



## **The Moon Jae-in Administration's Defense Reform 2.0: Direction and Considerations**

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The call for innovation and change in national defense has become greater than ever before. Not only the Republic of Korea (ROK) but most countries, particularly major powers including the United States, have pursued defense reforms to maintain their national defense power in response to changing security environments. As for the ROK, the Roh Moo-hyun administration (2003-2008) enacted a defense reform law in 2006 and the country has since pushed ahead with defense reforms. Yet it has suffered difficulties due to various security challenges. The Moon Jae-in administration has modified a direction of defense reforms and will actively carry out.

### **The Need for Defense Reform**

Why is a defense reform in the ROK armed forces necessary? Foremost, the Alliance relationship is changing. With intensification of interests-based pragmatic international relations in the 21st century, existing perceptions and roles of alliances have been shifting. Accordingly, the ROK pushes for changes to the basic core of its defense system, the ROK-U.S. combined defense system. It intends to establish a new combined defense system where the ROK JCS exercises wartime operational control in the Korean Peninsula theater, which has so far been delegated to American CFC commanders. Enhanced national prestige and new security conditions demanded by the 21st century require the ROK to undertake a leading role and to bear a primary responsibility for its defense. The transition of the wartime operational control will mark a turning point that will ultimately lead to a paradigm shift of the ROK's defense system.

Additionally, the 3rd and 4th industrial revolution, including advancements in information

technology and robot technology, have necessitated advancements in science and technology to be actively and promptly applied to all areas of national defense. A new way of conducting war displayed by the U.S. in the post-Gulf War era and responses of other countries brought about new military strategies and war-fighting methodologies that are completely different from those of the past. In order to deal with cutting-edge technologies, North Korea has developed its nuclear programs and asymmetric warfare capabilities. Now the ROK must develop its war-fighting capability that can effectively counteract new threats through an active and prompt application of advanced technologies.

Domestically, a demographic factor calls for a defense reform. An innovative management has become more important to overcome a sharp decrease in military service resources due to a population decline and a defense budget constraint. In addition, there's a growing public demand for change in national defense. Threats to national security are not limited to traditional threats but have expanded to supranational and nontraditional threats, demanding a more diversified role of the national defense.

### **Main Contents of the Defense Reform 2.0**

The main contents of the "Defense Reform 2.0" announced by the Moon administration in July shows that it is an extension of the "Defense Reform 2020" carried out under the Roh administration: It has developed contents to meet transitional security environments, while inheriting its basic direction. The Defense Reform 2.0 seeks to carry forward an innovative reformation and development in the areas of military structure and force structure, defense management, barracks culture, and the defense industry. In particular, the Defense Reform 2.0 plan intends to complete the reforms within the Moon administration term period by 2022. Major reformation actions in those four areas are as follows.

#### ***Military Structure***

The plan focuses on training and maintaining a powerful military by downsizing the troops and strengthening their qualitative capabilities. To this end, the chain of command will be simplified while the unit command structure will be tightened to create greater operational capabilities. The total number of active-duty troops will be cut down from current 618 thousand to 500 thousand, while the percentage of civilian staff in total defense manpower will increase from the current 5% to 10%. Meanwhile, the plan mandates the ROK armed forces to establish an independent deterrence capability to effectively deter North Korea's nuclear threat. Accordingly, ISR capability, including military satellite, the Korean Air and Missile Defense Systems (KAMD), and precision strike capability are set to build up in priority.

### ***Defense Management***

In line with the overall troop drawdown scheme, the initiative calls for an assessment and adjustment of post positions including a reduction of the number of general-grade officers from the current 436 to 360. In addition, the military seeks an innovative personal management to support civilian control and improved jointness. The administrative command structure will be simplified, while operating forces' command structure will be strengthened. Imposing measures are introduced. To achieve the civilian control, the proportion of civilian staff in the defense establishment will be increased. In addition, to attain a balanced development of the ROK Army, Navy and Air Force, the military will form a balanced organization of the three armed services in the ROK Joint Chiefs of Staff and joint units and implement tangible measures.

The ratio of female officers is expected to increase from 5.5% to a minimum of 8.8%, with their working conditions fundamentally improved. Reserve forces will retain its size of 2.75 million, but the Mobilization Reserve will be reduced from 1.3 million to 950 thousand. Equipment and weapons will be modernized, and intensified training will be conducted to create elite reserve forces. Lastly, the administration promised to increase transparency of defense policies and actions by expanding a public participation in the defense management.

### ***Barracks Culture***

Reforms in the culture of barracks focus on realizing welfare and protecting human rights corresponding to the public standard as well as enhancing the military service to contribute to planning one's future. To this end, the military justice system will be reformed to ensure fair trials for military personnel, and military correctional facility systems will be abolished to promote military civil rights. Additional measures include a salary increase for enlisted soldiers. The pay raise, enough to experience military lives without the need of external supports, is expected to help enlisted men to enter into society after discharged from the service. Likewise, living conditions will be improved and connectivity between a trained specialty and social career will be strengthened to support for employment and social settlement. Lastly, an improvement plan to the military medical system includes a renovation of decrepit medical facilities and an enhancement of emergency response capability.

