

# The Process of South-North Dialogue and Perspectives for Unification of Korea

Tae Hwan Ok

**I**n September 1945, a month after the end of World War II, the United States government decided to land its forces in Korea to accept the surrender of Japanese forces south of the 38th parallel, while agreeing to let the Soviet Union perform the same function on the rest of the peninsula.<sup>1</sup> That decision together with the launch of the Cold War forced Korea to suffer its separation. The American troops withdrew and by the end of June 1949, one year after the birth of the South Korean government, only a token of U.S. military advisers remained.<sup>2</sup>

Secretary of State Dean Acheson's declaration of 5 January 1950 that South Korea would not be included in the new U.S. defense line, on top of the heavy existing military imbalance between South and North Korea, encouraged Kim Il Sung to attempt to communize the South by force. The North, supported by the Soviets, invaded on Sunday morning, 25 June 1950.<sup>3</sup> Even

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1 Suk Bok Lee, *The Impact of U.S. Forces in Korea* (Washington, D.C.: National Defense University Press, 1987), p. 4.

2 Ibid., pp. 20–24.

3 Joo Hong Nam, *America's Commitment to South Korea*, (London: Cambridge University Press, 1986), p. 31; Lee, *Impact*, p. 37. Acheson's declaration was made in accordance with the recommendation of Joint Chiefs of Staff that Korea was of little strategic value to the U.S.

though the American leaders still believed that Korea was militarily valueless, the Truman administration in its Cold War strategy quickly decided to defend South Korea.<sup>4</sup>

The war ended in a stalemate, and only deepened the division and distrust between the two Koreas. Negotiations for national unification were not initiated until 1971, when Pyongyang accepted the South Korean government's proposal for South-North Red Cross meetings. Further progress came when delegates of both governments signed the "South-North Joint Communiqué of 4 July 1972," in which Seoul and Pyongyang agreed to avoid aggression and hostilities, reduce tension, and ensure peace. One year later, however, the North unilaterally repealed the agreement with the accusation that the South was attempting to perpetuate the division of Korea.

In the late 1980s, however, the collapse of communist regimes in Eastern Europe, Chinese and Russian reform movements and openness, together with its own economic difficulties, have all forced North Korea to agree again to hold high-level talks with the South. The seventh round of high level talks has been completed in Seoul. In the sixth round held in Pyongyang in February 1992, the prime ministers of both South and North Korea signed the Agreement on Reconciliation, Non-aggression, and Exchanges and Cooperation (the Basic Agreement) and agreed to establish three subcommittees—political, military, and exchanges and cooperation.<sup>5</sup>

At the seventh talks, both parties signed an accord on the opening of liaison offices at the border village of Panmunjom as well as formation of four joint commissions to implement the Basic Agreement, setting the timetable for draft protocols, exchange visits by elderly dispersed family members and a group of cultural performers. Because of numerous difficulties, how-

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4 Richard E. Neustadt and Ernest R. May, *Thinking in Times* (New York: The Free Press, 1986), p. 35.

5 *Joong-ang Ilbo*, 19 February 1992.

ever, such as the nuclear issue (which could yet block future dialogue) it is hard to know whether these proposals will be implemented.

This is a study of the process of inter-Korean negotiations and perspectives for the national unification of Korea. The goal is to understand better the background and the process of inter-Korean dialogue and predict prospects for South-North relations and national unification.

### **The Process of South-North Dialogue**

The Cold War strategy of the superpowers forced Korea first to suffer separation and then to have them keep confronting each other in the role of the subordinate agency of a greater power. The Koreans, therefore, were prevented from developing their own dialogue on unification.

But in the beginning of the 1970s changes in the domestic as well as the regional environment compelled the two Koreas to alter their basic strategies of confrontation.

First, by normalizing relations with China President Nixon hoped to end the Vietnam War. He also wanted to use China as a means to induce the Russians to detente. Chinese leaders, who always feared a Russian surprise attack, welcomed Nixon's proposal as good will. The Russians were also interested in reducing their economic burden by slowing down the arms race with the United States. These big powers' conciliatory moods pressed both Koreas to start a dialogue for reducing tension.

Second, for quite a time after the Korean War, the North's planned economy seemed more effective than that of the South; at the beginning of the 1960s, the North Korean economy was far ahead and its GNP was double. By the end of that decade, however, the Northern planned economy, tightly controlled by the central government, turned out to be a cause of inefficiency and economic limitation. Moreover, the Pyongyang leadership overemphasized the defense industry, and all these elements

caused them economic difficulties. They changed the goal of the first seven-year economic plan and even extended it by three years, but were unable to achieve even such a revised goal.<sup>6</sup>

In contrast, South Korea's free market economy was successful and its GNP began to exceed that of the North in the beginning of the 1970s. The South also started to modernize its weapon systems to catch up militarily with the North. Under these circumstances, the North Korean leaders wanted to use dialogue as a means to delay the modernization of the South Korean Army and maintain military superiority over the South. They also expected that a dialogue would reduce their economic burden by slowing down the arms race with the South. At the same time, through dialogue, Pyongyang wanted to form a legal "United Front"<sup>7</sup> in the South. They intended ultimately to overthrow the legitimate ROK government through a communist revolution in South Korea.

