

# **The Impracticable Plan; the Phase-down Policy of Korean Army by the U.S. in 1950s and 1960s**

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## 1. From New Look to Economic Development

From the viewpoint of foreign policy, the 'New Look' Policy under the Eisenhower Administration was considered as 'old look' by new policy makers under the Kennedy Administration. They criticized the direction of U.S. foreign aid during the 1950s, which concentrated on military rather than economic issues. Policy makers, like Walt W. Rostow and Robert Komer, stressed the psychological effects of economic development and social reform in the Third World in order to contain the communist expansionism. (Park 1999:103-106)

U.S. strategy toward the Third World including South Korea clearly changed in the early 1960s. (Gaddis 1982:198-236, WalkerIII 1994:44-45, Park 1999: 106-109) Nevertheless, one of the most important issues regarding South Korea was not changed during the transition from the Eisenhower Administration to the Kennedy Administration; the phase-down policy of South Korean army. As an existing work points out, throughout the 1950s the U.S. stressed the necessity of reducing the South Korean army in order to carry out its 'New Look' policy. (Yi 1995: 228-230) This policy was continued until 1965 when the Korean Japanese Normalization was joined and the South Korean military forces were dispatched to Vietnam.

In spite of the fact that the Chinese communist army was stationed in North Korea until 1958 and North Korea did not declare that it gave up unification policy by starting war, why did the U.S. want to reduce size of the South Korean Army in the 1950s? What was the reason that this policy was continued under the Kennedy Administration? Were there differences between the policy pursued by the Eisenhower and Kennedy Administration? Although the policy of reduction in forces was one of the key points of two administrations' policy regarding South Korea, why was not the policy carried out?

## 2. The Phase-down Policy in the 1950s

### 2.1. Background of the Policy

Under the Eisenhower Administration, the New Look policy was carried out. The New Look policy focused on balancing the governmental budget deficit that had been caused by the Korean War. (Gaddis 1982:171-197) As a result, U.S. policy makers reconsidered foreign assistance, seeking to reduce it as much as possible. Of course, assistance toward South Korea was reexamined, since South Korea was the largest recipient country throughout the 1950s. (Park 1999:95-96)

Consideration of the reduction of South Korea's military size commenced shortly after the Korean War. The Tasca Paper(NSC 176) first mentioned the necessity of the reduction in order to carry out economic rehabilitation projects, although the National Security Council opposed Tasca's proposal because the projects were considered to potentially worsen inflation in South Korea. (Department of State, 1984:1244-1263, 1384-1394) NSC 5514 reconsidered the phase-down policy: "Maintain the general security position of the ROK by increasing the combat effectiveness of its active armed forces and developing an effective reserve in order to permit a reduction in the size of its active armed forces at an appropriate time." (Department of State, 1993:46) After the NSC 5514, the phase-down policy appeared in U.S. policy papers regarding Korea throughout the 1950s. Even in the memorandum of discussion at the 326<sup>th</sup> meeting of the National Security Council, a symbolic statement uttered: "at long last, the New Look has come home to roost with a vengeance."(Department of State, 1993: 443-454)

However, Admiral Radford, the Chair of the Joint Chiefs of Staff, opposed the policy from the viewpoint of security in the Korean Peninsula, since the Chinese Communist Army was stationed in North Korea until 1958. Whenever U.S. policy makers estimated security consideration in South Korea, Chinese Communist forces were jointly calculated in the position of North Korea's strength. Disputes ensued between the proponents of the "New Look" and those of the containment policy against the Chinese Communists in the administration.

