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# Toward a Genuine Liberation: The Need for a Discussion on the Korean Commonwealth

**Lee, Moo Chul**

(Research Fellow, Unification Policy Research Division)

To move toward a ‘genuine liberation,’ as emphasized by President Moon Jae-in on the 75<sup>th</sup> anniversary of the National Liberation Day, it is necessary to devise strategies to overcome frozen inter-Korean relations and to discuss in-depth about the Korean Commonwealth as a means of institutionalizing inter-Korean relations and preparing for unification. The Korean Commonwealth should be established first as an inter-Korean institution of peaceful coexistence and cooperation for maintaining a tentative unification and eventually as a formula of actual unification in a federal or unitary system. In this manner, the Korean Commonwealth should be taken as a political process of creating a realistic framework for coexistence and cooperation rather than a complete institution. In the same light, unification prospects should not rely on the dichotomy between confederation/federation or division/unification (separation/integration). Instead, it calls for an institutional imagination to come up with unprecedented forms of coexistence and integration.

75 years after national liberation, the state of affairs surrounding the Korean Peninsula exhibits new threats and challenges. The North Korea–U.S. denuclearization negotiation has halted after the second North Korea–U.S. Summit in February 2019 and the subsequent October working–level talks fell apart. The inter–Korean stalemate

also continued with North Korea's demolition of the Kaesong Inter-Korean Liaison Office in June. The peaceful mood was ephemeral, and inter-Korean relations is once again repeating the pattern of 'improvement → stagnation and suspension → deterioration.' In light of the situation, President Moon Jae-in has repeatedly suggested cooperating on prevention measures, joint management of adjacent rivers, and in the field of medical and forestry. He also expressed his hope "to see a breakthrough in promoting co-prosperity and peace to achieve a life community along with communities for peace and economic prosperity."

Ever since the Korean War, the two Koreas have coexisted under hostile conflict and contestation. They paid a sizable cost in having maintained the hostile coexistence and unstable peace. If the two Koreas can maintain a neutral relationship instead of a hostile one, maintaining the divided status quo can be one option to consider. However, unless the two Koreas give up on unification, transitioning from a hostile coexistence with sustained fear and threat of war to a peaceful coexistence will be an inevitable priority for both Koreas. Hence, President Moon Jae-in also emphasized that "South and North Korea are one community when it comes to life and safety" and "genuine liberation can be achieved when the dreams and lives of each and every one of us are guaranteed on a unified, peaceful and safe Korean Peninsula."

### **Toward Peace and Joint Prosperity in the Korean Peninsula Through Discussions on the Korean Commonwealth**

To pursue unification based on the peaceful coexistence between the two Koreas, inter-Korean relations must be institutionalized to endure any internal and external conditions or unexpected variables and, accordingly, to guarantee sustainability and predictability. However, institutionalizing inter-Korean relations is inevitably connected to the discussion of unification because the development and institutionalization of inter-Korean relations include not only the reconciliation and cooperation stage presented by the Korean 'National Community Unification Formula' but also the Korean Commonwealth stage. Hence, to pursue 'genuine liberation' that

President Moon Jae-in has emphasized on the 75<sup>th</sup> anniversary of the National Liberation Day, the two Koreas ought to find a breakthrough for the current stalemate and discuss in-depth about the institutionalization of inter-Korean relations and the Korean Commonwealth as preparatory steps for unification.

The two Koreas have already agreed to pursue unification by acknowledging at the 2000 Inter-Korean Summit that a confederation and a federation on the low level have commonalities, and they also agreed in the two 2018 joint declarations to pursue unification based on peace and prosperity. Both confederation and federation on the low level assume the sustenance of the current political systems and institutions in both South and North Korea. However, according to the ‘National Community Unification Formula,’ the Korean Commonwealth stage is a transitional stage rather than the final result; North Korea’s federation on the low level is also a transitional stage. Hence, the two Koreas perceive each other’s unification formula as ‘unification through communization’ and ‘unification by absorption,’ accordingly.