### ***Defense Industry***

Defense industry reforms seek an evolving defense procurement that can promptly adapt to changing security environments and technology development as well as prevent fundamental causes behind corruptions and illegalities. Thereby, it intends to enhance its competitiveness through improvement in regulations. Measures to improve flexibility in the

procurement system include: i) a legalization of defense industry brokerage firms to pursue transparency of defense industry, ii) a development of education and personnel management system to increase expertise of the skilled personnel, iii) a selective application of procedures and methods depending on characteristics of projects, iv) a sharp increase in the defense R&D as well as an overall reshuffle of functions and roles of defense industry-related organizations, v) a systematic development of small businesses and venture companies, and vi) a drastic improvement of regulations hindering a growth of the defense industry.

### **Assessment and Considerations for Successful Reforms**

If the Moon administration successfully implements its Defense Reform 2.0, the ROK's national defense and military structure will assume totally new shapes. Foremost, as the ROK takes a leading role in its national defense, there will be noticeable changes in its military culture and behavior. Up until now, in the U.S.-led ROK-U.S. combined defense system, the ROK could hardly take a leading, responsible role in many areas such as strategy and operational planning.

The transition of the wartime operational control to the ROK will not only improve independent strategic and operational planning capabilities of its armed forces, but also impact commanders and staff, who play pivotal roles in the forces, both directly and indirectly in their ways of thinking and behavior. The ROK was able to develop its modern military forces thanks to support and cooperation of the U.S. under their combined defense system. The transfer of the wartime operational control will then allow the ROK armed forces to become more attentive and prepare effectively for national security.

The Defense Reform 2.0 will provide a turning point in the transformation of the ROK armed forces into a high-tech advanced elite military enabling independent deterrence capabilities against North Korean nuclear threats. The ROK armed forces are in the middle of upgrading and modernizing its equipment and weapon systems originally procured during Korea's industrialization period. Since the 1990s, the ROK armed forces have endeavored, through a revolution in military affairs and reforms, to obtain the capabilities to implement modern operational concepts such as network-centric operation, effects-based operation and joint/integrated operation. Though national defense reform measures up until now have progressed towards realizing such capabilities, it has left much to be desired. The Moon administration intends to build a more lethal military force that can carry out modern operational capabilities on the strength of slim-downed elite military, accelerated modernization of military power, and extensive reform in national defense and force structure.

Especially, the direction of the Defense Reform 2.0 to strengthen independent deterrence capabilities against North Korea holds significance to alleviating public security

concerns. Although denuclearization talks are currently underway, there remains high concern about nuclear threat posed by North Korea. In dealing with threats posed by North Korea, the ROK must retain its independent deterrence capability and demonstrate its capability and intentions, thereby gaining confidence in the national defense from the people.

Outstanding in terms of direction of reform and differentiation between the Moon administration's Defense Reform 2.0 and previous reforms is its policies regarding human resources, or human being that the administration regards as the most crucial constituent of national defense and military force. The reform proposes a shake-up of organizations, including the Ministry of National Defense, Joint Chiefs of Staff, defense industries, etc. and recruiting more civilians and females in pursuit of professionalism and efficiency. Moreover, the initiative seeks to improve barracks culture in order that enlisted men can raise their morale and self-esteem as well as the new advanced military force can develop. The new organizational structure will effectively develop an advanced civilian-military relations, and greatly increase the professionalism in the national defense. The progressive military culture will effectively address rapid changes in the availability of conscripts, naturally contributing to attaining support and confidence amongst the people.

To fulfill the Defense Reform 2.0 by 2022, we need to consider the following in order that erstwhile challenges and obstacles can be overcome. The biggest challenges to defense reforms were the security environment variables, i.e. North Korea's nuclear threat and its military provocations and the ROK-U.S. Alliance relationship. If nuclear threat and military provocations from North Korea persist, the ROK's defense reform needs to be stability-oriented, rather than looking for drastic changes to eliminate uncertainty of the defense system.

Furthermore, the robust ROK-U.S. combined defense system based on the ROK-U.S. Alliance is the key to maintaining and ensuring security of the ROK. Therefore, the combined defense system must be firmly maintained and further developed. Besides, in order for the Defense Reform 2.0 to see desirable substantial changes in national defense and force structure, the variable of North Korea must be effectively put under control through unrelenting efforts such as denuclearization talks.

Specific policies need to be flexible and realistic to reflect resources and technology required. The defense reform budget plan for the next five years (2019-2023) amounts to KRW 270.7 trillion (USD 241.7 billion), with an annual increase rate of defense spending by 7.5%. Share of Force Improvement Programs (FIPs) for procuring advanced weapons in military expenditure has been revised upward, from 31.3% in 2017 to 36.5% in 2023. To secure stable budgets for defense reforms, a proper annual economic growth rate needs to be warranted. In addition, to timely procure cutting-edge equipment and weapon systems, Korea's technological

capability needs to advance correspondingly. However, available technological capabilities may fall behind the desired advanced technological capabilities. It is difficult to make immense progress in military technology capabilities in the short run. Therefore, when building advanced military strength, we need to take realistic technological capabilities into consideration.

Lastly, in order to successfully push ahead with the defense reform, passion and active participation from the leadership and members is important. The defense reform by its nature ties in with various interests of each group and individual, from an organizational reshuffle to distribution of human resources. Also, as carried out amid increasing security uncertainty, the defense reform cannot be without concerns and criticisms. Leaders therefore should take all the responsibility to practice defense reforms, presenting directions and leading policies. Then, members of the defense community should agree on the need for defense reforms and make cooperative efforts. In other words, to this end, a creative leadership is needed to attract not only leaders' passion but also voluntary participation from the defense community.