

America

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[Trump's World] - South Korea: "Trump is Strong with the Weak, Weak with the Strong"



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Institut Montaigne - How do you assess President Trump's recent tour of Asia, and what does it reveal about the current state of the U.S.-China relationship?

Professor Moon - President Trump invariably claims victory in any negotiation. In this case, he secured President Xi's agreement to purchase American soybeans and to ease certain rare-earth export controls. At first glance, Trump seems to have gotten what he wanted. But so has Xi, with clear gains: reduced U.S. tariffs, looser American export controls on critical technologies, and, most importantly, not a single word about the Taiwan Strait. In the end, this episode in U.S.-China relations could be seen as mutually beneficial, but with Trump coming out as the loser and Xi as the winner. Xi's bargaining posture worked remarkably well. Once again, this shows that Trump is strong with the weak, weak with the strong.

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During this trip, President Trump also attended the ASEAN Summit - though more using it as a platform to mediate the Thailand-Cambodia conflict than for the sake of ASEAN per se.

He then traveled to Tokyo to meet the new Prime Minister, Sanae Takaichi, before heading to Korea for the APEC Summit. But again, he did not formally participate in the summit itself: he only joined a pre-summit dinner and held bilateral meetings with President Lee Jae-myung and President Xi Jinping. All this suggests that ASEAN and APEC do not figure prominently in his grand strategy.

Institut Montaigne - Blackmailing the U.S. using the leverage of rare earth elements was a key element in China's success, if not victory. Isn't that a new element in the game?

Professor Moon - China is displaying a very classic tit-for-tat pattern. It has enormous purchasing power and vast reserves of critical minerals. Therefore, its positioning is straightforward: *"We will not provoke the U.S. first, but if the U.S. provokes us, we will come up with countervailing strategies that can incapacitate America."* And that strategy worked.

Institut Montaigne - Turning now to U.S. relations with the broader region - is it fair to say that Trump prioritizes bilateral relations above all else?

Professor Moon - Precisely. In President Trump's usage, "open regionalism" has no real meaning - nor does "multilateralism." His approach is overwhelmingly bilateral, and unilateral. It isn't even *trilateral*: we expected him to convene a trilateral U.S.-ROK[Republic of Korea]-Japan summit, as President Biden did. He did not. This makes Trump's foreign policy very clearly a bilateral deal-making approach.

Institut Montaigne - What about the ROK-U.S. relationship? On what issues is South Korea prepared to compromise, and where will it say no? If Washington ultimately reduces its military presence in South Korea, how will Seoul respond?

Professor Moon - Washington has set a major agenda with Seoul that extends beyond tariffs and investment: modernizing the ROK-U.S. alliance system, with three U.S. core demands:

- The first demand is fundamentally about money, as President Trump thinks that South Korea has been a long-time security free-rider and should now shoulder more of the burden. This demand has two components. First, increased defense spending: South Korea currently spends about 2.6% of GDP on defense; Trump wants it raised to 5%. Second, increased defense cost-sharing for American forces stationed in South Korea: Washington seeks to raise Seoul's contribution from USD 1 billion annually to 10 billion.
- The second demand is linked to the concept of "strategic flexibility": Washington wants the right to move U.S. forces into and out of South Korea without prior consultation.
- The third demand is a formal South Korean commitment to support U.S. forces in the event of contingencies in the Taiwan Strait or the South China Sea.

Washington's bargaining card is clear: refusal on these three demands could lead to a scaling down - or even withdrawal - of U.S. forces. But President Lee has laid out Seoul's position:

- South Korea will increase defense spending to 3.5% of GDP within three years, and toward 5% in the near future. But it will not increase cost-sharing beyond USD 1 billion.
- Seoul cannot accept the US doctrine of strategic flexibility as this would undermine the strategic stability of the Korean peninsula.

- South Korea cannot deploy forces to Taiwan or the South China Sea; doing so would invite North Korean military adventurism and accelerate Beijing-Pyongyang cooperation and coordination, as there is a delicate link between those three contingency areas.