In the end, the modernization policy of South Korea's forces appeared as a compromise between two opposite positions. U.S. policy makers decided to deploy the 280mm. guns and the Honest John rockets in U.S. forces stationed in South Korea instead of reducing both South Korean and American forces. At the same time, the United Nations Command suspended the reinforcement provisions of subparagraph 13d of the Armistice Agreement on June 21, 1957. Paragraph 13d of the agreement prohibited "the introduction into Korea of reinforcing combat aircraft, armoured vehicles, weapons, and ammunition; provided, however, that combat aircraft, armoured vehicles, weapons, and ammunition which are destroyed, damaged, worn out, or used up during the period of the Armistice may be replaced on the basis of piece-for piece of the same effectiveness and the same type." (Department of State, 1994: 460-461)

While the New Look policy was the foremost background of the phase-down policy, another reason was raised to rationalize the policy: economic reconstruction. In the Tasca Paper, it can be seen that the United States tried to force South Korea to reduce its military size in order to free up the manpower necessary for prescribed economic development activities. Moreover, U.S. ambassador proposed that money from the military budget could be transferred to economic areas if the South Korean government accepted U.S. proposal for reduction.

In fact, America started to stress the necessity of economic development in the Third World from 1955 and on. Among policy papers regarding Korea, the necessity first appeared in 1957. (Woo 1991:71, 73-74; Yi 1995:205-222) Although it is not easy to find significant changes in basic economic ideas in the papers, appearance of the necessity of economic development in U.S. policy papers reflected the changes in the Soviet's and Communist China's foreign policies. Russia and China started to allocate economic assistance toward neutral countries including India and Egypt in the middle of the 1950s. (Rowtow 1985:13-15, 17-20) Therefore, officials and scholars who were interested in foreign policy emphasized the role of economic assistance in order to respond against communist block's offensive from the economic

viewpoint.

## 2.2. Failure of the Policy

President Eisenhower uttered at the 411<sup>th</sup> Meeting of the National Security Council as follows:

It seemed clear to him that we could not consider the Republic of Korea in a vacuum. It had to be considered in the context of the world situation. To illustrate his point, the President read a portion of a cable just received this morning on the most recent discussion between Averell Harriman and Khruchev. ... This kind of intelligence meant to the President that we could not sit down and coolly calculate whether the ROK was to have 16 or 18 divisions without regard to other situations in the world. The President strongly emphasized this view that the U.S. could not afford to be weak anywhere. ... The President insisted that he was not arguing that it was necessarily wrong to reduce ROK forces but he did insist that there was a real danger that the U.S. would display weakness in too many critical places in the world. While, said the President, he realized that we were trying to match the Soviets in missiles, we could not afford to let ourselves become weak in other areas of the struggle with the Russians. (Department of State, 1994:565)

Clearly, the President expressed his opinion that the phase-down policy of South Korea's military size should be given up because of the Russian expansionism. The impact of the Sputnik in 1957 was enormous to all Americans, including foreign policy makers. This situation led to the abandonment of the phase-down policy in the late 1950s.

Responses of the South Korean government and unstable social situation were another reason why the policy was not successful. First of all, President Rhee strongly opposed the policy because he believed that the policy meant the reduction of U.S. assistance toward South Korea. In fact, American grants were reduced suddenly from 1958 on, a lot of opinion leaders in South Korea regarded the situation as a serious economic crisis. (Park 1999:100) In order to maintain his power, the President utilized American assistance as if only he could request huge amount of the assistance in order to hinder the South Korean economy collapsed. That kind of belief played an important role as a ruling ideology throughout the 1950s. In 1954, when the phase-down policy first occurred, President Rhee proposed to dispatch the South Korean Army to the Indochina area. (Macdonald 1992:48-50) The prerequisite of the dispatch was to strengthen South Korea's army from 20 to 35 divisions. In spite of the fact that American officials refused his proposal, he again proposed the dispatch to Indonesia in 1958 and to Laos in 1959. He continued to oppose the phase-down policy until South Korean people dismissed him from the presidency in 1960.

Social instability in South Korea was more important than the President's opposition. In 1950s, an enlarged labor force would have been a burden to South Korean society since its immature economy was not yet capable of accommodating so many additional workers. Whereas officers could easily find professional jobs, thousands of discharged privates may only contribute to increased unemployment, according to American bureaucrats. (Department of State, 1993:315-20; Department of State, 1994:559-570) At that time, the industrial capacity in South Korea could

not absorb additional manpower.

