

The Future Developments of US-DPRK Relations: Impact on North-South Korean Relations

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The United States and the Soviet Union confronted each other during the Cold War years, and this hampered political and economic exchanges between Eastern- and Western-bloc nations. Now the breakdown of East-West confrontation has brought about significant changes in international relations. One, with a few exceptions ideological division between socialist and capitalist camps has been abolished. Two, efforts have been made to suppress arms buildup, especially nuclear weapons which were considered vital to the superpowers. Also, globalization of the world economy makes nations more dependent upon each other.

These world trends of the post-Cold War era have influenced the Northeast Asia region significantly. The Russian Federation is struggling to switch its politico-economic system from socialist to democratic and capitalist. China has also adopted a market economy for its economy even though maintaining a socialist political system. North Korea may be the last communist country resisting world trends, but even North Korea is attempting to open its economy towards the world community, though its endeavors have been limited. South Korea (the ROK) has been able to manage opportunities provided by post-Cold War international environmental changes quite skillfully, and it normal-

ized relations with the old Soviet Union and with China—allies of North Korea. Now the United States and North Korea are about to transform their relations through direct talks. Strangely, these direct talks between the two adversaries were made possible due to North Korean nuclear problems.

North Korean nuclear problems are considered a threatening factor to the post-Cold War security of the Northeast Asian region. The United States is trying to solve them through several means: direct talks with North Korea, cooperative efforts with regional countries (China, Russia and Japan), further cooperation with the International Atomic Energy Agency (IAEA) and the United Nations Security Council, and close collaboration with South Korea.

This paper is an attempt to analyze the impact of future developments of relations between the United States and North Korea (the DPRK). The first section examines American policies on Korea. Analyses follow of the American policies toward North Korea. The third section deals with the future development of relations between the United States and North Korea. Finally, analyses are provided of the possible impact that changes in US-DPRK relations could make upon North-South Korean relations.

United States' Korea Policy

US Foreign Policy in the post-Cold War Era

The United States has become the only military world superpower, and has prepared to meet the challenges posed by various post-Cold War changes in international relations: First, democratic ideals and the market economy have been broadening their areas of influence since the Cold War came to a close. Second, due to strong unification efforts of the European Union and the unremitting gain of Japanese economic power, American economic power has declined relatively. As a result, the US views

the post-Cold War world order as a uni-multipolar system.¹ Third, as national leaders begin to consider economic power more important than military, wars and skirmishes between nations are expected to decrease due to the pacific nature of economic interdependence among nations. Competition among nations to gain economic superiority, however, has intensified.

The United States set up several policy objectives to maintain its power as a supreme world leader: further expansion to the world of democracy and market economy; maintenance of stability in Europe and Asia through balance of power; prevention of the emergence of expansionist national powers.

The US pursues the following policies to achieve these goals. In military-security areas, it tries to reduce the threat of war by preventing proliferation of nuclear and bio-chemical weapons. It maintains a "Win-Win strategy" to be able to conduct two wars at the same time to meet the challenges of multiple regional conflicts. And selectively it would intervene in regional conflicts with international organizations such as the United Nations and NATO.

In economic areas, the United States pursues economic development through strong domestic as well as foreign economic policies. Domestically it is trying to enhance industrial competitiveness. Internationally it is trying to reduce its trade deficit through strong trade policies. At the same time, it is attempting to expand free trade by activating multilateral trade organizations including the World Trade Organization and the Asia-Pacific Economic Cooperation (APEC) forum. Third, the US is

1 Samuel Huntington's analysis was that the new international order shows three important changes: structural changes in domestic and international politics, changes in power distribution, and changes in relations among the nations. He also noted that Japan, China, Germany, Great Britain, France and Russia with the United States would play key roles under uni-multipolar world. Samuel P. Huntington, "America's Changing Strategic Interests," *Survival*, Vol. XXXIII, No. 1, January/February 1991, pp. 5-9.

trying to improve the human rights situation and democracy in those nations of strategic importance.

These US world strategies and policies provide certain guidance to the following US policies toward Northeast Asia.