With the shifting domestic and international environment, the need to revisit the unification formula including the Korean Commonwealth has been continuously suggested. Recently, scholars have pointed out that the National Community Unification Formula is a 20<sup>th</sup> century invention unable to cope with the changing domestic and international environment of the 21<sup>st</sup> century and that reorganization of unification formula is necessary.<sup>1)</sup> Internationally, amid the acceleration of globalization, the strategic competition between the U.S. and China is predicted to structurally change the international order. Recently, how the post-COVID-19 era will affect international political and economic order has become a topic of interest. In the Korean Peninsula, the prolonging of the North Korean nuclear problem has intensified the ‘internationalization of the Korean Peninsula problem.’ In the process, the discrepancy in national power between the two Koreas has grown. North Korea recently emphasized the ‘state’ over the ‘nation,’ focusing on establishing system

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1) See The Ministry of Unification-Korea Institute for National Unification. September 9, 2020. “The Meaning of the 30<sup>th</sup> Anniversary of the Korean National Community Unification Formula and Future Tasks,” Conference Proceedings for the 30<sup>th</sup> Anniversary of the Korean National Community Unification Formula Conference. (in Korean)

and state identity. South Korea is also witnessing a decrease in ethnic consciousness and shifting toward a multinational and multicultural society. In addition, with the national structure becoming permanent, the prolonging of the North Korean nuclear problem led the South Korean society to value peace over unification. In other words, changes in the domestic and international environment surrounding the Korean Peninsula are inevitably forcing the two Koreas to revise and supplement their initial unification formula.

### **Applying the Debate on Confederalism and Consociationalism to the Korean Peninsula**

The following factors should be considered in revisiting the issue of the Korean Commonwealth that reflects the changes in domestic and international environment and the peculiarity of inter-Korean relations.

First, the two Koreas should consider and supplement the (neo)functionalist unification theory, which makes up a theoretic basis of the Korean Commonwealth. The National Community Unification Formula had been devised on the basis of a (neo)functionalist unification theory against the backdrop of the global phenomenon at the time, post-Cold War. However, contrary to the expectations on the (neo)functionalist approach, the development of economic cooperation and human exchange, sociocultural cooperation, and intermittent political determination from the leaders of the two Koreas have neither extended to resolving political and military issues nor to peaceful coexistence and integration. The National Community Unification Formula separated the unification process into the reconciliation and cooperation stage and the Korean Commonwealth stage by taking the conflictual and stalemate status quo into consideration and applying (neo)functionalist unification theory. However, the first stage cannot be completed in a set time period. Reconciliation and cooperation require the continued effort of the hostile parties to pursue a new future. Therefore, reconciliation and cooperation are tasks in all stages – the reconciliation and cooperation stage, the Korean Commonwealth stage, and the Unified State stage.

In this sense, it is crucial to devise an institutional framework that guarantees the stability and sustainability of inter-Korean talks, exchanges, and cooperation. In the case of the European Union (EU), the foundation of the (neo)functionalist unification theory, confederation and federation dynamics coexist through institutional development based on both a confederate character and a gradual deepening of ‘supranationality.’ Hence the confederalism debate that is recently garnering scholarly attention should be evaluated in tandem with the (neo)functionalist unification theory to understand its applicability against the case of the Korean Peninsula.