In the end, the policy could not help being successful despite of the withdrawal of Chinese Army from North Korea in 1958. Although reduction of two divisions and partial modernization of weaponry system was carried out, the original phase-down plan was not implemented at all. Though the Chang Administration established shortly after the collapse of the Rhee government sought to reduce the size of the military in order to devote more fund to economic development plans, the Eisenhower Administration's policy toward South Korea had already changed.

### 3. The Phase-down Policy in the early 1960s.

#### 3.1. New American Policy

Criticism against U.S. foreign policy under the Eisenhower gained popularity among the Kennedy Administration. One of the key points in the new policy focused on economic development in the Third World by replacing grants with loans. The necessity of economic development was stressed from the psychological viewpoint, and cooperation in the capitalist world including West Germany and Japan that achieved economic recovery from the World War II was also emphasized. In particular, the latter might play an important role in rationalizing America's huge amount of expenditure in order to allocate economic development assistance. If free world countries as well as the United States actively shared the assistance to the Third World, advisers of President Kennedy believed, it would be possible to persuade U.S. Congress as well as the American people. (Rostow and Milikan 1957:103-125)

Of course, changes in U.S. policy toward South Korea was accompanied by the new foreign policies. (Park 1999:102-106) Therefore, two points were stressed: one is to encourage South Korean government to design and carry out economic development plans which should be consistent with U.S. policy, and the other is to force South Korean and Japanese government to join normal diplomatic agreement. (Park 2000:126-146) A new policy paper by the Presidential Task Force on Korea was handed out in June, 1961 shortly after South Korea's military coup. (Department of State, 1996:469-473) The President concluded that "the best opportunity for improvement ... would appear to be the improvement of Korean-Japan relations" and directed Ambassador Berger "to concentrate on the issue." (Department of State, 1996:481)

Although the whole framework of the U.S. policy toward South Korea changed, the phase-down policy of South Korea's military size continued under the Kennedy administration. The Task Force Report on Korea shows the disputes on military size in South Korea commenced during the Kennedy Administration.

Under the Defense draft of Par. E on p. 8, now incorporated in the report, U.S. action to permit increased use of RKO armed forces for economic development purposes subpars. (3) and (4) must await the study of force goals. The argument for this approach is that we cannot commit ourselves on the increased use of ROK forces for civilian purposes(particularly for training) until we are clear as to whether we wish to maintain ROK forces at existing levels and with existing missions. We might desire, for example, to reduce ROK forces and to use the savings for economic development rather than to employ some of a larger ROK force in economic development activities. (Department of State, 1996:471-472)

This citation clarifies that the purpose of the reduction policy was closely related to economic development in South Korea. This means that the purpose of the policy of the Kennedy Administration was quite different from that under the Eisenhower. The sentence in above citation, “[w]e might desire ... to reduce ROK forces and to use the savings for economic development,” is reflected by the purpose of the reduction policy. In fact, defense budget of South Korean government was about 30% of the total budget, whereas investment was less than 15% of the whole budget in 1950s and the early 1960s. (KDI 1990:416-427, 494-502, 527-532) If the portion of the defense budget were not reduced, it would be impossible to increase investment, or the U.S. would increase economic assistance for economic development plans.

On the other hand, the reduction policy was connected with the normalization between South Korea and Japan. Throughout 1950s, the U.S. encouraged both governments to normalize diplomatic relationship in order to reduce U.S. burden. While the U.S. requests in the 1950s had been not successful because of strong opposition from the Rhee government, the situations changed in the 1960s. First of all, as I mentioned above, the U.S. wanted Japan to take part in assistance to Asian countries, especially South Korea, in order to implement new foreign policy under the Kennedy Administration. At second, the military junta in South Korea sought to normalize diplomatic relationship with Japan in order to obtain capital for economic development plans. Lastly, the Japanese government could not refuse U.S. proposal, since Japan successfully achieved economic recovery through the Korean War and high growth era from 1955 and on. Therefore, through the normalization and the reduction of South Korean forces, the U.S. sought to transfer its burden to Japan from the security as well as from the economic viewpoint. These three topics, the economic development, the normalization, and the reduction policy of South Korean forces were closely connected.