Third, in accordance with the Nixon Doctrine, the United States decided to remove the seventh Division (about 20,000 troops) from Korea.<sup>8</sup> The leaders in Seoul, concerned about South Korea's military vulnerability to the North, tried to find a way to protect their territory against a possible surprise attack and expedited defense industry development. At the same time, they seriously considered dialogue as a means to buy time to achieve self-defense capability.

Therefore, on 12 August 1971, Seoul proposed to Pyongyang a Red Cross Conference to resolve the issue of ten million dis-

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6 *White Paper on Unification, 1990*, (Seoul: Jung Moon Sa, 1990), pp. 93—94.

7 *South-North Dialogue in Korea*, (Seoul: International Cultural Society of Korea, 1973), No. 3, December 1973, p. 18. The design was to isolate the legitimate government from the people and lure the people to speak and rise against their own government.

8 *New York Times*, 10 March 1977 and 17 May 1978. At that time, Defense Minister Melvin R. Laird recommended that President Nixon withdraw an additional two-thirds of the Second Division by 1974, but Nixon forestalled Laird's plan because he feared that the South Korean government would pull back its 50,000 troops that were fighting in the Vietnam War as an ally of the U.S.

persed family members separated for over twenty years.<sup>9</sup> They suggested facilitating mutual visits and meetings among dispersed families and relatives in the South and the North. The goal was to eliminate distrust and misunderstanding and to reduce tension. Two days later, the North Korean government accepted the Southern proposal and for the first time since the end of the Korean War the two Koreas began developing their own dialogue on humanitarian affairs.

In 1972 they not only continued the Red Cross conference but also devised high-level talks. On 2 May 1972 President Park Chung Hee sent Lee Hu Rak, Director of the Korean Central Agency (KCIA), secretly to Pyongyang to hold a series of meetings with Kim Il Sung and other North Korean leaders. At the end of May, North Korean Vice Premier Park Sung Chul reciprocated by visiting Seoul. These secret high-level talks were successful, and on 4 July 1972 Seoul and Pyongyang simultaneously announced the South-North Joint Communiqué. The two sides agreed:

1. To stop slandering and defaming each other; stop undertaking military provocations, large or small, against one another; and prevent inadvertent military incidents.
2. To implement various exchanges in many fields.
3. To cooperate positively with each other for an early success of the South-North Red Cross conference
4. To install and operate a direct telephone line between Seoul and Pyongyang as a means to prevent inadvertent military accidents and solve problems arising in the relations between the South and North promptly and efficiently.
5. To create and operate the South-North Coordinating Committee (SNCC) with Director Lee Hu Rak of the Seoul side and Director Kim Young Joo from Pyongyang as co-chairmen, with the purpose of enforcing agreed items, solving

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9 *Dong-A Ilbo*, 12 August 1971.

problems arising in the relation between the two sides and solving the question of unification in accordance with the agreed principles.<sup>10</sup>

The Koreans applauded the communique and hoped it would open a new era of peace and stability through the preclusion of war and improvement of South-North relations. They hoped it could ultimately open the road to a peaceful unification of the country.

It did not take long, however, for the North Koreans to break the agreement: the dialogues turned out to be a source of trouble for Kim Il Sung.

First, the dialogue channels held in Seoul and Pyongyang, although limited in scale, gave participants including delegates and reporters a first hand look at the society of the other side.<sup>11</sup> Such openness made leaders in Pyongyang uneasy because North Korean participants who visited Seoul could easily notice that South Korea was much more prosperous and that North Korean propaganda about destitute Southern society was a fabrication.<sup>12</sup> Second, The July 4 Joint Communique required the North to stop slandering and defaming the South, but the North Korean leaders quickly understood that they could not survive

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10 *Dialogue*, No. 1, July 1973, p. 9 and No. 3, December 1973, p. 7.

11 *Ibid.*, No. 1, July 1973, p. 11. The twenty-five members of the South-North Coordinating Committee delegation and fifty-nine members of the Red Cross delegation as well as reporters from both sides began commuting between Seoul and Pyongyang for conferences.

