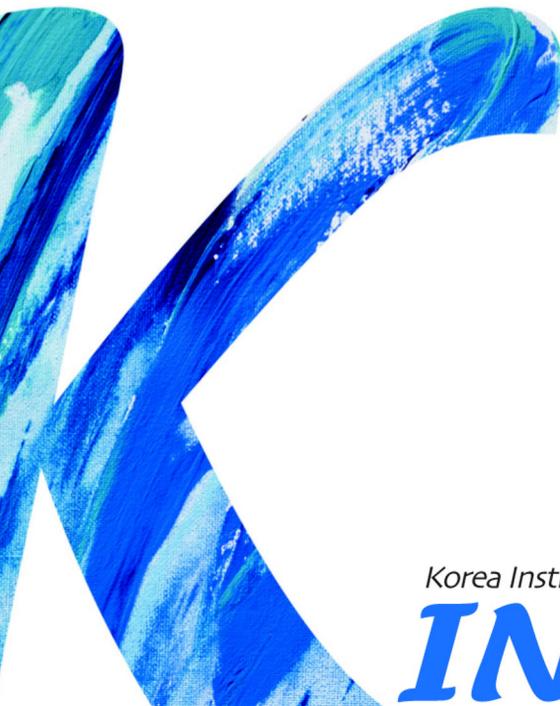


PSI and the South Korean Position

■ by Seongwhun Cheon



Korea Institute for National Unification

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I . Purpose of Study

The PSI, a new policy initiative to win the war against Weapons of Mass Destruction (WMD), was announced by President Bush while he toured Europe in May 2003. This idea was presented on May 31, 2003, in Krakow, Poland, as an international cooperative measure to prevent the worldwide proliferation of WMDs including nuclear, chemical and biological weapons. It was sensed here and there that the PSI was not a mere political offensive but a policy of eliminating WMDs with concrete objectives and a willingness that would be applied. On June 3, 2003, within a week of President Bush's declaration, Assistant Secretary of State for Arms Control John Bolton testified concretizing the concept of the PSI at a House Foreign Relations Committee Hearing. On June 12, eleven countries including the United States held their first secret meeting in Madrid in order to implement the concept of the PSI into the policies of each country. In September 2003, the first exercise of maritime seizure on the high seas was implemented in Australian waters with England, the United States, Japan and Australian navies

participating. Thereafter, additional exercises were held in the Mediterranean and Arabian waters. The number of participating states in the PSI is ever growing.

The reason why the PSI has become important is North Korea. North Korea has been developing WMDs including nuclear weapons, exporting missiles to the Middle East and earning considerable amounts of foreign currency revenue. These actions fundamentally defy the basic goals of the PSI, the prevention of the expansion of WMDs. Even though the PSI does not specifically designate certain states as targets for application, there is no denial that North Korea is the de facto main target for the PSI considering its basic intentions and goals.

The fact that North Korea is at the center of concern regarding the international non-proliferation of WMDs also indicates that the PSI is actually an important initiative that can exert great influence on peace on the Korean peninsula as well as inter-Korean relations. For example, among the essential measures in implementing the PSI there is the ability to interdict on land, sea and air transportation. We can easily imagine a case in which a PSI participant may stop and search a cargo vessel from a North Korean port suspected to have loaded WMDs. During the process, there is always the possibility of an armed clash between military forces of a PSI member country participating in the interdiction operation and a resisting North Korean vessel. Concerns that this might lead to war contributed to the spread of negative perceptions of the PSI in South Korea. The PSI has a series of combative measures that correlate with illegal activities suspected of the North Korean regime including human rights abuses, narcotics trade and counterfeiting. In other words, the PSI's activities appear to have a correlation with addressing North Korean problems.

Despite adverse criticism in terms of international law over the interdiction to stop and search vessels of certain nations on the

high seas, the PSI is rapidly becoming an international norm backed up by wholehearted international support mainly due to rapid changes in the international security order. The changes have proceeded in two different dimensions: one is the growing awareness of the proliferation of WMDs, especially nuclear weapons during the post-Cold War era; the other is growing worries over the possibility of terrorism employing WMDs, particularly after the September 11th attacks on the World Trade Center in 2001.

The fact that the prevention of WMD proliferation is the greatest security issue in the world today along with the fact that North Korea can be found at the center of the problem shows that the PSI intersects both inter-Korean relations and broader international concerns; as such, it has become a critical diplomatic, security and unification issue for South Korea. This fact also points to the fact that the PSI is an important policy concern that can exert great influence on Korean national interests. This study points out this importance of the PSI, analyzes the PSI in detail from historical and policy perspectives, and tries to offer guidelines for response by the South Korean government. Given that a precise and ample understanding of the issue in question is a prerequisite for making and implementing good policies, an in-depth analysis on the PSI is the necessary condition for a Korean PSI policy to be successful.

II. Background, Goals and Development of the PSI

In this chapter, the author will review the contextual background of the birth of PSI, and its goals and origins in general. The PSI has become a predominant issue in international security. The PSI is a policy initiative in which coordinated international efforts among nations to prevent the proliferation of WMD is highlighted. Its importance has been all the more emphasized since the September 11th terrorist attacks. Although the United States was the initial proponent of the PSI by forming a coalition of willing states, it rapidly becomes a de facto manifest of international norms. The Counter Proliferation Initiative (CPI) which was advanced to prevent proliferation of WMDs in the post-Cold War era was the conceptual origin of the PSI. Its legal foundation was UNSC Resolution 1540 adopted to stop the proliferation of WMDs by non-state actors, meaning terrorist groups, after the September 11th attacks. The legal basis for applying the PSI against individual persons and states is the Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation (SUA

Convention) revised in 2005. With regards to North Korea, the PSI was a practical materialization of the idea for a comprehensive approach advanced by Republican policymakers in the United States in March 1999. UNSC resolutions 1695 and 1718 are the legal grounds for applying the PSI to North Korea as a response to its missile test in July 2006 and nuclear test in October 2006.

1. Background

Despite criticism and charges that the interdiction to stop and search vessels with national registry on the high seas violated international law,¹ rapid changes in the international security order helped turn the PSI into an international norm with major support from the international community. The changes in the international security order have proceeded on two different dimensions: one is the growing awareness of the proliferation of WMDs, especially nuclear weapons, during the post-Cold War era; the other is a rising fear about the possibility of terrorism employing WMDs, particularly after the September 11th terrorist attacks in 2001.

A. Post-Cold War Efforts to Stop WMD Proliferation Worldwide

The demise of the Cold War, the collapse of the Soviet Union, and the simultaneous rise of globalization brought about the proliferation and common ownership of technologies and information. During the process, both legal and illegal proliferation of technologies and material related to WMDs took place. It was confirmed that the proliferation of WMDs posed a threat to international peace

¹ Refer to the following articles for legal confusion and limits of the PSI. James Cotton, "The proliferation security initiative and North Korea: legality and limitations of a coalition strategy," *Security Dialogue*, June 2005, pp. 131~211.

and security on January 31, 1992, in a declaration by heads of member states in the UN. In the declaration, permanent member states in the UNSC agreed to make joint efforts to prevent the proliferation of technologies related to research and production of WMDs.² The primary characteristic of WMD proliferation in the post-Cold War era has been the prominence of nuclear weapons and nuclear materials.

B. Rising Fear of the Use of WMDs in Terrorism after the September 11

The September 11th terrorist attack was an event that fundamentally changed Western perception of security, comparable to the Pearl Harbor attack in 1941 which led the United States to enter the Second World War. It was a model case that showed that ordinary means could be effectively used for mass murder so long as the perpetrators had the determination to carry it out. It also sent alarms all over the world that any band of hostile people armed with extreme ideology or religious faith could inflict similar damage at virtually any place of choice. Terror has long been a source of national security threats, yet the September 11th attacks cannot simply be compared to the small-scale terrorist actions of the past in terms of its sheer damage, its ramifications and the fear it fostered. With the attacks, terror became a main security threat and source of instability in the 21st century international order.