In a State Department despatch, Dean Rusk, Secretary of State Department, wanted Samuel Berger, U.S. Ambassador in Seoul, to consider two directions. One was to maintain the size of the military at existing levels, and the other was to reduce it by one hundred or two hundred fifty military personnel. (Rusk to Berger, Enclosure 2, “Alternatives to military assistance for Korea,” August 1, 1961, NND 948813, Box 27, Korea, General Records, 1961, RG 84) Although L.L. Lemnitzer, the Chairman of Joint Chiefs of Staff opposed the reduction plan because of cheap maintenance cost and poor absorbing capacity of the additional worker, the reduction and assistance policy had been discussed during the junta era. (“Strategic Appraisal of US Position in Korea 1962-1970(U),” 10 April 1962, Lot70D199, Records of the Policy Planning Council, 1963-1964, Box 281, RG 59)

Specific considerations on the reduction policy started in late 1963, shortly before returning civil authority. Following the McNamara’s proposal on the reduction in June 4, 1963, the President Kennedy directed Robert McNamara, Secretary of Defense, and Dean Rusk to investigate problems that might occur if the reduction of South Korea’s forces were carried out. Roswell L. Gilpatric, Deputy Secretary of Defense, and U. Alexis Johnson, Deputy Under Secretary of State for Political Affairs, deliberated the level of South Korea’s military size, and handed in a position paper. In this paper, four division reduction in South Korean army and completion of the reduction plan by September, 1965 were recommended. In addition, new deployment of missiles like SERGEANT and PERSHING at American forces in South Korea and using nuclear weapons in a major attack from North Korea should be pursued, the paper recommended. (“A Plan for US/ROK Force Reduction,”

no date, Lot 67D244, NND 969304, Deputy Under Secretary for Political Affairs, Box 1, RG 59)

Reconsideration of this paper commenced in December 1963. While officials in the Department of Defense chiefly expressed consensus on the paper, the State Department officials disagreed with the paper's position because of political instability in South Korea. ("Reduction of Military Forces in Korea," December 17, 1963, Lot67D244, Deputy Under Secretary for Political Affairs, Box 1, RG 59) In spite of the disputes on the reduction policy, the phase-down of military forces in South Korea gradually came into reality from 1964 on.

One more issue deserves attention as a background of the reduction policy in the early 1960s: it appeared that the existing ROK ground forces were more than adequate to meet the North Korean threat without either assistance from the two U.S. divisions or usage of nuclear weapons. (McNamara, Memorandum for the President, 4 June 1963, NND 932019, Records of Robert S. McNamara, Defense Programs and Operations, Box 65, RG 200) U.S. Joint Chiefs of Staff also agreed with the opinion. Since U.S. officials had continued to regard the Korean Peninsula as a buffer zone between China and Japan after the Korean War, the evaluation from the military viewpoint was one of the most important factors of the reduction policy.

### 3.2. Dispatch of South Korean Army to the Vietnam War

Military leaders who carried out the coup in 1961 worried about the reduction policy of the United States, as the United Nations Command believed that a counter-coup might occur if South Korean forces were cut. (From Magruder to General Bond, August 14, 1961, NND 948813, Korea, General Records, 1961, Box 27, RG 84) The first action of the junta was to propose the dispatch of South Korean army to Vietnam by Chairman Park Chung-hee in November 1961. ("Topical Outline For the President for His Conversation with Chairman Park," 9-15, 1961, NSF;Country File, Korea:Box 128)

The Chairman's proposal was not accepted by the President Kennedy because America did not carry out a full-scale intervention in Vietnam at that time. But the attitude of President Kennedy was quite different from that of President Eisenhower. He recommended the chairman to meet the Secretary of Defense and the Chairman of Joint Chiefs of Staff in order to examine the possibility of South Korea's participation at the Vietnam War. Chairman Park expressed that South Korean government should get involved in the Vietnamese situation in March 1962, and specialists on guerilla warfare were dispatched to Vietnam on April 11, 1962.

