

**Statement of D. Kathleen Stephens**  
**Ambassador-Designate to the Republic of Korea**  
*submitted to the*  
**Senate Foreign Relations Committee**  
*on*  
**April 9, 2008**

Madame Chairman and Members of the Committee:

It is a privilege to appear before you today as the President's nominee to serve as U.S. Ambassador to the Republic of Korea. I am honored by the confidence that President Bush and Secretary Rice have placed in me. I want to thank the Committee and the other members of Congress with whom I have had the pleasure of working during my career for your support for the Foreign Service and your dedication to advancing U.S. ideals and interests abroad. If confirmed by the Senate, I look forward to working with this Committee, and with other members of Congress, to strengthen our partnership with the Republic of Korea and to work together for the kind of peace and stability in which democracy and economic opportunity can flourish, not only on the Korean peninsula, but also throughout the world.

I am joined today by my son James, who is a student at Franklin W. Olin College of Engineering in Needham, Massachusetts. James was born in Korea. Like all Foreign Service family members, he learned to be a bridge-builder, even before he decided to study engineering.

I am also grateful to my friends and colleagues from the Peace Corps and the Foreign Service who have joined me today, including the dedicated men and women of the Department of State who have been so helpful as I have prepared for this new assignment. I also want to recognize Ambassador James Lilley, former U.S. Ambassador to the Republic of Korea and the People's Republic of China, and Mr. Jon Keeton, former Peace Corps/Korea director. Both have represented the United States brilliantly in Korea and elsewhere, and both have contributed hugely to U.S.-Korean relations. I have benefitted from their mentorship, encouragement, and example.

I have been a U.S. Foreign Service officer for thirty years. Early in my career, I spent eight memorable years at U.S. diplomatic posts in China and Korea. With the fall of the Berlin Wall, I turned to post-Cold War Europe, with assignments abroad and in Washington focused on the Balkans, the search for peace in Northern Ireland, and the changing transatlantic relationship. In 2005, I returned to the U.S. diplomatic agenda in East Asia. As this Committee knows well, it is a huge agenda, on which success is vital to the peace and prosperity of this country and indeed of the world. I believe we are making good progress.

Madame Chairman, if we consider the history of American engagement in East Asia since the Second World War, if we examine the flowering of economic opportunity and

democratic expression in much of East Asia in recent decades, if we identify the key security, human rights and other issues yet to be resolved, it is clear: The sixty-year-old partnership between the United States of America and the Republic of Korea has been and remains a remarkably successful and vital one. South Korea emerged from a catastrophic half-century of occupation, division and war to join within the space of only decades the top ranks of the world's free and prosperous nations. This stunning achievement is testimony to the talent, determination and sacrifices of several generations of Koreans, and to the power of free markets and democracy to unleash extraordinary human potential. It is also rightly viewed in the context of the sacrifice of the more than 35,000 Americans who lost their lives in the Korean War, and to the many thousands who have served side by side with our Korean allies to secure an uneasy peace since then. With the Republic of Korea serving today as a model and a catalyst for economic growth and democratic development elsewhere, in Iraq, Afghanistan, and in its own neighborhood, I believe the best days of the U.S.-Korean partnership are still ahead of us.

One reason I am an optimist about Korea's future, and about the still-untapped potential of the U.S.-ROK partnership, is because I was fortunate enough to live and work in Korea during periods of amazing economic and political transformation. In the Korean countryside that was my home as a Peace Corps volunteer from 1975 to 1977, the memory and threat of war was the backdrop to a life that was harsh for many, not easy for any. The political atmosphere was stifling. But an economic and social transformation was happening before my eyes. I could see the way people's standard of living was improving in small but crucial ways day by day, and the way new opportunities – for education, for a brighter future – were being created and energetically grasped.

When I returned to Korea in 1983 as a political officer at the U.S. Embassy in Seoul, burgeoning economic growth had been joined with increasing urgency by a growing insistence by Koreans that economic development should be matched with political reform, with human rights standards and democratic institutions that reflected the aspirations and maturity of the Korean people. It was a difficult period, at times for U.S.-Korean relations, but especially for the patriotic Koreans who took risks in the cause of Korea's democratization. By 1987, the tide had turned. Just as an earlier generation of Koreans had against all odds turned their country from an economic disaster zone into a powerhouse, so did Koreans in the 1980s take Korea across the democratic threshold.

Koreans have never looked back. The twin engines of a dynamic economy and a vibrant democracy have lifted Korean accomplishments to new heights and new fields. We see it in Korea's status as Asia's "most wired country," in its innovative mobile phone industry that made South Korea the first to launch digital TV to cell phones in 2005, in its cutting-edge, globally-recognized film and art scene, and in its full participation in the international community, epitomized by the election of its distinguished former Foreign Minister, His Excellency Ban Ki-moon, as the Secretary General of the United Nations.

