support to Britain in the international arena bears marked similarity to what we see today. The People's Republic of China has bought up a significant amount of American debt. That decision can be seen as a smart financial move on China's part given the importance of U.S. markets. At the same time, it can be seen as a move to increase leverage over the United States. Similarly, Chinese has locked down manufacturing and made deep inroads in high technology. Although Americans may comfort themselves with the assumption that China still does not possess the most advanced technology, the truth is that many of the most capable graduate students and faculty members within the United States are from China, and the technological gap between the U.S. and China has shrunk considerably. China has studiously avoided rhetorical or ideological statements about a moral imperative to interfere in the affairs of other nations. As the United States has consistently made calls for opening of markets, freedom and regime change, China has informally expanded its ties throughout the world without passing judgment on other nations. This approach forms a parallel to the previous Open Door policy of the United States towards China one hundred years ago. Because the United States adopted such a policy, it was perceived in China and Korea as benevolent, or at least non-threatening, presence. Could China achieve a similar result in East Asia? Quite possibly so.

The implications of China's rivalry with the United States for influence on the Korean peninsula are often ignored. Chinese studies in Korean universities were a stagnant field fifteen years ago. Now Chinese studies are second only to American studies. Private schools in South Korea now offer courses in Chinese conversation for children. Such training is seen as essential by parents. Moreover, South Korean trade with the People's Republic of China now exceeds trade with the United States and many Koreans perceive the Chinese market as far more promising than the shrinking American market. Korean hotels frequently feature a Korean flag flanked by the Stars and Stripes on one side and the flag of the People's Republic of China on the other side.

The basic struggle of nations for control of resources, technology and culture is clear to most nations. American efforts to cast China's rise in ideological terms may have resonance within the United States, but more often than not makes the United States seem foolish and naïve abroad. Certainly the great enthusiasm with which Americans outsource their manufacturing base and their technology to the People's Republic of China while positing China as a future threat to be confronted leaves no small

number of people scratching their heads.

We must look at the Korean peninsula as a part of the East Asian order today. North Korea plays a critical role today because it stands as the assumed threat that allows the nations of Asia to increase military spending while simultaneously increasing economic and technological integration with their neighbors. Japan, South Korea, the People's Republic of China, Taiwan and Australia and other nations would find themselves in a difficult position if North Korea disappeared tomorrow. They would be forced to justify military spending in terms of their immediate neighbors, neighbors with whom they are deeply integrated economically and technologically.

We often assume that either a state of hostility and military confrontations exists or a state of openness and integration. Such an opposition may not be inherent in this age of globalization and massive integration. The People's Republic of China, Japan and South Korea, for example, are increasingly dependent on each other at the same time that they are increasingly well armed. North Korea is the structural element that allows these countries to maintain this state. If the Korean peninsula is reunified, which I think will be the case; the question will be what will be the justification for military spending in these nations. The danger is that the contradictions between national security and free trade may become visible and conflict, or the radical autarky of a previous age, reemerge.

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