United States Policy towards Northeast Asia

Northeast Asia had been noted as one of the most troublesome areas during the Cold War due to ideological disparities among the nations of the region. This legacy remains as China and North Korea maintain their socialist political systems. However, the end of Cold War brought about significant changes in the international relations of the Northeast Asia.

The US security role during Cold War times in Northeast Asia was to prevent expansion of the Soviet Union and China. The US also furnished security assurances to Japan and South Korea by providing a nuclear umbrella and by stationing its troops in both countries. Due to its own defense budget cuts, however, as well as to the new regional environment, the American role is expected to change. The United States is now trying to maintain its sphere of influence at a low cost by being a balancer or mediator in the region, but this policy change has seized up temporarily due to the North Korean nuclear problems.

On the other hand, the US also acknowledges the importance of the Northeast Asian economic dynamism. Thus it wants to maintain close economic relations with the nations in this region. Currently it is making strong efforts to reduce its trade deficit with Japan, and every year the extension of most-favored-nation trade status to China receives serious attention from American policymakers.

US President Bill Clinton presented his New Pacific Community concept when he visited Japan and South Korea in July 1993.² It provides his vision of the future of the Asia-Pacific

2 Clinton's Address to the ROK National Assembly, 10 July 1993.

region and guides American policies toward Northeast Asia. He noted that the United States should stay actively engaged in the region to maintain peace and security. He also mentioned four priorities for the security of the New Pacific Community: a continued American military commitment to the region, stronger efforts to combat the proliferation of weapons of mass destruction, new regional dialogues on the full range of common security challenges, and support for democracy and more open societies throughout the region.

To achieve these goals, Clinton added that the US would have to preserve what had proved to be reliable. First, it will maintain its bilateral security agreements with South Korea, with Japan, with Australia, with the Philippines and with Thailand. Second, he stressed the importance of nonproliferation of weapons of mass destruction and their delivery. He noted that North Korea appeared to be committing indiscriminate sales of Scud missiles and that the United States supported a nonnuclear Korean peninsula. Third, about new multilateral security arrangements, he noted that it would be necessary to develop multiple new arrangements to meet multiple threats and opportunities. Fourth, he refuted an argument that democracy and human rights would not be suitable for certain parts of Asia. He emphasized that not only were democracies more likely to meet the needs and respect the rights of their people, they also made better neighbors. From the above analyses, we could summarize that the US pursues the following long-term policies toward Northeast Asia: spread democracy, continue military engagement, and expand the market economy.

United States' Korea Policy

The US regards the Korean peninsula as strategically important due to (1) its geopolitical importance in the center of Northeast Asia, (2) the economic dynamism of South Korea, and (3) suspicion about North Korean nuclear development. It con-

siders Pyongyang's nuclear program and intractable socialist system as one of the most destabilizing factors because North Korean nuclear development could well stimulate the neighboring countries to build up their military power.

The US set up policies after the Korean War that are still valid today.³ First, it supports the ROK militarily to counter possible communist attacks and maintains troops in South Korea for that purpose. Second, the US acknowledges the armistice and the division of Korea along the Demilitarized Zone (DMZ) until the two Koreas are unified by peaceful means. Third, it will act swiftly if the communists incur war against Seoul. Fourth, it will support an increase of South Korean defense capability under mutual defense treaty between the US and the ROK.

These policies have not changed much even though they were set up during the Cold War era. However, recent American policies toward the Korean peninsula tend to be affected by economic considerations and the influence of mass media.⁴

America's Korean policies could be summarized as follows: acknowledgement of a divided Korea, prevention of war, support for peaceful unification and maintenance of the US-ROK alliance.

United States' Policy toward North Korea

The US and North Korea have kept adversarial relationships against each other since the Korean War. And the United States had numerous distasteful experiences whenever it encountered

3 *Foreign Relations of the United States: 1952-1954*. Volume 15, Part 2 (Washington: U.S. Government Printing Office, 1984), pp. 1620-24.

4 William J. Taylor, Jr. "U.S.-ROK Security Relations: An American View," A Paper Presented at the Institute for Foreign Affairs and National Security-Sejong Institute-Center for Strategic and International Studies Conference on "America and Korea in a Changing Northeast Asia Order," Seoul, Korea, 13-14 October 1993, pp. 1-3.