Madame Chairman, Senate Resolution 444, which passed unanimously on February 14, marked another milestone in Korea's recent history, that of the election of the Republic

of Korea's new President, Mr. Lee Myung-bak. The Resolution describes the ever-growing areas in which the Republic of Korea and the United States work together closely in our alliance partnership, and highlights the opportunities before us to expand further our areas of cooperation. In that spirit, it is fitting that President Lee's first overseas trip in his new role is to the United States. President and Mrs. Bush will host President Lee and his wife, Mrs. Kim Yoon-ok, at Camp David next week for discussions that will focus on ways in which the U.S. and the Republic of Korea can continue to work together to advance our shared values of freedom, security and prosperity in East Asia and beyond.

This year, 2008, marks the sixtieth anniversary of the founding of the Republic of Korea as well as the sixtieth anniversary of the U.S.-ROK relationship. As we reflect on our shared history of sacrifice and success, and as we examine the regional and global opportunities and challenges we face, the time is right to reinvigorate and maximize the mutual benefits of our partnership. If confirmed, I look forward to working with Congress to realize this goal. There are several major areas in which I intend to concentrate my efforts.

***Adapting our longstanding security alliance with South Korea to address contemporary realities.***

The United States and the Republic of Korea have agreed to adjust the size and strategic stance of our respective military forces on the peninsula to reflect better the challenges we face today and the changes in the Republic of Korea itself. We are working with our Korean counterparts to move the main U.S. military base out of downtown Seoul, and to consolidate U.S. troops in the Republic of Korea overall to fewer hubs further south. We have agreed to transition our command relationships such that beginning in 2012, the ROK will exercise wartime operational control over Korean troops. These steps are sensible and timely. The changes overall will reflect Korea's economic and military strength, and its place in the world and the region. The changes will also strengthen the U.S. military's operational efficiency and deterrent capability. If confirmed, I will work closely with the Korean government, my military colleagues, and with the Congress to accomplish this transformation.

The core mission of deterring aggression from the North will remain the principal priority. But we should continue to deepen our cooperation with the Republic of Korea as we address other regional and global challenges. We should build on the work we have done together in Iraq, Afghanistan, and Lebanon. In Iraq's Irbil province, the Koreans have been successful not only in developing local infrastructure and maintaining security, but also in providing a vision for a more democratic and peaceful future. The Republic of Korea has made substantial contributions to international peacekeeping efforts, from Somalia to Georgia to Timor-Leste. The ROK currently has some 350 troops in southern Lebanon supporting the UN peacekeeping mission. The South Korean National Assembly is considering legislation to allow even greater participation in peacekeeping missions. We should also continue to expand our cooperation on a range of global and

transnational issues, such as nonproliferation, pandemics, counterterrorism, climate change and democracy promotion.

***Promoting open markets, fair trade, and U.S. economic and strategic leadership in the region.***

The Republic of Korea has gone from a per capita income of \$67 in 1953 to roughly \$20,000 today. In the past several years, South Korea has demonstrated a growing willingness to move to greater market openness. It has demonstrated its resolve to participate in free and fair trade by making the strategic decision to negotiate and sign a comprehensive, high-quality Free Trade Agreement with the United States. Upon approval by the legislatures of both countries, the KORUS FTA will open South Korea's growing market of 49 million consumers to the full range of U.S. goods and services, from agriculture to autos to telecommunications services.

The KORUS FTA is the most commercially significant free trade agreement the United States has concluded in over fifteen years. Just taking into account the benefits of eliminating tariff barriers alone, this trade agreement has the potential to boost U.S. exports by more than \$10 billion annually, according to the recent International Trade Commission report on the expected impact of the FTA. The benefits are even more significant when the elimination of non-tariff barriers is factored in. It will accelerate and lock in Korea's economic reforms. The FTA will provide new opportunities for American companies to export to and invest in the Korean market. It will strengthen our relationship with a key democratic ally in a critical part of the world, and send a strong message of continued U.S. leadership in Asia. If confirmed as Ambassador, and upon FTA ratification, I will make it a top priority to work with the United States Trade Representative to ensure that the provisions of the agreement are enforced across the board. This includes enhancing our current cooperation with the South Koreans on environment and labor standards.

Moreover, we must ensure that the ROK follows international guidelines and fully reopens its market to U.S. beef. If confirmed, and as the progeny of Texas ranchers, you can be assured I will do all I can to ensure that our safe and delicious beef has unrestricted access to the South Korean market.