Second, while the initial discussion on the Korean Commonwealth presumes that the two Koreas maintain their systems, it is also oriented toward a unified state with a liberal democratic system. Both the National Community Unification Formula and North Korea’s federation at the low level seek peaceful unification, both also seek unification under their own political system. The two Koreas acknowledged the commonalities in the confederation system and the federation at the low level, but the National Community Unification Formula states that its goal is to build a unified, liberal democratic state through the Korean Commonwealth. In fact, the formation of the Korean Commonwealth through the materialization of peace and economic community presumes that the North Korean system and institutions change into the South Korean system and institutions. Hence, North Korea cannot help but suspect that the formation of the Korean Commonwealth is a process for South Korea to pursue unification by absorption. Without resolving this suspicion, unexpected events or political and military reasons will repeatedly break down any exchanges and cooperation that happen with progressions in inter-Korean relations. Likewise, North Korea’s offer to build a federalist system faces the suspicion that it is a unification strategy for North Korea to seek the communization of South Korea.

To achieve unification, the two Koreas have unrelentingly emphasized their unification formula under the hostile and competitive structure of division. However, considering the North Korean nuclear problem and the dynamics between regional actors including the U.S. and China, neither of the two Koreas can use force to achieve a complete victory. In other words, unification in the Korean Peninsula cannot

happen through force or absorption. Hence, the two Koreas ought to acknowledge each other, develop mutual trust, and arrange negotiations to deconstruct the conflictual structure.

In this light, it is important to turn our eyes toward the studies on consociationalism within the comparative peace process literature which examines the transition from a status of violent conflict to a status of peaceful coexistence. Consociationalism admits the conflictual and competitive stalemate as the reality, acknowledges each involved party as equals in order to transition to peace, and seeks to find ways to share mutual power and interest to coexist peacefully. Considering the divided structure and the domestic and international environment, the principles of consociationalism can be mutually shared between the two Koreas when transitioning from conflict to peaceful coexistence and cooperation.

### **The Need for Institutional Imagination on Various Forms of Confederation and Federation**

Third, in discussing the Korean Commonwealth and unification formula, some distinguish between confederation and federation and stigmatize federalism as a North Korea's exclusive unification formula that is unfit for the Korean Peninsula just because North Korea is arguing for it. In reality, considering the discrepancy in national power and demographics between the two Koreas, North Korea would not easily be able to accept a federal system if South Korea was to suggest it. In other words, the intense systematic and ideological conflict between the two Koreas has led to a complete absence of objective analysis on federalism. However, according to the recent discussion on confederal governance regarding the EU's institutional development, the end goal of integration cannot be posed as a choice between confederation and federation. Rather than clinging to the traditional categorization, recent debates have evolved to consider the 'hybridity' between confederation and federation and the 'hybrid state.'<sup>2)</sup> Hence, the prospects of

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2) Lee, Moo-chul *et al.* 2019. Research on the Korean Commonwealth: Focused on Theoretical

unification in the Korean Peninsula should refrain from the dichotomies between confederation/federation or division/unification (separation/integration) and rely on institutional imagination to come up with various forms of integration nonexistent in the current time and space.

Fourth, discussion on the Korean Commonwealth requires consideration for the sense of difference and the discrepancy in national power that exists due to discrete ideologies and political structures. Unlike other cases of integration based on similar political, economic, and social institutions as well as on shared cultural identities, it is difficult to find common grounds between the two entities with discrete ideologies and structures. Also, the economic disparity between the two Koreas limit the exchange and cooperation between the citizens of the two countries. Considering the circumstances, peaceful coexistence and political integration through the Korean Commonwealth would still face inevitable limitations in the free movement of goods, capital, labor, technology, and people.

Forming the Korean Commonwealth means, like in the case of the EU, providing dual citizenship to the people of the two Koreas. The people will be a nationals (citizens) of South and North Korea and possess the identity as a member of the Commonwealth at the same time. Of course, the citizenship of the Korean Commonwealth supplements, not complements, national citizenship. However, from the current perspective, North Koreans will inevitably shun the free movement of the people. With the discrete system and ideology and the intensified economic discrepancy, they would consider contact between North and Koreans as a threat to the internal stability of their system and prefer a limited and controlled contact. As with the South Koreans, they cannot but think about the potential socioeconomic problems caused by a massive inflow of North Koreans. Hence, in the early phases of the formation of the Korean Commonwealth, the two Koreas will have to institutionalize self-governance and cooperation based on geographical division. They will have to gradually enter into the process of inter-Korean integration.