North Korea. Thus the US views this nation as one of the most dictatorial, militant, and distrustful in the world.

These American perceptions have recently aggravated due to the DPRK nuclear development program. Top priority of American policy toward Pyongyang is thus to solve these nuclear problems. On the other hand, the US is trying to induce North Korea to become part of the international community in order to mitigate its militancy. For example, the US is moderating its position and allowing American diplomats to meet North Koreans in third countries, and has permitted unofficial visits by North Koreans.⁵

The American policies toward Pyongyang could be summarized as follows: ensure the security of the Korean peninsula and Northeast Asia through a complete solution of North Korean nuclear problems; encourage North Korea to improve its relations with Seoul; persuade North Korea to behave more responsibly in the international community.

North Korean Nuclear Problems

US Strategy

North Korean nuclear problems are intricately linked with other issues in international relations: the coming Nonproliferation Treaty (NPT) extension meeting in 1995, Japan's role in Northeast Asia, US-China relations, and Northeast Asian multilateral security cooperation.

First, the United States worries that the North Korean nuclear issue could adversely affect extension negotiations of NPT. Second, it also worries about the possibility that Pyongyang's nuclear development program may provoke Japan to develop

5 The US also alleviated measures against export to North Korea by amending Foreign Assets Control Regulations. Amended regulation allows America's export to North Korea if it is considered to be humanitarian needs. Daniel Russel, "U.S.-North Korean Relations," in *Current Issues in Korean-U.S. Relations: Korean-American Dialogue* (Seoul: The Institute for Far Eastern Studies, 1993), p. 49.

nuclear weapons. Third, the issue could aggravate US-China relations since the United States and China already show different attitudes toward North Korean nuclear problems. Fourth, the United States is promoting multilateral security talks in North-east Asia, but these nuclear problems delay any formation of a multilateral security framework in the region.

Towards North Korea the US follows strategic policy guidelines, having agreed with South Korea that it would stick to a "thorough and broad" approach,⁶ which means pursuing thorough and complete solutions and utilizing any possible means to solve the North Korean nuclear problem. Contrastingly Pyongyang is demanding a "package deal," that is, the nuclear issue and improvement of US-DPRK relations should be dealt with at the same time. The US is making use of a carrot and stick approach. The ultimate carrot would be the normalization of US-DPRK relations, and there are various sticks such as international diplomatic pressure and economic or military sanctions or both.

US-DPRK Negotiations

The United States and North Korea held their first round of high-level meetings on 2 June 1993 when the effectual date of North Korea's withdrawal from NPT was imminent. The two parties agreed that they supported denuclearization of Korean peninsula, and Pyongyang announced that it had unilaterally suspended the effectuation of its withdrawal from NPT.

The second round was held in Geneva on 14 July. According to the press release, they agreed that it would be desirable for the US to assist in changing North Korean nuclear facilities from graphite- to light-water-moderated reactors as part of ultimate solution to the North Korean nuclear problems. They also agreed

6 This point was agreed at the summit meeting between Presidents Bill Clinton and Kim Young Sam in November 1993.

that the third round of high-level meetings be held within two months, but it was postponed because International Atomic Energy Agency (IAEA) inspections were not executed.

As United Nations Security Council was preparing sanctions against North Korea, North Korea notified the IAEA on 15 February 1994 that it would permit IAEA inspections on seven declared nuclear sites.

Subsequently the United States and North Korea resumed working-level meetings in New York and on 25 February announced the following. First, the US agreed with the decision made by South Korea to suspend the 1994 Team Spirit exercise. Second, IAEA inspections would resume to maintain continuity of IAEA safeguards. Third, South and North Korea would hold working-level meetings to discuss the exchange of emissaries. Fourth, the United States and North Korea would hold the third round of high-level meetings on 21 March 1994. However these agreements were not fulfilled because Pyongyang froze the North-South talks and refused to allow further IAEA inspections.

While tensions mounted surrounding this issue, former US President Jimmy Carter visited North Korea on 15 June 1994 for an informal meeting with North Korean leader Kim Il Sung. Mr. Carter came back with Kim Il Sung's assurance that he would freeze nuclear development and his intention to have a summit meeting with South Korean President Kim Young Sam. ROK President Kim Young Sam accepted Kim Il Sung's proposal and the two Koreas agreed to hold a summit meeting on 25 July 1994 in Pyongyang. The United States and North Korea also agreed to hold their third round of high-level meetings in Geneva on July 8, but the talks were adjourned after one day because of Kim Il Sung's death.