A peculiarity in international security after September 11th has been the powerfully persuasive fear that a global disaster is feasible if terrorists possess WMDs such as nuclear, chemical and biological weapons. It was revealed that Bin Laden's organization tried to procure nuclear, chemical, and biological weapons. Cooperation

² *Statement of the Security Council at the Level of Heads of States and Government*, United Nations Security Council, S/23500, January 31, 1992.

related to WMDs is still taking place among the rogue states such as North Korea and Iran, which have engaged in terrorism. Some of them are known to support terrorist groups. An attempt to spread anthrax bacteria through the mail in the United States right after the September 11th attacks reinforced the perception that terrorists were exploiting WMDs as a practical security problem. A series of terrorist bombings in England and Spain after September 11th also aroused awareness of the issue in international society.

C. WMD Proliferation Prevention Measures

Although fear of WMD proliferation has risen in the post-Cold War era, it was after the September 11th attacks that the issue surfaced as the most urgent pending issue in international security today. The perception of the reality that a combination of WMD proliferation and terrorism producing a colossal disaster has become widely spread. Measures at the individual state, bilateral, multilateral, and global levels have been sought and promoted.

At an individual state level, the United States began the Container Security Initiative (CSI) in January 2002. A bilateral measure is epitomized by the many bilateral agreements that the U.S. government has signed with major shipping countries in order to overcome the legal constraints of the PSI for searching national vessels on the high seas. The PSI is a typical multilateral measure. An active discussion is under way in international society to form a new monitoring system to intercept transshipments through the Transshipment Country Export Control Initiative (TECI). As for global measures, there are two international norms: one is UNSC resolution 1540 adopted in 2004 to control WMD proliferation by non-state actors, i.e., terrorist groups; the other is SUA supplemented and revised in 2005 to prevent WMD proliferation by individual states.

2. Goals

Under the basic premise of preventing the proliferation of WMDs, the PSI has been implemented the following concrete goals. First, focus on individual targets such as a rogue state or a terrorist group and block any possibility for them to approach WMDs. Second, intercept and completely block the international WMD smuggling network.

A. Intercept Rogue States' and Terrorist Groups' Access to WMDs

The goal of the PSI is not simply to prevent WMDs from being transferred to rogue states and terrorist groups, but also to eliminate the weapons and related programs and roll the current situation back to conditions when WMD programs did not exist.³ For example, it means that even though rogue states including North Korea and terrorist groups do not transfer WMDs to other countries, the PSI would execute proactive measures to eliminate the weapons and its production facilities that North Korea operates. Assistant Secretary Bolton testified to such a position at a congressional hearing and this aligns with the complete, verifiable and irreversible dismantlement (CVID) principle that the Bush administration upheld at the 2nd session of the six-party talks.⁴

³ *Testimony of John Bolton, Under Secretary for Arms Control and International Security, U.S. Department of State, Committee on International Relations, United States House of Representatives, June 4, 2003, <http://www.house.gov/international_relations/108/bolt0604.htm>.*

⁴ Assistant Secretary Bolton's "visibly, verifiably, and irreversibly dismantle," statement at the congressional hearing, *Ibid.*

B. Quarantine the International WMD Smuggling Network

The PSI would not only focus on certain states contributing to the proliferation of WMDs, but also expands the range of concern and concentrates efforts on interrupting the network and smuggling routes between suppliers and consumers of WMDs. Bolton expressed this as the forward policy on proliferation, and insisted on extending the WMD proliferation front to the supply routes of related materials as well as to the concerned parties,⁵ in addition to rogue states.

President Bush demonstrated this willingness and intention in his address at the National Defense University in February 2004, saying that in order to stop nuclear proliferation it was necessary to have cooperation in information and military fields as well as in the enforcement of the law. He made his intent clear when he stressed that he would exploit the use of international coordination and international organizations like Interpol in particular, saying that he would wipe out organizations that smuggle nuclear material and technology. He also suggested the expansion of the PSI's role to deal with other problems beyond the transfer and transportation of nuclear material.⁶

3. Origin and Development

A. The Clinton Administration

The origin of the PSI can be traced back to the counter proliferation

⁵ John Bolton, "An all-out war on proliferation," *Financial Times*, September 7, 2004.

⁶ *Remarks by the President on Weapons of Mass Destruction Proliferation*, Fort Lesley J. McNair, National Defense University, Washington, D.C., February 11, 2004, <<http://www.whitehouse.gov/news/releases/2004/02/20040211-4.html>>; "Bush's speech on the spread of nuclear weapons," *New York Times*, February 11, 2004.

initiative made by the Clinton administration in the early 1990s. The relationship between the PSI and CPI is reflected the work of the ISN in the State Department. The ISN is in charge of various issues regarding the proliferation of WMDs and one of its major tasks is to implement CPI. One of three concrete and detailed exercises for the CPI is to implement the PSI.⁷

The CPI was a strategic initiative emphasizing the role of the U.S. Defense Department in order to prevent WMD proliferation that became a source of threat to international peace in the post-Cold War era. The CPI employs a variety of comprehensive such as persuasion, diplomacy, arms control, coerced inducement, deterrence, military force—preemptive and preventive strikes, neutralization—and defense. The CPI basically aims at an aggressive and active prevention of the proliferation of WMDs by all means available.⁸ According to a report published by the Office of the Undersecretary of Defense in 1994, the CPI is defined as a role played by the Department of Defense in the comprehensive counter-proliferation efforts of the United States including diplomacy, arms control, export control, information collection and analysis, all of which are executed with a special responsibility to protect U.S. forces and U.S. national interests against the enemy armed with WMD and missiles.⁹ Following this definition, the CPI is a measure enacted at the level of the Defense Department against a possible dispute with a hostile country armed with WMD.

⁷ The other two are to implement UNSC resolution 1540 and to prepare for the danger of WMDs including missiles, <<http://www.state.gov/t/isn/c18879.htm>>.

⁸ Harold Moller and Mitchell Reiss, “Counterproliferation: putting new wine in old bottles,” *Washington Quarterly*, Spring 1995, pp. 143~154.

⁹ Office of the Deputy Secretary of Defense, *Report on Nonproliferation and Counterproliferation Activities and Programs* (Washington, D.C.: The Department of Defense, May 1994), p. 1.

B. The Bush Administration

President Bush, who declared that he would work in a way that would sharply differ from the Clinton administration, made no differences at least in terms of preventing WMD proliferation. We may well consider that Bush inherited Clinton's active prevention policy against WMD proliferation.

In December 2002, President Bush announced a national strategy to fight WMDs in the form of a joint declaration for the National Security Presidential Directive 17 and Homeland Security Presidential Directive 4.¹⁰ In this report, President Bush defined the acquisition of WMDs by a hostile country or a terrorist group as one of the gravest security challenges the United States is facing and emphasized that Washington should implement a comprehensive strategy at all levels in order to block such threats. According to the report, the U.S. strategy to fight WMDs consists of the following three axes: prevention of proliferation to block the use of WMDs, strengthening non-proliferation efforts, and maintenance and countermeasures for the situation caused by the use of WMD. The critical factor of the first axis—blocking proliferation—is interdiction.

Blocking the acquisition of WMDs by a rogue state or a terrorist group is emphasized again in the report “National Strategy to Fight Terrorism,” which readjusted the direction of the war against terror for the White House to continue the policy.¹¹ This report recommended the expansion of democracy as a long-term strategy to win the war against terror and offered four guidelines for action. One of the four guidelines is to block the acquisition of WMDs by a rogue

¹⁰ *National Strategy to Combat Weapons of Mass Destruction* (Washington D.C.: The White House, December 2002), <<http://www.fas.org/irp/offdocs/nspd/nspd-17.html>>.