Finally, Seoul insists on regaining operational control of its own half-million-strong forces, which currently sit under U.S. operational control. The U.S. Secretary of Defense has reportedly agreed to the transfer. This is a positive development. All in all, President Lee aims to avoid overreacting to possible changes in U.S. force posture in the country. However, he knows Seoul needs to maintain its alliance with the U.S. for the sake of nuclear deterrence. But this logic seems explicit: *"if the U.S. nuclear umbrella weakens, South Korea will have to consider going nuclear."*

Institut Montaigne - Isn't now exactly the moment for South Korea to explore this option?

Professor Moon - There are internal debates in the country about that. Conservatives argue the U.S. nuclear umbrella has become a "torn umbrella" and call for the retransfer of American tactical nuclear weapons to South Korea. Washington refuses, asserting that redeployment would destabilize rather than stabilize deterrence. Some conservatives call for NATO-style nuclear sharing, but legal and political obstacles are immense. The Washington Declaration signed by President Biden and President Yoon in 2023 created a Nuclear Consultative Group for joint planning and exercises as well as intelligence sharing - the current government sees this as a substitute for nuclear sharing, but conservatives dismiss it as merely symbolic, arguing that North Korea is posing a major existential threat to South Korea and advocating "nukes for nukes." Others suggest that South Korea could pursue nuclear latency, like Japan, but the Lee government insists it will not seek an independent nuclear weapons capability - although that stance could change in the future under domestic political pressures.

Institut Montaigne - In Washington, President Lee said it was no longer possible for South Korea to balance its economic interests with China and its security interests with the U.S. Isn't that "putting all your eggs in one basket," especially if the U.S. does not meet Seoul's security needs?

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Professor Moon - Historically, Seoul followed a dualistic approach: "security with the U.S., economy with China." At CSIS in Washington last August, President Lee stated: "Security with the U.S., economy with the U.S. as well.

But this is not truly a change in policy, it is diplomatic rhetoric addressed to a conservative audience in Washington. A similar message could have been delivered to Xi: that China is crucial for both economic and security reasons.

Yet because South Korea relies on the U.S. for nuclear protection, President Lee must maintain the alliance. And at the same time, he wants a strategic cooperative partnership with China. In this regard, behind-the-scenes discussions between Xi Jinping and Lee Jae-myung at the APEC summit went deeper than public reports suggest. Lee recognizes that China is both powerful

and close by, and therefore South Korea must avoid antagonizing it.

Institut Montaigne - Given Trump's avoidance of multilateral forums and emphasis on bilateral deals, do you see a coherent American strategy, or is it largely ad hoc?

Professor Moon - It is highly incoherent. I can see multiple versions of the current U.S. policy: Trump's transactional approach, the ideology of the MAGA movement, and China hawks like Elbridge Colby, Pete Hegseth, whom some refer to as "the prioritizers." When dealing with relations with Asia, two major currents stand out: Trump's transactional approach and the prioritizers. As a result, we see very conflicting signals coming from Washington: Trump is open to getting a deal with Kim Jong-un and is largely indifferent to Taiwan. Most importantly, he prioritizes whoever pays or invests the most in the U.S - a stance that sets him apart from the prioritizers. Meanwhile, key figures in the State Department and Pentagon push for a strategic containment of China and for strong ties with allies and partners, but they also expect those allies to take on much more of the burden.

South Korea is skeptical and would like the US to have a more coherent and unified U.S. strategy on China, Russia, and North Korea; otherwise, it becomes difficult for the Koreans to rely on Washington. As a result, South Koreans are questioning the reliability and predictability of American policies, fueling a desire to reduce dependence on the U.S. and bolster the country's self-defense posture.

Institut Montaigne - How do these dynamics affect South Korea's relationship with Europe?

Professor Moon - South Korea is eager to deepen ties with European countries. First, we know the EU will not dismantle its FTA with South Korea, unlike what President Trump did. So Korean policy-makers are seeking new strategic niches for cooperation with Europe. Economically, socially, culturally, cooperation with Europe enjoys broad consensus in South Korea.