Future Developments

The United States has made strenuous efforts to solve North Korean nuclear problems through direct dialogue with Pyongyang. These efforts have two aspects: one is to open the way to solve the problems by peaceful means; the other is to persuade related nations to cooperate with the US.

The US and the DPRK are expected to resume the third round of high-level meetings soon, so now is not the best time to try to predict future of the North Korean nuclear issue. However we can anticipate that the United States will request of Pyongyang: remain in the NPT; freeze reprocessing and reloading of nuclear rods; comply fully with IAEA safeguards; adhere to the denuclearization of Korean peninsula. The US could, however, show a more flexible attitude in the sense that it could deal with the North Korean nuclear issue comprehensively rather than with its "thorough and broad" approach. Such a change of attitude would recognize North Korea's package-deal concept.

It is also expected that if Pyongyang demonstrates more sincerity about insuring nuclear transparency, then the United States will be willing to negotiate an improvement of US-DPRK relations.

US-DPRK Relations: Prospects for Development

Since its utmost concern in dealing with North Korea is to solve the nuclear problem, the United States intends to continue to meet so long as North Korea makes sincere efforts towards the nuclear issue.

Recently the Asia Society presented a report about possible areas of cooperation with Pyongyang,⁷ in which it is pointed out

7 The Asia Society questioned eighty-one experts in five countries (the United States, China, Japan, Russia and Australia). Report of an Asia Society Research Project for the Rockefeller Foundation, *Possible Areas of Cooperation with the Democratic People's Republic of Korea*, December 1993.

that improvement of US-DPRK relations could be expected if the following measures were taken toward North Korea.

- Suspension or cancellation of the Team Spirit and some other joint military exercises
- Resumption of the third round of US-DPRK talks
- Further US assurances that it will not attack or use nuclear weapons against North Korea
- Continuation of US-DPRK discussions at higher levels
- Signing of a three-way peace treaty between Pyongyang, Seoul, and Washington
- Promotion of force reductions by North and South Korea
- Relaxation and elimination of the Trading with the Enemy Act
- Cooperation to replace North Korean graphite reactors with light-water reactors under IAEA safeguards
- Relaxation and removal of COCOM restrictions on export of certain technologies to the DPRK
- Support for North Korea to enter APEC
- Encouragement of American private sector economic cooperation with North Korea in key industrial sectors
- US support for DPRK entry into international financial institutions, including the ADB, IMF, and World Bank
- Establishment of liaison offices in Washington and Pyongyang
- Reduction and eventual withdrawal of US forces on the Korean peninsula
- Normalization through the establishment of full diplomatic relations

In the meantime, the United States has already suggested to Pyongyang the following points to be solved if it wants to normalize relations with the United States: enhancement of North–South Korean relations; full compliance with IAEA safeguards; execution of North–South Korean mutual inspection; suspension of missile export; cessation of terrorist activity.

The prospects for improvement of US-DPRK relations depend greatly upon how the nuclear problems are solved. Thus we could expect that political negotiations over improving relations between the two parties could start if North Korea keeps its promise to freeze nuclear development and comply with IAEA safeguards. In turn the United States could give reassurance

about the non-use of nuclear weapons against North Korea, or even—since the US worries about the possible adverse impact on the NPT extension meeting scheduled for April 1995—could promise to establish liaison offices in each other's capitals this year.

However, actual diplomatic normalization between the US and the DPRK would take longer due to the complexity of American domestic procedures and legislative and administration regulations. For example, the US applies the Trading with the Enemy Act against North Korea as well as restrictions on the sales of arms or technologically sophisticated equipment. The United States also applies restrictive regulations against North Korea: restrictions due to the North Korea's classification as a terrorist state, restrictions on countries with unacceptable human rights records, restrictions on trade with communist or formerly communist countries.⁸

Impact on North-South Korean Relations

Improvement of US-DPRK relations would affect North-South relations significantly because many issues between Washington and Pyongyang are directly linked with South Korea. Even though direct contact between the United States and North Korea became possible in the course of solving North Korean nuclear problems, both parties would be expected to discuss current issues other than nuclear problems during their talks about improvement of relations.