***Working closely with our South Korean allies to achieve the complete, verifiable denuclearization of the Korean peninsula, better lives for the long-suffering people of North Korea, and a peace settlement on the peninsula that reflects the aspirations of the Korean people.***

Strategically situated between China and Japan, the Korean peninsula remains of critical geopolitical importance to the region and to the United States. Despite the prosperity and freedom that has come to define the Republic of Korea, the situation on the peninsula as a whole remains unpredictable. On a human level, the disparity between the lives of the ordinary citizens of North and South Korea is greater than ever. The United States seeks through the Six Party Talks to complete the denuclearization of the Korean peninsula and

to implement fully the vision set out in the Joint Statement of Principles agreed to by all six parties in September 2005. Our close coordination with the Republic of Korea in that process has been instrumental to the progress made to date, and if confirmed, I will seek to ensure that we continue that vital cooperation. With successful denuclearization, the Joint Statement commits the U.S. and the other parties to the normalization of relations, to economic and energy assistance to North Korea, and to achieving a permanent peace arrangement in Korea, along with a peace and security mechanism for the region. It is an ambitious agenda. The United States and the Republic of Korea will need to work closely together to succeed.

As democratic societies, the United States and South Korea also share a deep interest in promoting an improved human rights situation in North Korea. This interest is particularly keen among the many Koreans whose families were tragically separated by the Korean War. President Lee and his government have made clear the importance the Republic of Korea attaches to this issue. The United States has equally deep resolve. If confirmed, I will work closely with the South Korean government on the issue of human rights in North Korea, including in seeking sustainable solutions to the plight of North Korean asylum seekers.

***Enhancing the people-to-people ties between our two countries, and deepening mutual understanding.***

The people-to-people ties between the United States and Korea continue to grow exponentially. The two million Korean-Americans in the U.S. and Korea play a positive and ever-growing role in strengthening the ties between our two countries. Tourism from the Republic of Korea is on the rise, topping 800,000 visitors last year. Over 100,000 Korean students are studying in the United States. South Korean investment and business interests are also growing. In 2006, South Korea was our 7<sup>th</sup> largest trading partner and the 18<sup>th</sup> largest source of foreign direct investment in the U.S.

These facts, combined with Korea's stable democracy and our strong alliance partnership, make South Korea a natural candidate for the Visa Waiver Program. If confirmed, I will work with the government of the Republic of Korea to address the legislative requirements for entry into our Visa Waiver Program, including increased information sharing, greater law enforcement cooperation, and the timely production of a South Korean electronic passport. I will work with the Department of Homeland Security and with Korean authorities to ensure that, consistent with Congressional and administration requirements, the security, immigration, and law enforcement interests of our nation are strengthened by the inclusion of the Republic of Korea in the Visa Waiver Program.

I also look forward to leading our Embassy's efforts to communicate our ideas and priorities as a nation to the South Korean people. Much has changed since I last lived in Korea. I will need to do a lot of listening and learning. I will ask the forbearance of my audiences as I attempt to improve my Korean language ability and to use it to understand better a culture and people I respect so deeply.

I will build on the Embassy's reputation of being on the leading edge of U.S. diplomatic missions in the use of innovative technologies to reach out to South Korea's plugged-in public. I look forward to supporting programs such as the Korean-American Educational (Fulbright) Commission. This year alone, there are 114 U.S. grantees in Fulbright programs in Korea, and 82 Korean grantees in programs in the United States. Just last week, the Asia Society, devoted to improving ties between Americans and the diverse people of Asia, opened a new regional center in Korea. The American Chamber of Commerce in Korea, or Amcham Korea, has an impressive record of bringing American and Korean businesspeople together. These organizations and the multitude of other U.S.-Korea educational, cultural, spiritual and artistic exchanges epitomize the breadth and depth of the U.S.-Korean relationship in the 21<sup>st</sup> century.

***Leadership of the Embassy community; Partnering with our colleagues in uniform.***

If confirmed, I will lead a complex diplomatic mission in the Republic of Korea consisting of 575 employees, including staff in the U.S. Embassy in Seoul and the American Presence Post in Busan. Of that number, 184 are U.S. citizens representing fifteen U.S. government agencies and offices, and 391 are locally hired U.S. and Korean citizen staff. All the staff serve our country in a mission that is categorized by the State Department as "Historically Difficult to Staff" due to unique linguistic and other challenges. Among the U.S. citizen employees currently at post, 44 possess a working to fluent level of Korean language skills. I look forward to rounding out that number to 45 if confirmed. I will do my best to ensure that all members of the diverse community at Embassy Seoul and their families have the leadership, security, and support they need to get their jobs done, serving and representing the American people, and strengthening our partnership with South Korea. One high priority will be to hasten the day when we are able to move into a new Embassy building that better represents the modern U.S.-ROK partnership. It will also be my privilege to serve with the committed, hard-working men and women of United States Forces Korea. I have had the pleasure of getting to know here in Washington Lieutenant General Walter Sharp, who has been nominated to be Commander of U.S Forces Korea. If we both are confirmed, I look forward to a close and productive service together in Korea.

Thank you very much. I look forward to your questions.