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Discussions and Foreign Cases (Seoul: Korea Institute for National Unification), p.41. (in Korean)

## **Sequential Consolidation of the ‘Supranationality’ of the Korean Commonwealth: Toward the ‘Interest of the Korean Peninsula’**

Fifth, the two Koreas should consider the fact that the Korean Commonwealth is a bilateral integration between the two Koreas rather than a multilateral confederation of states. The stable maintenance of a confederation of states requires the member states to share collective interests and goals. As seen in the case of Brexit, member states can leave the confederation when national interest conflicts with collective interest. However, in the case of the Korean Commonwealth, a member leaving can lead the bilateral integration to fail. Hence, to develop and achieve ultimate integration, the Korean Commonwealth ought to gradually consolidate its ‘supranationality.’ In other words, the Commonwealth requires a supranational entity that operates beyond national interest to pursue and manage the ‘interest of the Korean Peninsula.’

However, the problem lies in how to construct a supranational institution that makes and executes policy decision in the interest of both Koreas and is both independent and autonomous from individual governments and, at the same time, subordinated to individual governments. Unlike the EU, the Korean Commonwealth is a bilateral union where the members of the supranational institution that represent the interest of both Koreas must be run by the citizens of the two countries. Hence, the beginning stages of negotiation over the character of the institution and the method of electing members and operation will face acute conflict of interests. Regardless, the formation of a confederate governance is the most crucial topic of interest in the process of forming the Korean Commonwealth. In this regard, the process of devising the Korean Commonwealth requires a sequential approach that can enable a gradual development.

If the two Koreas were to agree on the Korean Commonwealth as an institution for peaceful coexistence and cooperation, they have to acknowledge and respect each other’s political existence, system, and character. The acknowledgement and respect means acknowledging each other’s autonomy over the regions they occupy. The Korean Commonwealth should be taken as a



confederation of states in format and a union of states that seek coexistence and integration. In other words, the Korean Commonwealth should be designed first as a tentative condition for unification through institutionalization of peaceful coexistence and cooperation and second as a method of union toward the ultimate goal of a unified country (federalism/unitarism).

### **The Korean Commonwealth as an institution for Peaceful Coexistence and Cooperation and the Strive toward “Open Integration”**

The primary goal of the Korean Commonwealth is to strengthen solidarity between the two Koreas in pursuit of common prosperity through the institutionalization of peaceful coexistence and cooperation, the establishment of a peace regime, and revitalization of exchange and cooperation. Such a foundation may direct the entry into a practical unification stage. The Korean Commonwealth may continue for a long time considering that the ideological confrontation between the two Koreas lasted for more than 70 years and that it would take a considerable amount of time to establish a new identity through continuous reconciliation and cooperation and strengthening of solidarity. Certainly, strong aspirations of people of the two Koreas may make unification proceed rapidly either in the form of federalism or unitarism. In this respect, it may be realistic to first pursue a stable operation of the Korean Commonwealth and to discuss composing a federal or unitary system within the established confederate system.

If the “genuine liberation” mentioned by President Moon Jae-in refers to the unification in the Korean Peninsula, it is necessary to consider the Korean Commonwealth not as a complete institution but rather as a political process to build a stable framework for coexistence and cooperation. Also, it requires a break from the dichotomous framework of looking at the prospects of the Korean unification as between confederation/federation or division/unification (separation/integration) and imagination of various forms of coexistence and integration that have never existed before. In order to overcome the permanent division and move toward a genuine liberation, we must first stand on the grounds of peace and union and strive



toward unification and integration not by focusing on the choice between confederation/federation or forming a unitary country but by focusing on the shared institutional goal of strengthening ‘supranationality’ and ‘open integration.’ ©KINU 2020

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