¹¹ *National Strategy for Combating Terrorism* (Washington D.C.: The White House, September 2006), <<http://www.whitehouse.gov/nsc/nsct/2006/>>.

state or a terrorist group. Concrete means for this goal included denial of access to materials, special knowledge and other abilities to develop WMDs, advanced detection of the transfer of related materials, and deterrence to use WMDs by a terrorist group.¹² This corresponds to the objectives of the PSI. This reports confirms that the PSI is a planned guideline for action and concrete measure to realize the prevention of the proliferation of WMDs which is an essential factor for winning the war against terror.

With regards to North Korea, the PSI is the embodiment of means included in the so-called Comprehensive Approach advanced by Republican policymakers in March 1999 for the settlement of the North Korean nuclear question.¹³ The Comprehensive Approach contains comprehensive and general policy ideas responding to the overall security threat from North Korea under the premises that the Geneva Agreed Framework was necessary but insufficient to address multiple security threats raised by North Korea, and that the agreement could be a starting point but not a final destination. The essence of the comprehensive approach was that after putting all issues including North Korean nuclear development, missiles, conventional arms threat, security guarantees for North Korean regime, and economic aid on the table, the United States, with cooperation from South Korea, China and Japan, would negotiate with North Korea simultaneously offering both carrots and sticks on a larger scale. The six-party talks that would deal with the security guarantee for the North Korean regime is also included in the comprehensive approach. Looking back, a considerable part of the comprehensive approach has been realized as Bush administration's North Korean policy. Yet, the comprehensive

¹² *Ibid.*, pp. 13~14.

¹³ Richard Armitage, "A comprehensive approach to North Korea," *Strategic Forum*, No. 159, March 1999.

approach included not only carrots and negotiations with North Korea. It prescribed the promotion of a comprehensive negotiation, but it also recommended reinforcing a blockade, using deterrence as well as considering a preemptive strike against the North if necessary, when negotiations failed. As a means to reinforce deterrence and a blockade, the approach recommended interdiction of North Korean vessels known to carry missiles on the high seas.

III. A Three-Dimensional Analysis of the PSI

In this chapter, the author analyzes the PSI from the perspective of three major foreign policy tools the United States has been employing to maintain hostile countries and entities: containment policy, coercive diplomacy, and deterrence strategy. First, it is possible to interpret the PSI as a part of “tailored containment,” that is, an adjusted version of the containment policy the United States has been employing to control the expansion and hostile actions of the Soviet Union during the Cold War to North Korea. Second, the PSI can be seen as part of a coercive diplomacy using coercion and pressure, though non-military, in order to make the opponent do as they wish. It thus works as a strategy of high pressure against rogue states and terrorist groups including North Korea that surfaced as new sources of security threats in the 21st century, while sharing traditional features of U.S. diplomatic and security strategies. In this regard, the PSI functions as one of three axes of pressure against North Korea including a call for human rights and financial sanctions. In other words, the PSI, addressing

human rights issue and financial sanctions are a coercive strategic triad against North Korea. Third, the PSI is part of a more proactive deterrence policy than traditional deterrence which deters enemy attack by forcibly proving that the enemy will be faced with overwhelming retaliation if it dares to attack. Traditional deterrence allows the enemy to build itself up with arms, while the PSI proactively interdicts the enemy's acquisition or transfer, denying them the ability to build WMDs. In this sense, the PSI is a part of aggressive deterrence strategy.

1. Tailored Containment

A. Containment under the Cold War

Containment is a diplomatic and security policy adopted by the US when the Cold War system began to be built between the United States and the Soviet Union, pitting democracy against communism after the Second World War. An 8,000-word report to Washington by George F. Kennan in the U.S. embassy in Moscow on February 22, 1946 offered a conceptual basis for the containment policy.

The basic objective of the containment policy as thought out by Kennan was to induce enemies, allies and U.S. citizens alike to adopt an attitude that allows the promotion of an international order favorable to the U.S. For this, Kennan thought that the following measures in three stages were needed: first, restore the self-confidence of Western European countries and the balance of power in Europe; second, induce conflicts between the Soviet Union and its neighbors and induce the reduction of the Soviet's international influence through conflicts; third, induce changes in the Soviet perception of international affairs and promote solutions to problems through dialogue.¹⁴ Kennan wanted to mobilize various means—political, economic, psychological, and military—to contain Soviet expansion.¹⁵

From the Truman administration (which witnessed the start of the Cold War) until the Bush administration (after the Soviet Union's collapse), every U.S. administration has implemented the containment policy at large. Yet regarding the targets and the means for containment, there have been wide conceptual differences depending on each administration.¹⁶

B. Containment in the Post-Cold War Era

Even though the major targets of containment have been faded into history and the international society entered the post-Cold War era, the basic concept of containment is not entirely eliminated in U.S. foreign and security strategy. For example, an actual containment is currently maintained against the neighboring state of Cuba. Even though its scale is not as grandiose as the one applied to a great enemy like the Soviet Union in the past, the possibility of taking up the concept of containment to prevent the dangerous proliferation of WMDs is ever-present. Yet, the containment of the post-Cold War era has the appearance of a tailored containment that can adjust the contents and means depending on the characteristics and situation of an individual target. International society today became much more complicated than before with its diversified threat sources, and thus a one-size-fits-all containment was judged to be unrealistic and gave way to tailored containment.

C. Tailored Containment for North Korea

Tailored containment of North Korea was the negotiated result

¹⁴ John Lewis Gaddis, *Strategies of Containment: A Critical Appraisal of American National Security Policy during the Cold War* (Oxford: Oxford University Press, 2005), p. 35.

¹⁵ *Ibid.*, p. 97.

¹⁶ *Ibid.*, p. 259.

of the clash between doves who supported dialogue with North Korea in regards to the nuclear crisis and hawks who sought collapse of the regime after the inauguration of the Bush administration.¹⁷

The basic intention of the tailored containment was to induce North Korea to give up its nuclear weapons through threat of sanctions, seizure of North Korean vessels carrying missiles, and reduction of economic aid. Of course, it also included the position that the United States would be willing to negotiate if North Korea gave up its nuclear weapons development. It seems clear that the tailored containment policy offered wider room for the Bush administration to maneuver through the use of a variety of means. Yet, as some critics pointed out, tailored containment does not foster or induce the collapse of the North Korean regime. Kennan's basic intention, as the creator of containment policy, was not to induce the collapse of the Soviet Union but to foster a gradual change within the Soviet system. Kennan emphasized that the traditional principle of U.S. foreign policy is not to interfere with an opponent's internal politics.¹⁸

In October 2002, when it was revealed that North Korea was operating an HEU program, the United States responded by suspending heavy oil shipments to North Korea. It was the first measure to pressure North Korea based on the tailored containment policy.¹⁹ The closing of the LWR project was another decision on the same direction. In April 2003, when the North Korean delegate raised the possibility of the North possessing a nuclear weapon and threatened to test its after the failure of three-party

¹⁷ Glenn Kessler, "U.S. has a shifting script on N. Korea," *Washington Post*, December 7, 2003, p. A25.

¹⁸ John Lewis Gaddis, *Strategies of Containment: A Critical Appraisal of American National Security Policy during the Cold War*, p. 30.

¹⁹ Michael Gordon, "U.S. readies plan to raise pressure on North Koreans," *New York Times*, December 29, 2002.

talks with the United States, North Korea, and China, the United States seemed to promote the six-party talks including South Korea, Russian, and Japan, while at the same time actively revealing their tailored containment policy to increase pressure on North Korea.²⁰

Tailored containment employed various means other than the PSI. The Bush administration raised issues of human rights, counterfeit production and distribution, and money laundering in foreign countries as part of its containment policy against North Korea. According to a study, North Korea is known to raise considerable sums of foreign currencies through various illegal trades.²¹ For example, it is estimated that North Korea earns from \$15 million to \$100 million a year in counterfeit printing and distribution, and from \$80 million to \$160 million by selling counterfeit brand cigarettes. As of April 2005, U.S. experts estimated that North Korea earned around \$500 million through various illegal activities. The sum is equivalent to North Korean earnings from arms exports, some 30~40 percent of its foreign currency income from regular foreign trade.