Institut Montaigne - Back to ROK-US relations. Your government has more or less accepted Trump's tariffs, despite the 2006 FTA. How is Korea's economy coping, and is the Korean industry diversifying? Could RCEP or APEC replace the U.S. market? And will the new shipbuilding cooperation with the U.S. lead the relationship in a new direction?

Professor Moon - During his first term, Donald Trump demanded, and obtained, significant amendments to the ROK-U.S. FTA, effectively extracting numerous concessions from South Korea. Nevertheless, the U.S. continued to record a trade deficit with South Korea. Back in the White House for his second term, Trump went further: he literally invalidated the FTA, imposed 50% tariffs on steel and aluminum, and declared 25% reciprocal tariffs on all Korean goods, threatening up to 100% tariffs on semiconductors and pharmaceuticals. Then, he came with an offer: reducing reciprocal tariffs from 25% to 15%, on the condition that South Korea invest USD 350 billion in the U.S. The recent summit meeting was all about that: USD 350 billion amounts to nearly 82% of South Korea's total foreign reserves - an unfair, unequal, and unacceptable request from Seoul's perspective.

After three months of intense negotiations, a compromise was reached: USD 350 billion

remains the target, but USD 150 billion will go to the shipbuilding sector; South Korean funding will mix public and private investment and will be incremental, transferring \$20 billion annually for ten years; South Korean investors will be consulted on what to invest; and profits will first be shared 50/50.

But this compromise comes at a cost for the South Korean economy: such a massive capital outflow also means fewer jobs at home, reduced domestic investment, and manpower migration. This sparked a major debate in South Korea about the options that remain. The US accounts for 18% of the country's total exports, China 19%, the EU 10% and Japan 4%. And those exports are concentrated in just six or seven key sectors, including semiconductors, automotive, shipbuilding, and chemicals. Therefore, the government now wants to reduce dependency on the U.S. market, with partner and item diversification as a central part of this strategic realignment.

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President Lee has made clear that companies must tap new markets and expand trade with Europe, ASEAN, and even some BRICS countries (excluding China). Diversifying away from the U.S. will not be easy, but South Korea can capitalize on the FTAs it has already concluded with many partners. India, in particular, stands out as a partner of choice for South Korea: Hyundai is now the top car seller there, Samsung leads the mobile phone market, and cooperation between the two countries is set to grow even further.

Institut Montaigne - Can we assume that the ICE raid at Hyundai's factory didn't exactly improve the U.S.'s image?

Professor Moon - South Koreans were deeply traumatized. The 320 Korean engineers and technicians who moved to Savannah to build the plant worked for Korean subcontractors, were paid in Korea, and entered the U.S. on valid ESTA and B1 visas. Yet they were handcuffed and shackled, being treated like criminals. Considering that Georgia actively solicited this Korean investment, the incident sparked outrage. Press reports indicate that at least six Korean companies have since canceled plans to invest in the U.S.

Institut Montaigne - Part of the conversation we are having fundamentally suggests that by overplaying its overwhelming power, the U.S. is actually eating away at its future power and prestige. Is that a view you would share?

Professor Moon - Absolutely. For decades, the U.S. was for South Korea a liberator, a defender against North Korean communists, and an economic sponsor. What was once seen as a benevolent hegemonic leader is now turning into an extortionist and a manipulative one. This raises fundamental questions: Can we continue to rely on the U.S. for security and prosperity? I believe South Korea should deliberate on transition from an alliance-centric collective defense posture toward broader collective security arrangements based on multilateral security

cooperation regimes.

Institut Montaigne - The paradox is that America appears both more coercive and increasingly weaker.

Professor Moon - Yes. Unpredictability is one thing, but another is the U.S.'s weak power and limited resources. Crucially, the country must navigate a very particular domestic landscape - marked by *nasty politics*, polarization beyond reconciliation, ideological rigidity, and a hubristic lack of strategic empathy. These leaders rarely put themselves in others' shoes. Figures like J.D. Vance illustrate this ideological shift, even in the way they speak. What is truly concerning is that when Trump leaves office, this tendency may well outlive him.

Propos recueillis par Claire Lemoine

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