12 *Ibid.*, No. 3, December 1973, p. 17 and No. 5, July 1974, p. 47. South Korea has long been pictured in the eyes of the North Koreans as a society suffering from prevailing poverty, unemployment and starvation. Meanwhile, North Koreans believe they have been living in a paradise on earth and their social system is one of the most advanced systems. When delegates of the North saw the streams of cars in Seoul, they thought the South Korean government was assembling all the cars it had across the country in order to impress them. Domestic goods, diverse in kinds and abundant in quantity, displayed in department stores in downtown Seoul really gave them a shock. At first, they simply refused to believe the reality.

without hostile propaganda and media agitation against the South.<sup>13</sup>

Third, at the beginning of the dialogue, the North Korean leadership wanted to form a "united front" for the revolution in the South. However, they soon realized the dialogue would not serve their purpose of creating a favorable climate for the "peoples democratic revolution" in South Korea.<sup>14</sup>

Fourth, in 1973 two major socialist powers, China and the Soviet Union, were engaged in a worsening conflict. They could not agree on their interests in the Korean peninsula, so Kim Il Sung had no need to worry about any outside pressure to continue the talks.<sup>15</sup>

At the beginning of 1973, taking all these points into consideration, the North began to distort the basic spirit of the July 4 South-North Joint Communiqué. They even tried to use it for propaganda and intensified their efforts to deadlock the talks.

In this atmosphere two big events gave Kim Il Sung an excuse to suspend the dialogue. On 23 June 1973 President Park Chung Hee proclaimed a new foreign policy for peace and unification in which he expressed a willingness to enter the UN together with the North so long as it would not hinder Korean unification.<sup>16</sup> On 8 August, however, opposition party leader Kim Dae Jung was kidnapped in Japan. News media abroad covered wild speculation linking the KCIA with the case. The North judged the situation to be the best opportunity to avoid blame for their one-sided decision to stop the dialogue.

After having held three rounds of the South-North Coordinating Committee Meeting and seven rounds of the South-North

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13 Ibid., No. 3, December 1973, p. 13. There was a total of 10, 282 cases of hostile broadcasts made through North Korea's radio and TV networks during the period from 11 November 1972 to 30 November 1973.

14 Ibid., p. 18.

15 Ibid., No. 2, September 1973, pp. 81-82.

16 Ibid., No. 3, December 1973, p. 37.

Red Cross Conference turn-by-turn in Seoul and Pyongyang, on 28 August 1973 the North unilaterally announced a suspension of the dialogue through a statement made in the name of Kim Young Joo, the co-chairman of the South-North Coordinating Committee on the Pyongyang side. The statement insisted that, in order to resume the talks, co-chairman Lee Hu Rak (who was to have masterminded the abduction of Kim Dae Jung) be replaced. It further urged the South to give up a "two Korea policy" supposedly expressed in the declaration of June 23.<sup>17</sup>

At the same time, the North resumed military provocations against the South, further deteriorating their relations. In October 1973, North Korea claimed the territorial rights over the waters surrounding five offshore islands in the Yellow Sea held by the South since the end of the Korean War. They dispatched naval vessels to the area and attempted to search South Korean civilian vessels on the high seas. Then in February 1974 North Korean combatants attacked two civilian boats of the South engaged in fishing near Baekyongdo Island in the Yellow Sea.<sup>18</sup>

Meanwhile, in order to consummate the people's democratic revolution through internal political confusion in the South, Pyongyang boldly attempted to remove President Park from office. In August 1974 Moon Se-Kwang, an ethnic Korean living in Japan, was trained and ordered by the North to assassinate President Park Chung Hee. The assassination plot failed, but it cost the life of the First Lady of South Korea on 15 August 1974 at the 29th National Liberation anniversary ceremony in the National Theater in Seoul.<sup>19</sup>

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17 Ibid., No. 2, September 1973, p. 11.

18 *Dong-A Ilbo*, 15 February 1974.

19 Ibid., 15 and 16 August 1974; *Dialogue*, No. 6, October 1974, pp. 13-16. In November 1972, only four months after the announcement of the Joint Communiqué of July 4, the North instructed Moon to assassinate Park. Moon was ordered to attend the Memorial Ceremony on 1 March 1974 and to attack the President. However, Moon could not acquire the necessary weapon and the assassination plot was postponed.



On 15 November 1974 the United Nation Command (UNC) announced they had discovered underground tunnels in the DMZ that were designed to wage a major surprise attack on the front line fortifications of the South.<sup>20</sup> The August 1976 brutal murder of two American army officers by North Korean guards at the DMZ<sup>21</sup> made things worse and tension in the area became fierce. The overall situation went back to the days before the South-North Joint Communiqué of 4 July 1972. With the exception of intermittent working level meetings in Panmunjom the dialogue had been discontinued for a long time .