It is true that the containment policy pressing North Korea greatly lost momentum after the February 13th Agreement of 2007. The United States itself weakened the tailored containment by helping to transfer \$25 million in frozen North Korean accounts at the Banco Delta Asia, even using the Federal Reserve Bank in New York. Moreover, UN Security Council Resolution 1718, adopted right after the North Korean nuclear test, underwent difficulties in implementation. Yet, the policy change in the Bush administration that resulted in the February 13th Agreement seems to be more tactical than strategic.²² The tailored containment policy thus wears

²⁰ Gleen Kessler, "U.S. has a shifting script on N. Korea."

²¹ Sheena Chestnut, "Illicit activity and proliferation," *International Security*, Summer 2007, pp. 80~111.

²² Refer to the Korean version of this article chapter IV 1 as for the nature

a present progressive form. The Russian announcement on May 31, 2007 that it would apply sanctions against North Korea to fulfill its commitment to UNSC resolution 1718,²³ seems to be a very important decision that could add support to U.S.'s tailored containment if the six-party talks falter and sanctions on North Korea resume.

To sum up, the PSI has its roots in the CPI which began in the early 1990s during the Clinton administration when WMD proliferation began to surface as a grave issue in the post-Cold War era. It is based on a comprehensive approach to North Korea made by Republican policymakers who recognized the problems in Clinton's appeasement policy toward the North. It is also considered to have developed through the tailored containment policy designed to put pressure on rogue states and terrorist groups including North Korea. The PSI is a practical means of implementing tailored containment that finds appropriate responses to ever-changing situations with the manifest objective of preventing the proliferation of WMDs.

2. Coercive Diplomacy

A. Characteristics of Coercive Diplomacy

Coercive diplomacy is a conventional means of diplomacy that mobilizes armed forces to influence one's opponent to act in a way favorable to oneself.²⁴ Coercive diplomacy is a means for containment policy or deterrence policy. The objective of coercive diplomacy is not to seize or threaten one's opponent but to persuade

and degree of policy changes in the Bush administration that influenced February 13 Agreement.

²³ *Yonhap News*, May 31, 2007.

²⁴ Donald Daniel, *et al.*, *Coercive Inducement and the Containment of International Crisis* (Washington, DC: United Institute of Peace, 1999), p. 22.

it. It is part of ongoing efforts to influence an opponent's behavior through the use of political, economic, diplomatic and military means.

Generally, coercive diplomacy is effective through the display of one's military prowess. The more solid the will and ability to use armed force, the greater the trustworthiness of the policy. Even when armed forces are used, it is normal to put limits on the use of force in order to reduce damage. Typical examples of the coercive diplomacy include the international efforts to repel the Iraqi invasion of Kuwait, and to search and eliminate Iraqi WMD development programs. Such pressure against Iraq was a part of foreign and security policy based on containment and deterrence.²⁵

B. Types of Coercive Diplomacy

The spectrum of coercive diplomacy is very wide, and its means diverse. There are many arguments as to what constitutes coercive diplomacy. Some argue for a wider concept of coercive diplomacy covering the entire spectrum, while others distinguish coercive diplomacy from other forms depending on the nature of the means employed even though all share the common characteristic of coercion. This study offers a wider concept of coercive diplomacy with the following three concrete policies, even though upholding the basic objective to accomplish its goals through coercion.

First is a narrow meaning of coercive diplomacy with its focus on the use or threat of use of armed force. Though inducements such as compensation are included, the core of this definition is the use or threat of use of armed force.²⁶ Second is coercive

²⁵ Jon Alterman, "Coercive diplomacy against Iraq, 1990~98," in Robert Art and Patrick Cronin, eds., *The United States and Coercive Diplomacy* (Washington, DC: United States Institute of Peace, 2003), p. 294.

²⁶ Robert Art, "Introduction," in Robert Art and Patrick Cronin, eds., *The*

inducement that emphasizes the aspect of requiring the opponent to observe international norms. A study shows that in coercive inducement, the international society relies on pressure or powerful persuasion to implement international norms.²⁷ Third, coercive attempt is a policy that places pressure on the opponent using non-military means, and prohibits the use of or the threat to use armed force.²⁸

In order for coercive diplomacy to succeed, one should discern and grasp that which is cherished or valued by the enemy, or that which the target is sensitive to respond to, and/or a pressure point that places the opponent's major interests at stake. From the perspective of the user of coercive diplomacy, the key pressure point is that which can deliver an impact to the opponent without high costs.²⁹ A common feature shared by all three policies above is the "coalition of willing." A collective security organization such as NATO or a military alliance such as the Korean-U.S. military alliance is semi-permanent and maintained through within the legal framework of a treaty, whereas the coalition of willing is formed for a limited time with an objective to solve a pending issue.³⁰

C. The PSI and Coercive Diplomacy

Given that the PSI is a behavior implementing international

United States and Coercive Diplomacy (Washington, DC: United States Institute of Peace, 2003), p. 7.

²⁷ Donald Daniel, *et al.*, *Coercive Inducement and the Containment of International Crisis*, pp. 21~23.

²⁸ Robert Art, "Introduction," p. 7.

²⁹ Daniel Byman and Matthew Waxman, *The Dynamics of Coercion: American Foreign Policy and the Limits of Military Might* (Cambridge: Cambridge University Press, 2002), p. 44.

³⁰ Conversation with Professor Choi Jong-cheol, National Defense College, July 18, 2007.

agreement and norm designed to prevent the illegal proliferation of WMDs and related equipment which does not exclude the use of force if necessary (though it does not presume the use of force), the PSI can be defined as a policy that is close to coercive inducement as it falls short of the narrow sense of coercive diplomacy, but has a stronger means of pressure than coercive attempts.

In order for the PSI to be successful, it is important to find and attack the target's pressure points. The key point of the PSI is not the means employed to achieve goals but finding out and exerting influence on the pressure points. For example, the North Korean pressure point is its leadership's decision-making process regarding the nuclear development.³¹ UNSC Resolution 1718 is also a coercive attempt to find the North Korean regime's pressure point. These examples show that we should focus the PSI on the decision-making process that leads the regime's development and export of WMD and missiles in order to induce North Korea to give up such a course of action. From such a perspective, it is important to understand that the focus of the PSI is not on the search or seizure of vessels, a point that has made many people worry about the possibility of a war erupting.

The PSI can be an appropriate means to attack North Korean pressure points because it can cut off the foreign currency income that North Korea earns through the proliferation of WMDs. Earnings from exporting WMD are a lifeline to extend the survival of the economically exhausted regime. Thus, the PSI is an effective means to achieve the international society's goals as well as to induce positive change from the regime by applying pressure to its sources of tangible income. By the same token, the article in UNSC Resolution 1718, adopted unanimously after the North Korean

³¹ *Ibid.*

nuclear test, bans the export of luxury goods to North Korea. This is a typical example of capturing a North Korean pressure point, in this case, reducing and limiting the radius of action for the North Korean regime to sustain itself by giving extravagant gifts to its supporters.³²

The PSI shares the same attributes as coercive diplomacy in that it is also a coalition of willing. This is not an international treaty or agreement, nor is it necessary for anyone to sign a document to join its actions. By simply agreeing with the PSI's intentions and purposes and expressing that one wants to participate in its actions, any nation can join the PSI by simply expressing an intention to stand along with other countries. The level and shape of participation varies depending on the country's situation and position.