Direct Impact

Among the measures the United States is expected to take toward North Korea, some are linked with South Korea and would affect North-South Korean relations directly.

8 Asia Society, *ibid.*, Appendix D.

Team Sprit and US force reductions: since the Team Spirit exercise concerns both the US and the ROK, and Pyongyang demands its permanent suspension, any American decision would affect North–South Korean relations. The United States prepared a plan to reduce its forces stationed in South Korea even though its execution has been postponed due to North Korean nuclear problems. The plan could be carried out if US-DPRK relations were to improve, which would affect North–South Korean relations in a way that could stimulate North-South security talks.

South and North Korean arms reduction: South Korean arms reduction issues are deeply linked with the reduction of the US troops stationed in South Korea and the reduction of North Korean arms. Currently most of the DPRK forces are deployed along the DMZ, so arms reduction of South Korea need to be dealt with carefully. In the meantime, improvement of US-DPRK relations would provide the United States with an opportunity to persuade North Korea to reduce its armed forces.

Peace treaty with North Korea: Pyongyang has expressed many times that it wants a peace treaty with the United States, but the US has made it clear that it will not consider any treaty that excludes the ROK. This problem could be solved by considering a three-way peace treaty among the United States, South Korea and North Korea, or a peace treaty between Seoul and Pyongyang under a US and Chinese guarantee.

Cooperation to replace North Korean graphite reactors with light water reactors: The United States already proclaimed that it would cooperate with North Korea on this matter and is consulting with South Korea and Japan about their means of support. It would be desirable if South Korean light water reactors were to be exported to North Korea with international financial assistance.

Relaxation and removal of restrictions on export to North Korea: This would not only help North Korea to rebuild its economy but also boost North–South Korean economic relations.

Indirect Impact

North Korean nuclear issues are related to complex international problems. Thus it is necessary to draw cooperation from related nations to solve them. The four powers surrounding the peninsula, however, hold different positions about North Korean nuclear problem, differences of attitude that could emerge along with improvement of US-DPRK relations. An improvement of US-DPRK relations could have various effects.

Relations between North Korea and China, Japan, and Russia: Japan is expected to make an effort to improve its relations with North Korea when US-DPRK relations improve. China, on the other hand, does not welcome any growing US influence on North Korea. These factors impact upon the three powers' approach towards Pyongyang and would also affect North-South Korean relations.

It could provide the United States with an opportunity to vitalize its role in Northeast Asia. Subsequently a multilateral forum among South and North Korea, the United States, Japan, China and Russia could be formed—but if it were to deal with Korean problems, it would make a deep impact upon North-South Korean relations.

The future of multilateral economic cooperation such as the Tumen River Area Development Program (TRADP): South and North Korea, China, Russia and Mongolia participate in the TRADP as full members, Japan as an observer. However the TRADP has made very slow progress due to the North Korean nuclear problem. Better US-DPRK relations could thus provide an opportunity to invigorate the TRADP, influencing the North Korean economy to the degree that North Korean leaders perceive the importance of economic opening and affecting North-South Korean economic relations positively.

In conclusion, an improvement of US-DPRK relations would certainly help stabilize relations between Seoul and Pyongyang. However it should also be noted that there exist possible adverse

effects. On one hand, if North Korea were to exploit the improvement relations with the United States as a means to prop up its dictatorship and to build its military capabilities, this would heighten tension on the Korean peninsula. On the other hand, once foreign economic cooperation begins Pyongyang might be tempted to disregard the importance of economic cooperation with South Korea.

To guard against such possible adverse effects South Korea should be prepared. First, it is necessary for the ROK to request the United States to maintain its troops in South Korea until North Korea abandons its policy of communizing the Korean peninsula. Also, Seoul must take the lead in the establishment of a multilateral security framework to deal with Northeast Asian security matters. It can thus be expected to mitigate North Korean militancy. Finally South Korea should consult with regional nations to solve North Korean nuclear problems completely.