To break the deadlock, President Park, in his 1979 New Year press conference, proposed to the North that the authorities of South and North Korea should conduct talks unconditionally "at any time, at any place, and at any level" to discuss resumption of the stalled South-North dialogue.<sup>22</sup>

The North refused any sincere answer. Instead they merely attempted to capitalize upon the momentum for dialogue as propaganda: they called for a meeting of a "whole nation conference" in the name of the Democratic Front.<sup>23</sup> The North Korean leaders, however, could not totally ignore Park's proposal amid the rising demand for a resumption of the dialogue. Early in 1979, three rounds of abnormal contacts were held between the

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20 *Chosun Ilbo*, 16 November 1974.

21 *Joong-ang Ilbo*, 18 August 1976; *Chicago Tribune*, 20 August 1976.

22 *Dong-A Ilbo*, 19 January 1979.

23 *Dialogue*, No. 20, July 1979, pp. 52-60. The Democratic Front for Unification of the Fatherland (Democratic Front) was merely a front organization of the North Korean Workers' (communist) Party. Its function was to extend, under the guidance of the Party, a blind support to the revolutionary and unification policies of the North as well as to organize and mobilize the whole population on the pretext of a "United front." The North Korean idea was that the two sides hold negotiations between the representatives of all political parties and social organizations, as well as individuals, to discuss the delicate political issue of national unification. North Korea thus rejected the South's proposal for a dialogue between the responsible authorities of the two sides.

members of SNCC of Seoul and the delegates of the North Korean Democratic Front at Panmunjom, with no progress.

To provide momentum to resume the deadlocked dialogue as well as to reduce tension on the peninsula, President Park and U.S. President Jimmy Carter announced in a joint communique on 1 July 1979 in Seoul that they wanted to hold a "meeting of senior official representatives of the South and the North and the United States" at the earliest possible date.<sup>24</sup>

On 10 July, in a statement broadcast by Radio Pyongyang, the North rejected the "three-authorities meeting" proposal. Insisting that the question of national unification was an internal affair, they proposed a meeting between North Korea and the United States and suggested that the two sides discuss removing the American forces from South Korea and replacing the Military Armistice Agreement with a peace agreement.<sup>25</sup>

Upon report of a negative response by the North to the proposed three-authorities meeting, the editorials of major newspapers of the South criticized the Northern attitude: the *Dong-A Ilbo* commented that "this negative response of North Korea constitutes nothing more than a repetition of its basic strategy, that is, to communize the whole Korean peninsula through the vietnamization of Korea."<sup>26</sup> The editor of *Joong-Ang Ilbo* said, "North Korea's negative response to the proposal stands illogical and unrealistic, and only shows that it is interested in neither dialogue nor in alleviation of tension."<sup>27</sup> *Seoul Shinmun*, "The issue of U.S. military withdrawal or that of a so-called peace agreement which Pyongyang gave as a reason for its refusal of

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24 *Chosun Ilbo*, 2 July 1979.

25 *Dialogue*, No. 22, October 1979. The North said in the statement that if and when problems relating to South Korea occurred in the course of such a meeting, the authorities of South Korea would be allowed to take part as an observer if the United States also requested it.

26 *Dong-A Ilbo*, 11 July 1979.

27 *Joong-ang Ilbo*, 11 July 1979.

the proposal has nothing to do with the proposed meeting. It was thus an opposition raised only for opposition's sake."<sup>28</sup>

At the beginning of 1980, after President Park was assassinated, the North in its efforts to create an environment favorable for the peoples democratic revolution in the South offered to resume dialogue. In a letter of 11 January 1980 to Prime Minister Shin Hyon Hwak, North Korean Premier Lee Jong-Ok used for the first time Shin's official title, "Prime Minister of the Republic of Korea," and said, "Should our dialogue resume, we are willing to hold North-South authorities' meetings along with the broad political conference we had already proposed and, further, to promote even a high-level authorities' meeting."<sup>29</sup>

The proposal was accepted by Seoul and each side undertook working-level contacts to discuss procedural matters necessary for a meeting between the two prime ministers. In addition, by the middle of the 1980s a series of inter-Korean dialogues such as Red Cross Talks, Economic Meetings, preliminary contacts for a Parliamentarians Conference, and Sports Meetings had been held,<sup>30</sup> which precipitated an exchange of visits. In September 1985 hundreds of members of dispersed families were able to reunite joyfully with their relatives for the first time since the end of the Korean War.<sup>31</sup>

On 20 January, however, North Korea unilaterally suspended the ongoing inter-Korean Red Cross, economic and preliminary parliamentarians contacts on the pretext of the U.S.-ROK Team

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28 *Seoul Shinmun*, 11 July 1979.