The Johnson Administration and Vietnamese government officially asked the South Korean government to dispatch forces to Vietnam in late 1963 and early 1964 before President Johnson announced the "More Flag" and "Free World Assistance Forces." The South Korean government started to dispatch Taekwon-do advisors to Vietnam in September 1964 and assistance forces for construction in 1965. No request was raised by the South Korean government in the first dispatch of South Korean forces in 1964, but the government asked for more rigid security commitment from the United States.

At the presidential election campaign in 1967, President Park stated following:

Frankly speaking, if our forces were not dispatched (to Vietnam), I believed at that time, 2 divisions of U.S. forces stationed in South Korea might be sent to

Vietnam. ... At that time, when American and Vietnamese government asked (South) Korea's involvement, we could not accept their request. If so, 2 divisions of U.S. forces would have been dispatched. ... For the sake of our defense, was it possible not to get involved in the Vietnamese war? (Presidential Secretary's Office 1967)

The reduction of South Korean forces was more urgent matter to the South Korean government where a lot of high ranking officers were involved than that of U.S. forces in South Korea. Moreover, South Korean Army was one of the most important political bases of the regime. If the reduction policy was carried out, the regime might lose officers' trust at once. In 1966, at a meeting between South Korean and American Secretary of Defense, the American Secretary proposed the necessity of phase-down of South Korean forces. However, while the phase-down was not mentioned anymore at the meeting, even the South Korean Secretary asked about the possibility of more assistance to South Korea.

Donald S. Macdonald wrote that the phase-down policy of South Korean forces by the U.S. was further delayed again by the dispatch of the South Korean army to the Vietnam War. (Macdonald 1999:99) The phase-down policy did not appear anymore in a position paper regarding South Korea for Cyrus R. Vance, Presidential Special Envoy, in 1968, responding to the Pueblo Incident. (Policy Planning Council, "U.S. Policy Toward Korea," NND 979519, Records of the Policy Planning Council, Box 306, RG 59)

#### 4. What Did Hindered the Reduction Policy?

Researchers specializing in foreign policy generally focus on policy documents and the situation of the country where the policy paper was produced. This tendency was greatly influenced by the World-System theory created by Immanuel Wallerstein. However, as I examined above by using the phase-down policy of South Korean forces by the U.S., sometimes the domestic situation in recipient country is one of the most important variables.

While in the 1950s the world situation was the most serious factor behind the abandonment of the phase-down policy, opposition of the South Korean government and social instability were also variables. As the aggravation of the Vietnamese situation provided the basic blockade, the dispatch of South Korean armed forces became the most important reason why the U.S. could not carry out the policy. Moreover, a comparison between the forces of the South and North in the Korean peninsula made it possible to design or rationalize the phase-down policy from the military viewpoint. Of course, withdrawal of the Chinese Communist army in 1958 should also be considered.

The alliance between South Korea and the United States has been concrete compared to other alliances in terms of economic and military perspective since 1945. Nevertheless, there had been a lot of conflicts between the two countries, especially with regard to U.S. assistance and security commitment. In order to understand the relationship between the two countries, not only to examine the U.S. viewpoint toward South Korea, but to illuminate South Korea's social situation including public opinion and political leaders' responses to American policy should be needed. Foreign policy of one country is not a one way process, but a reciprocal process.

The phase-down policies of the 1950s and 1960s had commonality outwardly but were not carried out. Aims, process, and characteristics of the policies in both eras,

however, were quite different. In particular, the new policy of the Kennedy Administration and the Vietnam War in the 1960s deserves careful attention. Through the participation of South Korean forces at the Vietnam War, U.S. intention that American burden might be reduced by normalization between South Korea and Japan had been delayed until the end of the Johnson Administration. Furthermore, through the participation, South Korean government was able to escape from the “American Boundary” to some extent. Above all ROK was able to reserve America’s policy regarding South Korean forces’ reduction through the Vietnam War. (Macdonald 1992: 108-111)

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