For example, Japan joined the PSI at its first meeting in June 2003 and held the interdiction drill twice in its territorial waters; South Korea, on the other hand, only sent observers to the interdiction drill held in and beyond adjacent waters, welcomed experts who explained the actions, and participated in briefing sessions on expert groups. South Korea does not participate in official drills, interdiction drills and does not provide material support for such drills in and beyond waters adjacent to Korea. Yet, South Korea continues to participate in WMD interdiction exercises held during the U.S.-Korean joint military exercises. South Korea decided to join only five out of the eight types of participation.³³ In late October 2006, it sent observers to land and sea interdiction exercises held in the Persian Gulf for the first time. Considering the PSI as a coalition of the willing, the argument

³² *Ibid.*

³³ Decided at NSC meeting at the Blue House, *Dong-A Il-bo*, January 25, 2006.

that South Korea should not participate in the PSI because of a possibility of war on the peninsula or because of the North Korean position is an absurd conclusion based on narrow-minded reasoning.

3. Aggressive Deterrence

Aggressive deterrence can be broken down depending on the target of deterrence, whether the target has a completed WMD or related parts and equipment. The PSI is a practical means of aggressive deterrence. When it interdicts a completed WMD, it is functioning as a means of preemptive deterrence. When it interdicts related parts and equipment, the PSI functions as a means of preventive strategy.

The difference between preemption and prevention also depends on how imminent the opponent's attack is.³⁴ The preemptive strike attacks first as a means of self-defense when the enemy's attack is imminent. Such a preemptive strike seeks to cut off a clear and urgent threat and has been allowed under international law. On the other hand, a preventive attack is an attack in response to a perceived threat that may or may not occur at some undecided time in the future. Because the degree of threat is unclear, nor its timing imminent, a preventive attack is seen more as a naked show of force than as self-defense,³⁵ and thus it was hard for a preventive attack to gain legitimacy in international community.

A. President Bush's Address at the West Point

In his address at West Point in June 2002, President Bush pointed

³⁴ John Lewis Gaddis, "Grand strategy in the second term," *Foreign Affairs*, January/February 2005, p. 4.

³⁵ David Sanger, "Bush appears to back down on arms claim against Iraq," *New York Times*, January 28, 2004.

out that the September 11th attacks were possible at a budget of only a few hundred thousand dollars, less than the price of a tank. He added that the gravest danger to freedom lies at the crossroads of radicalism and technology.³⁶ Defining rogue states and terrorist groups armed with WMDs as a new and serious threat, President Bush raised the necessity of acting swiftly, saying that the United States cannot wait until the threat manifests itself in detail.³⁷ He asserted that defensive posture cannot win the war against terror and that he would bring the war to enemy, foil the enemy's plan, and face the enemy before the worst threat becomes a reality. He insisted that the only road to security is action and hinted that he would adopt an aggressive strategy. President Bush stated that America should adopt a forward-leaning approach with decisive thinking and prepare preventive actions for the sake of security.³⁸

B. 2002 National Security Strategy

A report on national security strategy published in September 2002 outlined the Bush administration's basic position and implementation regarding strategy.³⁹ Reflecting the experience of

³⁶ "Bush's United States Military Academy graduation speech," *Washington Post*, June 2, 2002.

³⁷ Secretary of Defense Donald Rumsfeld also revealed on June 6, 2002 to NATO member countries that he would not wait for an absolute proof before begins to act against the terrorist groups and rogue states. Thomas Ricks and Vernon Loeb, "Bush developing military policy of striking first," *Washington Post*, June 10, 2002, p. A01.

³⁸ The position that the United States would launch a preemptive strike against the enemy threat differs greatly from the Bush's campaign comment that it was necessary to limit the target to those regions of U.S. strategic interest. Preemptive strategy requires enhancing military mobility and flexibility as well as a change in the paradigm of the war. Mike Allen and Karen DeYoung, "Bush: U.S. will strike first at enemies," *Washington Post*, June 2, 2002, p. A01.

the September 11th attacks, the report stressed a powerful response to global threats of terrorism. The report announced that it had taken almost ten years to grasp the reality of the new threat and revealed that the United States would not allow its enemy to strike first in a reactive posture as in the past; instead, it would weigh and consider the objectives of rogue states and terrorists, any inability to deter the enemy, the urgency of the threat, and the scale of damage that the enemy would inflict. Bush also emphasized that even though he would seek the support and coordination of the international community in terrorism prevention, he would not hesitate to act unilaterally to exercise the right of self-defense through a preventive strike if necessary.

C. Defense Planning Guidance 2004~2009

The Defense Planning Guidance made in July 2002 is a secret document containing guidelines for an increase in defense capability and for the use of the defense budget. The Defense Planning Guidance focused on the developing and implementing the doctrine of an unannounced preemptive attack that Bush hinted at in his West Point address in June 2002.⁴⁰

D. Combining Preemption and Prevention

The Bush administration adopts the use of a preventive attack as part of its official security strategy in addition to its existing deterrence theory. People evaluate the strategy as disguising preemption with prevention. Professor Gaddis has pointed out that under

³⁹ *The National Security Strategy of the United States of America* (Washington, D.C.: The White House, September 2002).

⁴⁰ John Hendren, "High-tech strategy guides Pentagon plan," *Los Angeles Times*, July 13, 2002.

ever-increasing pressure for post-September 11th security, the preemptive attack against Iraq is actually a preventive attack. The war in Iraq is a preemptive attack for the purpose of prevention.⁴¹ President Bush's West Point address made clear that he would not wait until the terrorist's threat to materialize, and the war in Iraq is a case in which a preemptive attack with a preventive intention has been applied.

From this perspective, the PSI is a policy tool that suits the Bush administration's new concept of security. Under the basic premise of advance deterrence against the attack from a hostile power, the PSI fuses preemptive deterrence and preventive deterrence. If the target of deterrence is a completed WMD, the degree of its threat is clear and imminent and justifies the application of preemption. On the other hand, if the target of deterrence is parts and equipment related to a WMD, the degree of threat is not ripe enough for an attack and thus prevention is applied.

This study defines the concept of fusing preemptive deterrence and preventive deterrence as aggressive deterrence, and diagnoses the PSI as an essential policy tool for U.S. foreign and security strategy. This reveals a paradigm change after September 11 and functions as a practical tool to realize aggressive deterrence strategy in the real world.

⁴¹ John Lewis Gaddis, "Grand strategy in the second term," pp. 4~5.

IV. Level of Participation and Gains and Losses

Even though the South Korean government has decided on limited participation by taking a lukewarm position on the PSI as of November 2007, it is necessary to make a more specific and focused review in terms of national interest. With regards to the PSI, this chapter is categorized into three parts: “non-participation,” “full-scale participation,” and “partial participation.” These parts are then analyzed along the merits and deficiencies of each category in terms of national interest.

1. Non-participation

A. Gains

The benefits through non-participation are mainly limited to continuing the inter-Korean relationship by not provoking North Korea. Namely, the PSI is able to maintain the scope and level of inter-Korean relations by separating the inter-Korean relationship

from the global pressure against the North and preventing mutual relations from deteriorating. In addition, it can prevent negative public concern and anxiety by avoiding a worsening relationship between the two Koreas and can be furthermore calculated to deter side effects that arise from a damaged economy.

B. Losses

Aside from the inter-Korean relationship itself, there is expected to be much loss throughout the nation. Considering that the PSI means a “solidarity of countries with the same purposes” where the major countries of the world participate, it is highly likely that diplomatic gains would be seriously damaged. A less assertive South Korea that does not participate when other Western major countries do indicates that the South has become isolated in global society.

South Korea’s non-participation in the PSI would lead global society to suspect that the South Korean government is going against global norms and standards by recognizing North Korea’s WMD in the name of ethnic collaboration. Thus, there is concern whether distrust toward the South Korean government would worsen and international support would drop. South Korea’s diplomatic gains would be damaged in the short term and could be an impediment to a South Korea-led unification that we expect in the mid- to long-term.

Non-participation may also embarrass the South Korean government domestically and abroad. For example, were a North Korean ship or plane to be captured near the Korean peninsula, albeit on the open sea or in open airspace, the South Korean government would find itself in a dilemma. In addition, non-participation in the PSI runs counter to the South Korean government’s foreign policies based on arms reduction and nonproliferation, and deprives the

government of an opportunity to share sensitive information among developed countries.