29 *Dialogue*, No. 23, July 1980. pp. 11-13. On the same day, the North sent several similar letters to eleven other South Korean leaders including Lee Hui-Sung, Army chief of Staff; Kim Jong-Pil, President of the Democratic Republican Party; Kim Young-Sam, President of the New Democratic Party; Kim Dae-Jung, co-chairman of the National Alliance for Democracy and National Unification.

30 *White Paper*, 1990, p. 110.

31 *Dialogue*, No. 39, November 1985. Of the 100 hometown visitors of the South and North, 35 visitors of the South met 41 of their missing relatives, and 30 North Korean visitors met 51 of their relatives. Meanwhile, the visiting art troupe presented two performances at Seoul and Pyongyang respectively.

Spirit joint military exercise, which had been being conducted annually.<sup>32</sup>

### The Unification Policies of South and North Korea

Since 1960 North Korea has been advancing a unification plan for a Korean confederation. By the end of the 1950s, Kim Il Sung had domestically consolidated political power in the Workers (communist) Party with the completion of purging his opponents from the party. Financially, the North had achieved very rapid growth by increasing the per capita GNP more than 20% annually. Kim Il Sung was full of confidence in the socialist system. He believed that the Northern system was better and that they could absorb the South through economics.<sup>33</sup>

Meanwhile, the 19 April Student Uprising of 1960 weakened political and social stability in the South, and by proposing his confederation Kim Il Sung wanted to weaken the South's anti-communist capability. Ultimately he hoped to absorb South Korea politically through a people's democratic revolution in the South.<sup>34</sup>

Internationally, Soviet Premier Khrushchev's detente with the United States in tandem with East German General Secretary Ulbricht's proposal of confederation to West Germany on 31 December 1956 pressed the North to adopt a peaceful coexistence policy toward South Korea. Kim Il Sung also needed to change his personal image as the aggressor during the Korean War into one of the world's peace-loving leaders.

On 14 August 1960, therefore, a day before the fifteenth anniversary of Korea's liberation from Japan, Kim Il Sung proposed

32 *White Paper*, 1990, pp. 119-23. In January 1985, the North also called off the Red Cross Conference on the pretext of Team Spirit 85.

33 Seong Ho Jhe, *Analysis of North Korea's Unification Formula of Federation* (Seoul: Research Institute for National Unification, 1991), pp. 5-6.

34 *Dialogue*, No. 24, November 1980, pp. 67-69.

to South Korea a confederation for Korea for the first time since the end of the Korean War:

The peaceful reunification of our country must be achieved independently by holding general elections throughout North and South Korea on a democratic basis without any foreign interference....If the South Korean authorities still cannot agree to a free North-South general election for fear of the whole of South Korea being communized...a Confederation of North and South Korea could be instituted. We propose to establish the Confederation by way of setting up a supreme national committee composed of the representatives of the Government of the Democratic People's Republic of Korea and the Government of the Republic of Korea...while retaining, for the time being, the present political systems in North and South Korea and maintaining the independent activities of the two governments.<sup>35</sup>

In case South Korea were not ready to accept the confederation, he suggested, they could set up an "economic commission" composed of the business leaders of the two sides to exchange goods between them. The North also urged the South to reduce the armies of each side to 100,000 or less and hold a mutual conference represented by "governments, political parties, social organizations, and individual persons."<sup>36</sup>

South Korea, with its inferiority in political consolidation, economic development, and military capability, rejected the North's proposal from the fear that Kim Il Sung's true intention was merely to create a favorable environment in the South for a people's democratic revolution.

On 23 July 1973, in an address welcoming Czechoslovakian General Secretary Gustav Husak, Kim Il Sung proposed a "Confederal Republic of Koryo," as an interim stage for national

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35 Dae Hwa Chung, "The North Korean Policy of Confederation: Its Theoretical and Substantive Implications and Relevance for Reunification of Korea, Studies on National Unification," Research Center for National Unification, Pusan National University, No. 6, 1984, p. 168.

