



***“HYBRID MULTILATERALISM” AND
THE YOON GOVERNMENT’S PURSUIT
OF MIDDLE POWER STRATEGY***

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Unlike his predecessor, President Biden prefers multilateral mechanisms to promote partnership with allies. In particular, he pursues “constructive recoupling” or “relinking” with China, selectively excluding Beijing from access to high-tech and critical strategic materials, rather than all areas of trade.

This multilateralism has intensified in the Indo-Pacific, especially after the Regional Comprehensive Economic Partnership (RCEP)—the world’s largest free trade agreement, centered around China—came into force. While visiting Asian allies in May, Biden announced the launch of the Indo-Pacific Economic Framework for Prosperity (IPEF), aimed to secure global supply chains and set economic rules and norms for the Indo-Pacific. IPEF serves as a platform for the United States, through cooperation with allies, to contain China’s economic “territorial expansion.” It excludes China from high-tech supply chains and is also a watershed for a potential new global economic order. Implementation of IPEF would assure economic security through a closed supply chain distributing production facilities only among countries sharing American, free-market, values.

Similarly, the strategic objective of the current US-led liberal international order differs from the original liberal order after World War II. The original order sought a multifaceted, extensive international system based on multilateral institutions and free trade among democratic blocs—spreading to non-Western societies post-Cold War. The current order promotes “friend-shoring”—only like-minded countries are grouped in a mini-lateral way.

The new Seoul government’s participation in IPEF suggests the US-Korea alliance will contribute not only to peace on the Korean Peninsula, but also global security and prosperity. Specifically, in transitioning to the so-called “comprehensive strategic alliance,” the two countries have added technology to their existing military/economic agenda. Accordingly, Seoul can stabilize the supply chain, maximize domestic companies’ net profits, and enhance strategic industries’ competitiveness through participation in a comprehensive regional economic cooperation system. In addition, IPEF can allow middle powers like Korea to promote emerging global norms on supply chains, the digital economy, and decarbonization.

Dealing with unlike-minded countries

President Yoon Suk Yeol should consider the following actions, in addition to advancing alliance solidarity.

First, maintain positive relations with China wherever and whenever Korean and Chinese interests align. The two can mutually benefit from stable trade relations, cooperation on environmental issues such as air and marine pollution, and diplomatic collaboration towards North Korea’s denuclearization. Even if Korea is forced to choose between the United States and China, these areas of cooperation can and should be pursued continuously with China. Korean participation in IPEF risks triggering Chinese retribution because Beijing views it as an effort to contain China. Many Korean experts doubt Beijing will engage in outright economic retaliation, however, as was the case after THAAD deployment in 2017, for several reasons. The main ones include President Xi Jinping’s bidding for a third term and the fact that

China's [economy has stagnated](#) in the wake of Beijing's zero-COVID policy, and US-China competition is intensifying. Similarly, Korea's high dependence on exports to China is a weakness, but Seoul also supplies Beijing with necessary intermediate goods, without which China would not be able to secure supply chain stability. Reminiscent of mutually assured destruction in the Cold War, Korea and China would both suffer from a trade war.

Still, Yoon should take countermeasures to reduce economic dependence. The president should also pursue "values diplomacy" by expanding networks of "friendly countries" and strengthening multilateral partnerships with democratic middle powers to secure strategic leverage against China. Korea, a country that [developed](#) and democratized within a quarter century, can advance a rules-based, multilateral approach identifying and addressing global and regional common problems such as climate, energy, public health, and humanitarian aid, where Washington and Beijing need to cooperate. Korea should also facilitate the establishment of a new, more diverse international trade order, incorporating countries with different levels of economic development and diverse political regimes.

Second, Korea should mediate international economic disputes. IPEF's success depends on reconciling expectations of countries with very different economic development levels. The United States prioritizes export controls in the high-tech sector, while ASEAN and India focus on technological and infrastructure support from advanced countries. Australia and Japan want the United States to participate in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, and would like to see IPEF formalized, including the obligations of participant nations. Korea, then, should encourage increased participation to advance IPEF's legitimacy and representation.

Third, Korea should provide support to "unlike-minded" states in multilateral mechanisms such as RCEP, the ASEAN Regional Forum, G20, and the United Nations. Certainly, the bloc of Western democratic countries reconsolidated following Russia's invasion of Ukraine. Nonetheless, the G20

appeared far more divided in its response to Russia's invasion than it did to the financial crisis of 2008. Consequently, an international order based solely on values-based, like-minded states may appear threatening to non-democratic, and neutral, countries. As a middle power, Korea can lead in mitigating this problem and characterizing the IPEF as more inviting.

Hybrid multilateralism

Fourth, the South Korean government, in cooperation with like-minded countries, must carefully evaluate strategic options between values and national interests. Other countries do so all the time. President Biden, for instance, has sought cooperation from Saudi Crown Prince Mohammed bin Salman—despite concerns over bin Salman's authoritarianism and the Jamal Khashoggi killing—to counter the global oil shortage. Moreover, Washington considers lifting sanctions against oil-rich Venezuela to respond against Russia's "weaponization" of energy resources. The United States and its Western allies now view energy from the Middle East and South America (as well as Africa) as an alternative to Russian imports, even though the resulting revenues empower certain authoritarian governments. To resolve the dilemma between resource security and value diplomacy, the US may justify "hybrid multilateralism" by selectively incorporating authoritarian resource-rich countries into existing or evolving multilateral platforms, including IPEF.

On a final note, middle powers have opportunities to facilitate in areas like climate change, pandemic response, vaccine research, and the maintenance of free trade, as the United States' and China's focus has shifted more to their own rivalry instead of the provision of global public goods. From the view of the two great powers, it would be advantageous to attract more countries to their own side as the competition intensifies. Therefore, the collective choices and actions of middle powers—armed with numerical superiority and a united voice—could lead to more contention, or cooperation, between multilateral or unilateral networks driven by these great powers. For now, most middle powers, including Korea, tend to lean toward the liberal international order (LIO) because they have achieved stability and development

while pursuing democracy, free trade, and multilateralism within the LIO framework. They believe that it is still in their national interest to support and improve LIOs that reflect universal human values. Ultimately, the future of the LIO depends on whether the United States has the ability and resolve to provide global public goods and, at the same time, whether the international community, centered on middle powers, supports US leadership.

PacNet commentaries and responses represent the views of the respective authors. Alternative viewpoints are always welcomed and encouraged.