Thus, non-participation in the PSI is by no means advisable for the development of the South Korea-US alliance. As an ally of the United States, this would cause serious damage to the relationship at a time when Washington is calling for its world allies to cooperate and join them in pursuing the goal of WMD non-proliferation. In particular, in consideration of the fact that there has been much discord and ruptures over the North Korean nuclear issues between South Korea and the United States in the last decade,⁴² non-participation would not only add more fuel to tensions and would negatively affect cooperation efforts to resolve the nuclear problem as well.

Consequently, non-participation in the PSI would clearly show that the South Korean government prefers the inter-Korean relationship and ethnic cooperation to the South Korea-U.S. relationship and international cooperation. In addition, South Korea's refusal to join the PSI while other member states of the six-party talks such as the Japan and Russia step up to the plate may cause South Korea to weaken its position in the course of establishing a cooperative system toward North Korea at the six-party talks.

2. Full-Scale Participation

A. Gains

A full-scale participation in the PSI would mean that the South Korean government's policies toward North Korea are focused on using a stick-and-carrot approach, while seeking mixed pressure and an appeasement strategy. Maintaining a tone based on dialogue

⁴² Cheon Seongwhun, "North Korea and the ROK-U.S. security alliance," *Armed Forces and Society*, Fall 2007, pp. 5~28.

and cooperation such as inter-Korean dialogue, humanitarian assistance toward the North and multilateral talks to resolve the nuclear issues in the North, South Korea would at the same time be promoting change in the North Korean behavior pattern by seeking a coercive strategy against the North through the PSI. It is expected that a proper mix of pressure and appeasement may lead the North to make a constructive change internally and would play a positive role in rapidly resolving the North Korean nuclear problem.

The stick-and-carrot strategy is neither a contrary nor contradictory concept in the negotiations between the states,⁴³ but a vehicle used to raise the negotiation. The strategy is a complementary asset of the negotiation used so as to achieve the goals of the negotiation effectively and efficiently according to the situation. In particular, it is generalized common sense in that it needs a strong power to deal with a sensitive issue in security terms such as military negotiations. In sum, all negotiations and in particular, the negotiation of dealing with security threats, should be proceeded on the basis of power, and strong economic and military strength alike must be valuable assets in leading the counterparts to do what we want. Vaclav Havel, former president of the Czech Republic, also said that, “Decisiveness, perseverance and negotiations from a position of strength are the only things that Kim Jong Il and those like him understand.”⁴⁴ The effects of a new strategy toward the North were confirmed by an American expert who participated in the

⁴³ William Perry, defense secretary under the Clinton administration, also stressed the necessity of a coercive measure for failed negotiations as well as of providing the North with compensation in return for giving up its nuclear weapons program in order to make the negotiation successful. William Perry, “It’s either nukes or negotiation,” *Washington Post*, July 23, 2004, p. A23.

⁴⁴ Vaclav Havel, “Time to act on N. Korea,” *Washington Post*, June 18, 2004, p. A29.

Agreed Framework negotiations in Geneva. For example, American experts including Mr. Gallucci, the U.S. chief negotiator, proposed the stick-and-carrot tact as a lesson that they learned during negotiations with the North that this was the most effective way.⁴⁵ They were worried that the North could take a hostile attitude and continue to demand more if they proposed carrots only.

Indeed, using sticks alone may produce great tension leading to a crisis on the peninsula and provocations from the North. But the North Korea's nuclear development per se is an action of serious military provocations and should not be lightly dismissed in that the nuclear issues pose a severe threat. To make certain appropriate military measures against an opponent's military threat is a normal counteraction in terms of invoking a nation's right to self-defense. A country's national security strategies should be made in consideration of all of these factors.⁴⁶ Unless it uses a coercive strategy simply to provoke the North and to create a crisis, the strategy would be an irrational policy decision that would cripple the strategy. The idea that pressure toward the North would cause a military confrontation and worsen the nuclear tensions reveals the extent to which peace for peace's sake or feelings of false security have spread in our society. Peace cannot be maintained unless the state has its own capability and determination to defend itself and the ministries concerned can perform their missions well. The pressure measures to resolve the nuclear conflict are part of

⁴⁵ Joel Wit, Daniel Poneman and Robert Gallucci, "Seven lessons for dealing with today's North Korea nuclear crisis," *Arms Control Today*, April 2004, pp. 19~22.

⁴⁶ For instance, the Bush administration once made the proposal of recommending that it should prepare for the North's refusing to abandon its nuclear capabilities, while strengthening deterrence of the crisis and developing stability on the peninsula George Perkovich, *et al.*, *Universal Compliance: A Strategy for Nuclear Security* (Washington, D.C.: Carnegie Endowment for International Peace, June 2004), p. 85.

the state's authority and duty and can be compared to the state's exercise of public power for keeping social order.

A new strategy toward North Korea of full participation in the PSI would instill recognition that South Korea is in line with the global concern over the proliferation of the WMDs and that it acts as a responsible country of the world. Namely, full PSI participation is expected to contribute to raising the national image and the diplomatic status of South Korea in the world. In addition, it would help in properly preparing for contingencies on the Korean peninsula. Furthermore, full participation would be able to prevent the situation from worsening in advance by involving participating states in case tensions on the peninsula flare up over time.

B. Losses

The losses resulting from full participation in the PSI are mainly limited to inter-Korean relations. In case South Korea decides to join the PSI on a full scale, North Korea is expected to level criticism at South Korea in a strong manner, leading inter-Korean relations to a lull or to stop momentarily. The North may abolish the agreement of the six-party talks and once again operate nuclear facilities at Yongbyon or increase its nuclear capabilities by launching another nuclear test. The North would likely pressure the South to rescind PSI participation by threatening the use of nuclear weapons and instigating military conflicts in the West Sea. In other words, the North Korean regime may attempt to break any deadlock on the strength of its nuclear weapons at the risk of jeopardizing the inter-Korean relationship and financial loss. Also, it is likely that the North would ask friendly nations such as China and Russia not to join the PSI, potentially damaging the South Korea-China and South Korea-Russia relationships, respectively.

Accordingly, the criticism and attacks against the South Korean

government from liberal pro-North Korean factions in the South would be fiercer than ever. As a result, it is worried that the existing national division and internal conflicts in the South over the nuclear conflict would be aggravated. In particular, North Korea and the liberal factions in the South are likely to provoke South Korea-U.S. tensions by describing the joining of the PSI as another submission to America in the wake of South Korea's military dispatch to Iraq, thereby adding more fuel to anti-Americanism.

3. Partial Participation

A. Gains

A partial participation of the PSI is a compromise plan in consideration of inter-Korean and international relationships. South Korea's decision to participate in five missions that were not directly related to interception-related operations (out of a total of America's eight operations) is a good example of partial participation. Besides this, partial participation includes 'case-by-case cooperation,' 'partial cooperation' in certain incidents (for example, visit to a military exercise or the joining of a military exercise), and sharing information or logistic support to intercept North Korean ships suspected of carrying illegal drugs.

A strength of partial joining shows that South Korea is making every effort – albeit imperfectly – to meet international demands through the PSI participation while assuaging the North's complaints by sending the North the message that the South considers inter-Korean relations to be their utmost priority.

B. Losses

Partial participation can cause increasing dissatisfaction from

both the North and the international community despite its initial expectation to satisfy two parties at the same time. The South can find itself in a dilemma of losing confidence from both while remaining in this grey area. For instance, it is highly likely that the North will criticize the South by taking issue of any PSI participation regardless of the degree of the South's participation. The North already strongly opposes the South's decision to join the PSI activities even on a partial basis.

In the meantime, the international community is likely to distrust the South by confirming that the South is inactive and lax toward this potentially volatile state. There is a possibility that tensions between South Korea and the United States will aggravate the alliance. In particular, should the United States request permission to use South Korea's ports to intercept and inspect suspected ships, the South is unlikely to reject it.⁴⁷ Of course, there will certainly be greater protests from the liberal factions in the South.