36 Ibid., pp. 168-69.

unification. At this time, Kim focused on the removal of U.S. troops from South Korea by emphasizing five major points for peace and unification: "To cease the reinforcement of armies and the arms race, make all foreign troops withdraw, reduce armed forces and armaments, stop the introduction of weapons from abroad and conclude a peace agreement."<sup>37</sup>

On 10 October 1980, at the Sixth Worker's Party Convention address, Kim proposed the "Confederal Democratic Republic of Koryo" as a "unified state." However, the proposal included nothing new except addition of the word "democratic" to the old title and declaring the confederal system as a final stage for national unification. In addition, the North demanded five prerequisites including the replacement of the legitimate government of the Republic of Korea with a pro-communist regime, abolishment of the South's anti-communist policy including the repeal of all anti-communist-related laws, conclusion of a peace agreement between the U.S. and North Korea (over Seoul's head), and withdrawal of the U.S. forces from Korea. At the same time the North proposed its so-called "10-point policy guideline" for a unified Korea. However, the new plan showed nothing different from the old. Both plans lacked any practicability and were only designed as propaganda to mislead public opinion at home and abroad.<sup>38</sup>

In the meantime, the South Korean government brushed aside the Northern proposal because they believed that Kim was trying to engineer a people's democratic revolution through the Koryo confederation system. Instead, the South had been continuously advocating its own unification plan of forming a unified

37 *Choson Chungang Yongam* (Pyongyang: Chosun Jungang Tongshinsa, 1974), p. 56.; *Dialogue*, No. 24, November 1980, p. 68. Ten hours earlier on the same day President Park declared the seven-points foreign policy for peace and unification including the proposal of urging the North to enter the UN as a separate entity following the German case. The North criticized the proposal as a two-Korea policy.

38 *Dialogue*, No. 24, November 1980, pp. 68-69; *The Federation*, pp. 13-15.

government of Korea through a general election based on population under the supervision of the UN.<sup>39</sup>

On 22 January 1982, however, Seoul proposed to Pyongyang a more systematic, realistic unification formula than that previous. The new plan proposed organizing a "Consultative Conference for National Reunification" with delegates from both sides representing the views of the residents in their respective areas in order to draft a unified constitution. If the proposed unified constitution were adopted, the two sides could form a unified government through general elections held under the provisions of the constitution.<sup>40</sup>

After the successful hosting of the 1988 Seoul Olympics, on 11 September 1989, the South Korean government proposed a revised unification policy, the "Korean National Community Unification Formula." It called for South and North to merge under the principles of independence, peace and democracy. A "Korean Commonwealth" would be formed as an interim stage for building a unified democratic republic. The organization would have a Council of Presidents as the highest decision-making organ, consisting of chief executives from the two sides. A Council of Ministers composed of about ten cabinet-level officials from each side was also suggested, to be co-chaired by the two prime ministers, and was earmarked to establish five standing committees—in the humanitarian, political-diplomatic, economic, military, and social and cultural areas. These committees were to discuss and adjust all pending issues between the two Koreas such as the reunion of dispersed families, the alleviation of political confrontation, developing national culture, forming an economic sphere for common prosperity, promoting exchanges, trade and cooperation, building confidence in the military and arms control areas, etc.<sup>41</sup>

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39 *White Paper*, 1990, p. 27.

40 *Dialogue*, No. 28, March 1982, pp. 7–20.

41 *Ibid.*, No. 48, December 1989, pp. 20–33.

At the same time, a "Council of Representatives" was to be created under the program, composed of around 100 legislators with equal numbers representing the two parts of the peninsula. Its function was to draft the constitution of a unified Korea and develop methods and procedures to bring about national unification. The Council was also designed to have an advisory function for the Council of Ministers.

This Southern proposal suggested that a unified Korea be a single nation and a unified government be formed through a general election in accordance with the new constitution. The unified legislature would have to be a bicameral parliamentary system, composed of an upper house based on regional representation and a lower house based on population.<sup>42</sup>

The principles for unification are similar but there are several basic differences between the South and North on unification policy. First, South Korea makes no prerequisites. North Korea demands one-sided pre-conditions including the removal of the legitimate but anti-communist government in the South and the withdrawal of U.S. forces from Korea.

Second, the South emphasizes democratic procedures leading to unification, while the North's method is undemocratic, insisting that specific persons and organizations not in favor of their policies be excluded.

Third, Seoul puts great importance on exchanges and cooperation prior to political and military affairs in order to create a favorable environment for unification. Pyongyang, however, shows a keen interest only in political and military affairs rather than in exchanges and cooperation.

Fourth, the South regards the Korean Commonwealth as an interim state, with its ultimate goal the realization of a unified state. The North regards the Koryo Confederation system as a final stage of unification; the Northern concept is to bring about

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42 Ibid., pp. 25-28.



an incomplete unification under which two regional governments would continue to exist on the peninsula.

Fifth, South Korean unification policy is designed to seek a method of establishing a unified democratic Republic guaranteeing liberty, freedom and the pursuit of happiness, as well as participation and equal opportunity for all Koreans. Meanwhile, North Korea's unification policy is aimed at the communization of the entire peninsula through a liberation of the South.

