



# Online Series

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## Implications of President Moon's Congratulatory Remarks on Korea's 74<sup>th</sup> Liberation Day and Remaining Tasks on Unification and North Korea

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President Moon Jae-in laid out goals for his vision of establishing a New Korean Peninsula Regime in his congratulatory remarks delivered on Korea's Liberation Day: becoming "a responsible economic powerhouse," "a country that serves as a bridge by spearheading the efforts to promote peace and prosperity," and striving for "the completion of our liberation through the establishment of a peace economy and the unification of the Korean Peninsula." With that vision, he expanded the time and space of the peace process on the Korean Peninsula. The focus must be on establishing an irreversible entry into opening a new era on the Korean Peninsula by driving denuclearization and a peace regime and building a foundation for the peace economy.

### 1. Expanding Time and Space in the Peace Process on the Korean Peninsula

President of the Republic of Korea (ROK) Moon Jae-in's address delivered on Korea's 74<sup>th</sup> Liberation Day contained three key points. First, he expanded the space for the peace process on the Korean Peninsula to East Asia and the world. President Moon proposed "a responsible

economic powerhouse,” “a country that serves as a bridge by taking the lead in promoting peace and prosperity on the continent and out in the ocean” and “the completion of our liberation through the establishment of the peace economy and unification” as goals for building a New Korean Peninsula Regime. To this end, Korea’s own tailored global strategy must be established first, one that starts with inter-Korean cooperation and goes on to connect East Asia, the continent, and the ocean. He stated that connecting the severed roads and railways between South and North Korea along with New Northern and Southern Policies—Policies on Eurasian and ASEAN Countries—are the first steps toward becoming a country that serves as a bridge. It can be viewed in the same context that he expanded the concept of the people-centered community of peace and prosperity on the entire Korean Peninsula to East Asia and the whole world.

Second, the peace economy was emphasized in his remarks. The peace economy that he envisioned aims to establish an economic community on the Korean Peninsula that connects the continental and marine economies. With denuclearization and peace on the Korean Peninsula at its basis, the peace economy seeks to contribute to the economic development on the Korean Peninsula and the world. President Moon recognizes that the peace economy building on the peaceful co-existence of South and North Korea could contribute to the world economy. The peace economy highlights a common thread identified both for the South and the North: creating new economic growth engines for the former and implementing its national policy of mobilizing all available means for economic development for the latter. Economic cooperation between South and North Korea would promote the development of the Three Northeastern Provinces of China, Siberia, and the Russian Far East. It could serve as an opportunity to facilitate economic exchanges between Eurasia continent and maritime economic blocs in the Pacific, thus driving the development of the world economy.

Third, a long-term roadmap for the New Korean Peninsula Regime was presented in his remarks with his trust in the peace process on the Korean Peninsula at its core. President Moon proposed the goals of hosting the joint 2032 Seoul-Pyongyang Olympics and achieving unification by 2045, which will mark the

100<sup>th</sup> anniversary of national liberation of Korea. The hosting of the joint Olympics technically means creating a social and cultural community between South and North Korea, the first step of the National Community Unification Formula. It could be viewed that the New Korean Peninsula regime will have been established by 2045, the proposed time for unification. President Moon's address on Korea's 74<sup>th</sup> Liberation Day is characterized by his vision for the New Korean Peninsula regime that goes beyond the short-term and into the mid- to long-term, based on a policy direction to achieve denuclearization and peace on the Korean Peninsula.

## 2. Geopolitical Situation on the Korean Peninsula

President Moon's address on Korea's 74<sup>th</sup> Liberation Day laid out his long-term vision toward the New Korean Peninsula Regime, encompassing not only the two Koreas and East Asia but also the world. Progress on denuclearization on the Korean Peninsula—the pressing issue at this juncture—will be the starting point in this grand journey. Implementation of the peace process should be based on proper evaluation of the current geopolitical situation of the Korean Peninsula amidst the stalled denuclearization negotiations.

### ■ Saber-rattling of North Korea

Since May 4, 2019, North Korea has continued to launch short-range missiles and projectiles and unveiled a new submarine. North Korea's show of force is more likely an expression of dissatisfaction with the deadlock of denuclearization negotiations after North Korea - U.S. summit in Hanoi rather than a response to inter-Korean relations.

This show of force has been limited only to the Korean Peninsula since direct criticism or provocations toward President Trump or the U.S. could threaten the negotiation itself. In addition, these actions can be seen as a means to solidify its regime by quelling discontent within North Korea fueled by the stalled denuclearization talks. Criticism of South Korea can be understood under the same context. North Korea appears to have concluded that it would be difficult to drive

inter-Korea relations in their favor without an improvement in North Korea-U.S. relations. It is in this context that North Korea-U.S. relations have been prioritized over inter-Korean relations in the North's strategy.

It is anticipated that North Korea would continue to engage in saber-rattling and provocations without crossing the red line and maintain its non-cooperative stance when it comes to inter-Korea relations for the time being. North Korea is estimated to continue to have under-the-water contact with the U.S. However, the problem is not when the North Korea-U.S. talks will resume, but rather how the stance of North Korea and the U.S. differs toward denuclearization. In particular, the fact that the U.S. is reluctant to provide a detailed explanation on corresponding measures for denuclearization is causing discontent for North Korea.

### ■ General Sentiment in the U.S.

Although President Trump does not take North Korea's show of force seriously, the U.S. public opinion is negative in general, thus distrust of North Korea is growing. There is also concern over the possible entry into the phase of prolonged deadlock of North Korea-U.S. negotiation given the growing public opinion that an agreement should not be reached without North Korea's tangible actions toward denuclearization. President Trump is seeking a convention bump in the U.S. presidential election from a deal in the North Korea-U.S. negotiations. However, if changing the current phase is not possible, he might settle for maintaining the status quo on North Korea's nuclear issue and boast about it as an achievement. In addition, it is worth considering that the U.S. president's priorities may shift to other issues including tensions in the Strait of Hormuz, the trade war with China, and protests in Hong Kong.