In conclusion, the South may lose two rabbits in its attempt to "catch"(i.e. appease) both at the same time. Its ambiguous attitude may incite domestic opinion against the PSI. Therefore, it is advisable that the South should make a clear decision in selecting either the North or the international community regarding PSI participation.

⁴⁷ Discussion with Park Chang-kwon, researcher at the KIDA, August 9, 2007.

V. South Korea's Policy Directions

1. A Separation Strategy Based on North Korea's Behaviors

Considering that the goals of the PSI are not simply limited to deterring the proliferation of the WMD but extend to the war on terror, it is judged that South Korea should review and reformulate its entire existing strategies toward the North, not to mention the PSI. It is necessary to establish new strategies toward North Korea in order to deal with the North Korean human rights, drug trafficking, and counterfeiting to which the South has previously paid less attention. In a larger context, the South needs to decide the characteristic and roles of the PSI and make a policy direction. Particularly, the PSI can be a useful policy vehicle toward the North in that it does not create military tensions and induces the North to make a gradual change in behavior despite its pressure against the North using a means of coercive inducement.

The North Korean nuclear problem and the PSI will remain the

most important issues in unification and foreign and national security affairs all through the five-year tenure of the 17th president. Thus, as the new government enters 2008, it is necessary to establish new strategies toward the North after reviewing what South Korean governments have ever done since the Sunshine policy and then analyzing problems that have arisen. The new strategies toward the North should keep the following principles:

- Consider the international security order of the 21 century and use it to base the establishment of a national strategy that includes comprehensive unification as well as foreign and security affairs
- Promote the North Korean policy under a strong national defense that the people can trust
- Achieve denuclearization of the Korean peninsula through a prompt abolishment of the North Korean nuclear program
- Promote the North Korean policy of using sticks and carrots alternatively in order to induce the North to abolish its nuclear facilities and to change
- Promote dual policies of separating the regime from the people
- Alleviate the North Korean people's sufferings through the assistance and cooperation, while focusing on planning for the co-prosperity of the two Koreas
- In case the North Korean regime gives up the WMD including nuclear weapons and removes military threats against the South, expand the inter-Korean relationship and perform full-scale economic assistance to the North
- Promote inter-Korean cooperative exchanges to induce real change in the North based on fair competition and free market principles. It should not taint the inter-Korean relationship with corruption by providing North Korean authorities with bribes or secret payments.

From the perspective of a new strategy toward the North, the

PSI is a policy means that symbolize the sticks, or pressure, while inter-Korean dialogue and economic assistance are the carrots or appeasement. It can be said that this is a contradictory strategy. But the mixed use of sticks and carrots is a strategy that creates a synergy effect and achieves its goals by effectively using our national power and usable means. It is as if a person is able to use both hands to lift an object. In order to overcome an external contradiction in the course of simultaneously pursuing inter-Korean dialogue while implementing the PSI, the South Korean government should employ a separation approach of responding differently to each issue so as to clarify positive and negative aspects of North Korean behavior.

The separation approach's principle means that the South would continue to engage in inter-Korean dialogue and humanitarian assistance that would be helpful to the peace and prosperity of the peninsula, but at the time, carry out the means of the PSI in cooperation with the international community to stop illegal activity. In addition, the approach is connected to inducing the North's constructive change by displaying a clear formula of "compensation for good acts, punishment for bad acts."

There has been a strong support for the full participation of the PSI within the government since the North's nuclear test on October 9, 2006. Even the liberal President Roh Moo-hyun spoke of the limits of the appeasement policy following the test, making the possibility greater than ever before that South Korea would fully join in the PSI. The South Korean government's policy became more easily in solidarity with the rest of the international community given the shock produced by the North's nuclear test. Yet the Roh government decided to continue its existing policy of partial participation one month after the test and its North Korean appeasement policies remained unchanged. There have been pros and cons over the PSI in the National Assembly and in particular,

the governing party members spent most of their efforts in opposing the PSI participation at the time.⁴⁸ On October 28, former president Kim Dae-jung also strongly expressed his opposition to PSI participation while visiting Mokpo Station. His comments are as follows:⁴⁹

Whatever happens, there should be no war on this land. We ourselves should be the center of Korean matters and enter into peaceful dialogue to set up policies in accordance with our assertion. I strongly urge you to resolve this issue peacefully through dialogue and not allow war to break out on the peninsula... The PSI should never be carried out around the peninsula. The PSI may cause military confrontations leading to war, killing millions of people. The government should act with prudence whether to take part in the PSI. It should make a cautious decision of not running counter to peace on the peninsula.

Under the domestic circumstances, the government announced on November 13, 2006 that it would adjust the level of the PSI participation according to its own judgment and act in accordance with domestic and international laws such as the “Inter-Korean Maritime Agreement” within the waters of the Korean peninsula. Park In-kook, deputy minister for policy planning and international organizations, expressed the official position of the South Korean government regarding the PSI:⁵⁰

The South Korean government formally supports the goals and principles of the PSI, but will not officially join the U.S.-led plan due to its ‘special situation’ vis-à-vis the North....The punitive measures around the waters of the peninsula will abide by an

⁴⁸ *Yonhap News*, October 30, 2006.

⁴⁹ <http://www.hani.co.kr/arti/politics/politics_general/167870.html>.

⁵⁰ <<http://korea.kr/newsWeb/appmanager/portal/news>>.

inter-Korean maritime agreement and the PSI participation in the rest of the areas will be dependent upon our own judgment in accordance with certain cases. This concurs with the operation principles of PSI.

But there is much criticism that the inter-Korean maritime agreement does not guarantee the activities corresponding with the basic spirit and purposes of the PSI. First of all, the maritime agreement is unable to make interceptions perfectly in case the North attempts to send weapons and nuclear-related materials into the South through inter-Korean waters.⁵¹

The current maritime agreement and its annexes do not secure a thorough pre-check of shipments of North Korean vessels⁵² since it is unable to make sure and early countermeasures such as on-the-spot inspections over the shipping process and shipments from the starting point in the North. Therefore, it cannot rule out the possibility that the opening of roads and the railroads (and of the ports according to the maritime agreement between the South and the North) amid the current conciliatory inter-Korean atmosphere will be exploited and used as a passage for conveying or delivering WMDs. To prevent this situation from happening, it is desirable to formulate proper measures that would prevent inter-Korean

⁵¹ South and North Korea signed the inter-Korean maritime agreement and its agreed attachment on June 6, 2004. Accordingly, the two Koreas allowed their respective counterpart to use the ports of Nampo, Haeju, Koseong, Wonsan, Heonnam, Cheonjin and Rajin in the North and the ports of Incheon, Kunsan, Teosu, Busan, Ulsan, Pohang and Sokcho in the South.

⁵² According to the inter-Korean maritime agreement, [Both sides] should declare the weights and kinds of items in applying for permits for vessel operation (1.1). [Both sides] should notify the other of the shipment in case a guard vessel or a communication checkpoint so demands. (2.5) In addition, the agreement stipulates that [either side] can stop the vessel to embark and search it on charges of the fact that the vessel maybe disobeying the communication check, veer off course without notice or flee after violating clause 6 with regards to carrying weapons or parts. (8).

cooperative exchanges from becoming vulnerable weak points that compromise national security.

In the meantime, there are some differences in terms of the basic spirit and objectives in that whereas the maritime agreement is designed to stimulate inter-Korean exchanges and cooperation, the PSI and the UN's security resolution 1718 are aimed at imposing sanctions on the North. The PSI stipulates that it can take some measures to stop and search vessels, take people into custody and confiscate cargo, but the inter-Korean maritime agreement is only able to conduct oral searches through telecommunication and to order the vessels out of sea territories. In addition, the PSI covers not only the South Korean sea territories but also broad areas including near waters and open sea territories. Yet, the maritime agreement can only make limited searches on vessels passing through the South Korean sea territories.⁵³ Of course, a full execution of the PSI and the South's participation do not necessarily mean that the North's WMD proliferation activities can be perfectly controlled. The PSI in the water and air are not enough to stop the North, essentially because the North Korean level of transportation through water and air is remarkably lower compared to those through land.⁵⁴ But if the pressure against the North including the PSI is strengthened over time, the Chinese government cannot help but exert stricter control of land transportation, since disclosures of the North's proliferation activities would give the Chinese government considerable political burden.