### **The Changing Domestic and International Environment in the Mid-1980s and Its Influence on South-North Dialogue**

As soon as Mikhail Gorbachev came to power in March 1985 he was determined to reform the domestic system through perestroika and glasnost. Gorbachev's new thinking had its effect on foreign policy, especially on the traditional Soviet concept of achieving national security at the expense of other countries. The Soviet Union improved its relations with the U.S. as well as with the Western European countries by signing the INF treaty, removing Soviet forces from Afghanistan, and announcing a unilateral 10% reduction of troops in Eastern Europe.<sup>43</sup>

Gorbachev's new foreign policy encouraged most socialist countries in Eastern Europe to restore democracy and, one by one, adopt a market economy. The Soviet Union did not interfere in the changes and transitions in the region. In the throes of the democratic revolutions in Eastern Europe, East Germany collapsed by itself. Germany could unify thanks to Gorbachev's new foreign policy of non-interference.<sup>44</sup>

Gorbachev's new policy also applied to Northeast Asia. In his speeches at Vladivostok in July 1986 and at Krasnoyarsk in September 1988, Gorbachev pledged that the Soviet Union

43 David Holloway, "Gorbachev's New Thinking," *Foreign Affairs*, Vol. 68, No. 1, 1988-89, pp. 78-79.

44 Andrei G. Bochkaev, "Perestroika in Soviet Foreign Policy," *The Korean Journal of International Studies*, Vol. 22, No. 2, (Summer 1991), pp. 282-88.

would reduce its military commitment in the Pacific and enhance multilateral cooperation, especially economic cooperation, with all the countries in Northeast Asia. During the period of perestroika, the Soviet Union normalized its relations with the People's Republic of China. These new relations put an end to Kim Il Sung's strategy of playing off the two Communist rivals to advantage, which he had been doing for more than 30 years in the confrontation between the two.<sup>45</sup>

In the meantime, after President Carter's unilateral decision to remove U.S. troops from Korea, the South Korean government began cautiously to change its traditional security reliance on the U.S. and started trying to reach an accommodation with Socialist countries. In the beginning of the 1980s Seoul moved toward a more independent diplomacy. Relations with the Communist nations actively improved, including widening trade relations. South Korea's Northern Policy was quite successful, and it received positive support from the socialist world. As a result, most of the Eastern European countries as well as China and the Soviet Union responded to South Korea's invitation to the Seoul Olympics of 1988, despite Pyongyang's boycott.<sup>46</sup> As a result, North Korea faced isolation from even the socialist countries.

In addition, since the beginning of the 1970s, the North Korean economy began gradually to be crippled due to its inefficient centrally controlled planned economic system. Overemphasis on the development of heavy industry including the defense industry deepened the imbalance of industry structure. Underdeveloped technological standards caused defects in basic industries, and due to insufficient skilled labor and raw materials, not to mention the lack of any incentive system, the North Korean

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45 Ibid., pp. 287-88.

46 *Dialogue*, No. 46, December 1988, pp. 42-48. In September 1990, South Korea normalized its relation with the Soviet Union. South Korea also normalized its relation with the People's Republic of China on August 1992.

economy went from bad to worse and faced bankruptcy by the end of the 1980s.<sup>47</sup>

In an effort to solve its economic difficulties, North Korea had no alternative but to rely on economic aid from the U.S. and Japan. North Korea held a series of official government meetings to set up diplomatic relations with the them.<sup>48</sup> At the same time, North Korean leaders understood that having a South-North dialogue would be necessary for them to improve relations with the two wealthy countries.

Under these circumstances, President Roh Tae Woo announced on 7 July 1988 a special declaration that brought a significant change in the relations between the South and North. Roh proclaimed in his statement that South Korea would not only cooperate with the North in its participation in the international community but would also support the Northern efforts to improve relations with the U.S. and Japan.<sup>49</sup>

As follow-up to the July 7 declaration, on 7 October 1988 South Korea proposed an open-door economic policy toward North Korea to achieve common prosperity.<sup>50</sup> Two months later the South again proposed a South-North high level meeting to discuss all pending issues related to unification. It required another two months to hold the first preliminary meeting at

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47 *Assessment of the Current State of North Korea and Prospects for Change*, (Seoul: Research Institute for National Unification, 1991), pp. 208–16. North Korea recorded -3.7% GNP growth in 1990.

48 Moon Young Huh, "North Korean Relations with Japan and th United States: Issues and Prospects," *The Korean Journal of Unification Studies*, Vol. 1, No. 1, 1992, pp. 97–101. U.S and North Korean diplomats have met in Peking 20 times to improve their relations while normalization talks between North Korea and Japan have been held seven times so far. In both cases, the most critical issue has been nuclear inspection.

49 *Dialogue*, No. 45, November 1988, pp. 7–15. The new policy replaced the traditional policy of confrontation aimed at isolating the North from the rest of the world.