North Korea's series of ICBM tests carried out in 2017 were imprinted in the minds of American citizens as a major threat to the security of the U.S. mainland. U.S. public perception of North Korea as a national threat was temporarily weakened in the wake of the North Korea-U.S. summit in Singapore, but has increasingly reinforced again following the stalemate of North Korea-U.S. talks. Given the

consensus between the Democrats and Republicans on the resolution of North Korean nuclear issues, it seems unlikely for the U.S. to leave them unaddressed.

North Korea is seeking its policy of stepping up pressure on the U.S. and strengthening its bargaining power with horizontal nuclear advancement, through which the North attempts to improve its missile technology and increase its nuclear stockpiles within the scope of the moratorium on nuclear and ICBM tests. As a result, North Korea's such actions could lead to the rise of negative perceptions of North Korea within the U.S. and become an obstacle to North Korea-U.S. talks.

### 3. Direction of Policy on North Korea and Unification

With President Moon soon entering the second half of his term in office, the peace process on the Korean Peninsula which had gained momentum in 2018 has levelled off. Despite the third North Korea-U.S. summit at Panmunjeom, the gap in stance on denuclearization between North Korea and the U.S. has not yet narrowed. While North Korea focuses on protesting with its weapons demonstration and denouncing of South Korea, there is a possibility that the current situation surrounding the Korean Peninsula could continue for the time being given the ongoing impasse in North Korea-U.S. denuclearization talks.

#### ■ The Need to Maintain Current Medium to Long-Term Policy Direction

Going forward, the current policy direction on North Korea and unification issues should be maintained from the mid- to long-term perspective, instead of pursuing short-term achievements. Since March 2018, Chairman Kim Jong Un has participated in 12 summits including three inter-Korean summits, three North Korea-U.S. summits, five North Korea-China summits and one North Korea-Russia summit, showing his commitment to achieving denuclearization through dialogue. Given that Chairman Kim has set the deadline for negotiations at the end of this year, it is highly unlikely that the denuclearization talks would fall apart in the short-term. In particular, North Korea has set a national policy goal of mobilizing all available means for economic development, the implementation of which requires

the North to make progress in denuclearization. Furthermore, the tour to Mt. Geumgang and the Gaesong Industrial Complex project have already proved that North Korea's economic development necessitates cooperation from South Korea. In this regard, South Korea should prepare policies on North Korea and unification from a mid- to long-term perspective while seeking the establishment of a peace economy to realize the New Economic Map Initiative for the Korean Peninsula.

### ■ Seeking Measures in Response to North Korea that Prioritizes the U.S. over South Korea

Counter-measures must be established in response to North Korea's position of prioritizing the U.S. over South Korea while fundamentally maintaining mutual trust between the two Koreas. For about a year since early 2018, North Korea simultaneously pursued a strategy of improving inter-Korean and North Korea-U.S. relations and making progress in inter-Korean exchange and national security issues. Recently it has started to exclude South Korea from negotiations and use weapons demonstrations as an attempt to ramp up pressure on South Korea. However, this is not an attempt to deny the usefulness of inter-Korean relations, rather it can be seen as a result of having realized the limits of inter-Korean relations in the absence of progress in North Korea-U.S. relations. Therefore, it is important to reassure North Korea that its shift in stance on denuclearization and inter-Korean relations shown from last year to early this year was the right decision. To that end, direct and indirect channels that can help build trust with North Korea should be maintained and humanitarian cooperation should be continuously pursued.

### ■ Securing Role of Promoter for Resolution of Issues on the Korean Peninsula

The ROK government played an important intermediary role in the three rounds of North Korea-U.S. summits held in Singapore, Hanoi, and Panmunjeom. Considering the ongoing distrust between the U.S. and North Korea, South Korea still has a role to play and assumes the responsibility of following through on our

own strategic goals in implementing the peace process on the Korean Peninsula. Most importantly, efforts must be made to ensure that North Korea and the U.S. reach an agreement at an initial stage of denuclearization talks so that the denuclearization process enters an irreversible phase. A creative approach is required to achieve this goal, one of which includes South Korea and the U.S. to jointly prepare an effective set of corresponding measures in return for North Korea's denuclearization. A various combination of Yongbyon plus alpha could be set up in North Korea's early timetable for denuclearization: keeping the complete dismantlement of the Yongbyon nuclear complex as a minimum prerequisite of freeze measures, defining the concept of denuclearization, and providing a timeline for denuclearization. In this case, a combination of realistic corresponding measures in early stage could be resuming Mount Geumgang tours, reopening the Gaesong Industrial Complex and lifting the May 24 measures on South Korea's part while the U.S. could consider opening a liaison office and agreeing to an end-of-the war declaration (peace declaration).

### ■ Opening Door to New Korean Peninsula Regime

Efforts to achieve the New Korean Peninsula Regime through the peace process on the Peninsula should continue from the mid- to long-term perspective. The New Korean Peninsula Regime is the goal of a long-term national vision that will open a new chapter in history. It will allow the two Koreas to achieve unification by implementing the Korean National Community Unification Formula step-by-step based on the establishment of a peace regime and denuclearization on the Korean Peninsula. This will contribute to bringing peace and prosperity to the world going beyond the Korean Peninsula and East Asia. The Moon administration needs to concentrate on establishing an irreversible entry into the New Korean Peninsula Regime. And the first step would be the promotion of a peace economy based on the pursuit of denuclearization and a peace regime. ©KINU 2019

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