⁵³ Discussion with Park Chang-kwon, researcher at the KIDA, August 9, 2007.

⁵⁴ Ratio of container transportations are trains, 90 percent in-roads, 7 percent, maritime 3 percent, and air 0 percent, respectively. Passenger transportation is 62 percent, 37 percent, 1 percent and 0 percent, respectively. Air transportation is calculated as 0 percent because it is very low in terms of the ratio in comparison with other transportations. Discussion with Kim Young-yoon, senior research fellow at the KINU, November 2, 2007.

2. Full-Participation of PSI

Although the heads of the unification, the foreign affairs and trade, the defense and the national intelligence service were all replaced because of a failure to deter the North's nuclear test, an additional step of deeper analysis and evaluation is needed of the Roh government's policies toward the North with regard to its reasons, background and scope. Yet the South Korean government will likely repeat failed policies of the past rather than learn some new lessons, particularly in terms of international standards.

In conclusion, the reasons why the South should participate in the PSI in a proactive manner can be summarized as follows:

First, the PSI is a policy adjustable to a new strategic guideline of alternately using sticks and carrots and to the separation approach of 'compensation for good acts and punishment for bad acts.' It can function as a positive element in not only resolving the nuclear issue promptly but in inducing the North to change constructively by implementing a coercive strategy against the North while maintaining inter-Korean dialogue, humanitarian aid and multi-lateral talks.

Second, it can give clearer recognition to the world that the South Korean government is in line with the global community over the seriousness of the issues with regard to the North's nuclear weapons development and WMD proliferation. It is an indispensable element for receiving support and assistance from the international community and for maintaining the stability and promoting peaceful unification on the peninsula as well. It is the best opportunity for the South Korean government to proactively deal with the North in accordance with international common sense and norms and the South can earn the solid trust of the international community as a responsible state both in the course of unification and post-unification.

Third, there is concern that South Korea's non-participation in

the PSI may damage its foreign relationships in terms of national image and trust, since the South is the only state that did not take part in the PSI among major nations. The South Korean government's seeming refusal to align with unified international opinion on the issues of nonproliferation may weaken its diplomatic strength. Such attitudes go against our foreign and security interests.

Fourth, the South's passivity regarding the PSI will inevitably have a negative impact on our close cooperation with friendly states including the United States, exacerbating a decade-long rupture in South Korea-U.S. relations over the North. The South's refusal to take full part in the PSI may cause the misunderstanding that our government prefers inter-Korean relations and ethnic cooperation over the South Korea-U.S. relationship and international cooperation, and furthermore, may weaken our government's position in the trilateral dialogue between South Korea, the United States and Japan and in the six-party talks as well. It is necessary to take a proactive part in the PSI so as to restore the damaged South Korea-U.S. alliance.

Lastly, the full participation in the PSI would enable the South to properly prepare for possible contingencies. In short, full participation could make it possible to share sensitive information among member states and to prevent incidents that would harm the citizens of both Koreas. We should join the PSI to exercise our right to speak out even if it just to deter overwhelming, escalating tension on the peninsula that comes as a result of the PSI.

Despite the North's nuclear test, the South Korean government still maintains an obscure position of taking a limited part in the PSI as of November, 2007. It is time to make a more specific and focused review of the PSI based on the various analyses of this study in terms of national interests. Above all, we should break from the conventional wisdom that the PSI means a naval or

economic blockade that may bring about war and at the same time, make an effort to lead public opinion to support the PSI. Moreover, it is necessary to secure a logical legitimacy with regards to the full participation of the PSI after analyzing the intention of the United States and reviewing the impact of the PSI on the security of the peninsula and on order in Northeast Asia.

In this regard, it is expected that this study will contribute to formulating a balanced opinion to raise the understanding of the people over integral issues of the peninsula as well as to strengthening our state's capability by offering policy content on various issues in the course of planning and establishing a new policy on the PSI.

3. Observing the Norms of the International Community

What is in particular noticeable over the nuclear issues is the logic of a so-called "inter-Korean cooperation" being raised by a part of our society. The ethnic-centered logic emphasizing inter-Korean cooperation to resolve the troubled nuclear problems is what the North Korean authorities have very frequently asserted. For instance, the North underscored the nation-oriented logic by making the keynote address public at the 9th ministerial-level inter-Korean dialogue held in Seoul, January, 2003, which was clearly against the existing practices. Further, there exists a sentiment sympathetic to the North that it cannot help developing its nuclear weapons because the North is driven into a corner of the military threats from the United States.

With regards to a proper attitude to resolving the nuclear crisis, it is in no way desirable either to incite national unrest by expanding or exaggerating the North's nuclear capabilities, or to ignore or dismiss nuclear threats. An objective index of ending the domestic controversies over the nuclear crisis and understanding its seriousness

is how the international community thinks over and deals with the North Korean nuclear crisis.

Given the importance of the NPT regime which boasts a membership of some 190 countries and a variety of global efforts ranging from individual states to the UN, it is no surprise to see that the international society takes the North's nuclear issues more seriously than ten years ago. For instance, Mohamed ElBaradei, director general of the IAEA, has frequently emphasized that the North Korean nuclear crisis has been the most urgent national security threat facing international society.⁵⁵

The North Korean regime has persistently continued its nuclear development "through the successive generations of the leadership" and thoroughly deceived the international community in order to achieve the goals of possessing nuclear weapons. The North's 'persistence' and 'deception' were enough to brand the North as a rogue state that the international society could no longer trust.

This means that South Korea's position will likely overwhelm that of the North in dealing with major policies related to the Korean peninsula. Thus, an international community will pay closer attention to what the South Korean government and its people think over integral matters such as the nuclear issue. South Korea's overall policies should be promoted longer term in consideration of a post-Korean unification. For instance, Japanese security experts

⁵⁵ For instance, Mohamed ElBaradei, director-general of the IAEA, addressed the Council on Foreign Relations, May 14, 2004, saying, "But what I worry about [with] North Korea [is] that it also sends the worst signals to would-be proliferators: that if you want to protect yourself, accelerate your program, because then you are immune in a way. Then people will sit around the table with you. And if you do not do that fast enough, you might be subject to pre-emption. So it depends. We really need, again, to make sure that that is not the lesson people will learn from North Korea... I think [this is] the No. 1 national and international security concern. The way we deal with it, the way the international community responds to North Korea, is very important for the future precedent setting."

find it more important how the South responds to the North's nuclear issues rather than nuclear development itself in the North. This implies that the international community already recognizes the stance of the South Korean government and its people rather than the already failed regime in the North.

Judging from this, it is assumed that the South should apply a more rigid yardstick to the North in accordance with international common sense and norms rather than insisting on ethnic cooperation, and should sternly demand that Pyeongyang abandon its nuclear development. The ethnic-centered logic or the more emotional approach that is sympathetic to the North contains the dangerous element of other nations losing confidence in the South and thus further isolating itself from global society; it also raising serious concerns that the South may attempt to possess the nuclear weapons in collusion with the North.

It is first of all important to establish balanced policies toward the North in order to resolve the nuclear crisis in a successful manner. While admitting the necessity of inter-Korean dialogue and exchanges, there is a need to deeply analyze the North Korean regime's generational nuclear weapons programs that is literally in line with the slogan, "Be loyal to the successive leadership." At the same time, it is of importance to display a strong will to respond in a resolute manner by carrying out our policies, in case the North Korean regime violates the common sense and norms of the international community.



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