50 *Ibid.*, No. 46, December 1988, p. 63.

Panmunjom.<sup>51</sup> One-and-a-half years after the first preliminary meeting began, the prime ministers of the South and the North met in September 1990 in Seoul for the first time since the end of the Korean War to discuss various pending South-North issues.<sup>52</sup>

On 13 December 1991, at the fifth round of High-Level Talks held in Seoul, delegates of both sides agreed to make an accord on "Reconciliation, Non-aggression, and Exchanges and Cooperation."<sup>53</sup> On 20 January 1992 they also agreed to make an accord on Denuclearization.<sup>54</sup> In the sixth round of South-North High-Level Talks held in Pyongyang in February 1992, the prime ministers of both sides signed the basic accord and the Joint Declaration of Denuclearization of the Korean Peninsula.<sup>55</sup>

In May 1992, at the seventh round of High-Level Talks held in Seoul, the delegates of both sides agreed to open liaison offices at Panmunjom and form joint commissions to implement the basic accord. At the same time, the two sides agreed to allow about 100 dispersed family members from each side to visit each other's capital cities, Seoul and Pyongyang, on 15 August 1992. They also agreed to make a single set of protocols in order to implement the basic accord. But the two sides failed to draw up regulations on their mutual inspection of nuclear weapon sites. The South wanted an "on-the-spot inspection of all suspected facilities" in the North while the North claimed that the ongoing IAEA inspection was more than enough to verify the facts.<sup>56</sup> Since the South is clearly linking the nuclear question to the

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51 Ibid., No. 47, May 1989, pp. 7, 32.

52 Ibid., No. 51, February 1991, pp. 7-32.

53 Agreement on Reconciliation, Non-aggression, and Exchanges and Cooperation between the South and the North (Seoul: Board of Unification, 1992), pp. 9-18.

54 Ibid., pp. 21-3.

55 *Joong-ang Ilbo*, 19 February 1992. The inter-Korean Basic Agreement and the Joint Declaration of Denuclearization of the Korean peninsula entered into force on 19 February 1992.

56 *Korea Herald*, 11 May 1992.

implementation of the inter-Korean basic accord on cooperation, it will be difficult for this dialogue to be productive if the North fails to alter its nuclear policy.

## **Conclusion**

Inter-Korean dialogue, which started in the beginning of the 1970s thanks to the changing domestic and international environment, have been held off and on. It was suspended at times due to Kim Il Sung's various maneuvers. From the beginning, Kim wanted to use the dialogues as a means to communize the whole peninsula by liberating the South.

In their process, however, Kim realized that instead of helping create a favorable environment for a people's democratic revolution in the South as he had hoped, the dialogues produced only negative results for the North. Inevitably the talks exposed their society to the South Koreans. At the same time, exchanges and visits exposed North Korean visitors to the revelation that the South was enjoying much higher economic prosperity.

In the long run, the dialogue would make the North Koreans aware of reality and request their leader to open society to a higher standard of living, even to political freedom. Such a change would obviously be the cause of the collapse of Kim's dynasty. Therefore, Pyongyang began to be reluctant to continue the dialogue, at times unilaterally postponing or suspending it.

However, North Korea's economic difficulties combined with the changing international environment of the late 1980s no longer allowed him to remain in his cage of isolation. Thus, Pyongyang again agreed to continue the inter-Korean dialogue, signed the basic accord on "Reconciliation, Non Aggression, Exchanges and Cooperation," and allowed IAEA inspection of its nuclear facilities.

Due to the ineffectiveness of traditional IAEA inspections, Seoul is continuously asking Pyongyang to accept a mutual inspection of alleged nuclear weapons sites by both sides. The

South clearly links the nuclear question to the implementation of the basic accord on exchange and cooperation. Therefore, in order to improve inter-Korean relations and achieve national unification, North Korea must change its fundamental strategy of communizing the South, and it needs to acquiesce to Seoul's proposal of mutual nuclear facilities inspection. Otherwise, it will be difficult for this dialogue to be productive.

Inter-Korean dialogue is in fact related to North Korea's relations with the United States and Japan as well as China and Russia. The big powers have put pressure on North Korea to open up, and its domestic economic difficulties will ultimately force the North to adopt rational and practical measures in the future. If Pyongyang relinquishes the development of nuclear weapons and forsakes its basic strategy toward the South, then South-North economic exchanges and cooperation will proceed rapidly. Such exchanges, along with direct or indirect trade, will definitely establish mutual trust and lay the foundation for peaceful coexistence. From there, both sides can gradually move toward unification step by step on the basis of the spirit of the Agreement on Reconciliation, Non-Aggression, and Exchanges and Cooperation.