

## DPRK Policy toward South Korea and the Prospects for Reconciliation

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*The South and the North, in keeping with the yearning of the entire Korean people for the peaceful unification of the divided land; reaffirming the principles of unification set forth in the July 4 [1972] South-North Joint Communiqué; determined to remove the state of political and military confrontation and achieve national reconciliation; also determined to avoid armed aggression and hostilities, reduce tension and ensure the peace; expressing the desire to realize multi-faceted exchanges and cooperation to advance common national interests and prosperity; recognizing that their relations, not being a relationship between states, constitute a special interim relationship stemming from the process towards unification; pledging to exert joint efforts to achieve peaceful unification; hereby have agreed as follows. . . .*

Introduction to the "Agreement on Reconciliation, Non-aggression, and Exchanges and Cooperation between the South and the North," 13 December 1991.

**A**long with the South-North Basic Agreement, both North and South Korea signed the Joint Declaration of the Denuclearization of the Korean Peninsula and the Agreement on the Formation of Subcommittees of the South-North High-Level Talks, and these two agreements entered into force as of 19 February 1992. Eight months later, however, Pyongyang cut off dialogue with South Korea and nullified the High-Level Talks, demanding cancellation of the Team Spirit US-ROK military exercise.

Since the inauguration of Seoul's civilian government along with the North's declaration that it would withdraw from the NPT system, North Korea has denounced the Kim Young Sam government as a regime that does not differ from the past fascist military dictatorship, and has intensified its verbal attacks to foster an atmosphere of confrontation between the two Koreas.<sup>1</sup>

Why did North Korea discard the Basic Agreement? Did they really sign and exchange the agreement purposely not to abide by it? Is it North Korea's long tradition that agreement is one thing and abidance is another? Then, what has been South Korea's reaction to such behavior and attitude? Does the South have any intention of having friendly relations again with its brother in the North which still reveals hostility and, if so, how to reconcile?

### **New Environment for DPRK's Survival**

Since the beginning of the 1990s, North Korea has been facing a total crisis with severe economic difficulties. In 1993 it announced officially that it had failed to meet the proclaimed goal of the Third Seven-Year Economic Plan and would thus take a relief period.<sup>2</sup> On 7 April 1994, at the seventh meeting of the 9th Supreme People's Assembly, Pyongyang proclaimed that to achieve solid economic growth it would place priority on agriculture, light industries and trade.<sup>3</sup>

To overcome its shortage in foreign capital, North Korea has been eager to participate in the multinational development project around the Tumen River and has legislated all sorts of laws and decrees related to direct and indirect foreign investment.<sup>4</sup> The DPRK government designated the Rajin-Sonbong

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1 *Rodong Shinmun*, 28 May 1996.

2 *Central Broadcasting Service*, 9 December 1993.

3 *Central Broadcasting Service*, 3 April 1994.

4 Kyu-Ryoon Kim, *Prospects for Tumen River Area Development Program* (Seoul:

area along its northeast border with China and Russia as a Free Economic and Trade Zone on 28 December 1991. Initially it planned to induce foreign investment up to US\$6.9 billion,<sup>5</sup> but only \$40 million was reported to have actually been invested in the development of the region.<sup>6</sup>

However, the real problem would be how to control this opening and limit foreign influence when its partners enter the long-isolated kingdom. The authorities already know that ideological control and legal sanctions will not be effective in dealing with the increase in crimes, corruption and other deviant social behavior.<sup>7</sup>

Pyongyang has revealed that succeeding purely Kim Il Sung's great revolutionary works is of utmost importance in the post-Kim Il Sung era. Kim Jong-il's foreign and domestic policies will be to continue squarely the policy guidelines of Kim Il Sung.<sup>8</sup> Although the official policy direction of the Kim Jong-il regime will be expressed in his inauguration address, given the internal and external circumstances, it is highly unlikely for North Korea to adopt any radical reform-oriented policy.

With respect to foreign policy, the regime has pursued superficial reconciliation policies to ease international pressure over its suspected nuclear development program and to secure recognition from the international community. North Korea is devoting its efforts to improve relations with the United States. It also emphasizes its ties with China in overcoming interna-

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RINU, 1992), pp. 18–20.

- 5 Young Namkoong, *A Study on the Investment Climate in the Special Economic Zone in North Korea: Comparisons with China and Vietnam* (Seoul: RINU, 1995), p. 27.
- 6 Hyun-Joon Chon, et al., *An Analysis of the Power Succession Process in North Korea: With Special Reference to Kim Jong-il's Birthday Celebration on February 16* (Seoul: RINU, 1996), p. 8.
- 7 Byoung-Lo P. Kim, *Reality of the Internalization of Juche Thought in North Korea* (Seoul: RINU, 1994), pp. 75–77.
- 8 Moon-Young Huh, et al., *The Advent of the Kim Jong-il Regime in North Korea and Prospects for Its Policy Direction* (Seoul: RINU, 1994), p. 8.

tional isolation and economic crisis while concentrating diplomatic efforts in improving relations with Washington and Tokyo. This is quite similar to the way it maximized its interests through equi-distance diplomacy when the USSR and China were in ideological conflict in the 1960s and 70s.<sup>9</sup>

While continuing to play its dual policy and united-front strategy and tactics<sup>10</sup> vis-à-vis Seoul, the Kim Jong-il regime is pursuing co-existence of the two Koreas under the circumstances of Northern inferiority in every aspect of national power.<sup>11</sup> The new regime does not seem to give up easily the denunciation and agitation against the South that it needs to consolidate domestic solidarity of its people.

On the other hand, it seems that Pyongyang has set its objective to dismantle the ROK-US cooperative mechanism and pursue improved relations with the US and other Western countries, vigorously excluding Seoul. Thus, as long as it continues to try to loosen the ROK-US alliance and play out its dual policy, it will be difficult to anticipate any practical improvement in inter-Korean relations for the time being.<sup>12</sup> It seems more time

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9 Yinhay Ahn and Hun Kyung Lee, *DPRK Policy toward the US and China: Current State and Its Future* (Seoul: RINU, 1996), p. 22.

10 Pyongyang's "dual policy" is a two-faced policy line, a peace offensive on one hand including official support for a confederation of the two Koreas, but the united front strategy on the other hand. "United front" refers to the goal, written into the founding documents of the (North) Korean Workers Party and never renounced either officially or otherwise, to overthrow the South Korean government—or at the minimum achieve a pro-communist regime in Seoul and through it to communize the entire peninsula under Pyongyang's control. This would be accomplished by means of solidarity between military and non-military North Korean forces, South Korean radical leftist students, labor unions, etc., and pro-North overseas Koreans. Strategy and tactics include not only military provocations, which in North Korean history have been numerous, but also extensive preparation for a full-scale land, sea and air invasion. A central purpose of Pyongyang's dual policy is to remove US forces from the South; if they were not present not only might an invasion be possible, but also any of various military threats and pressure could be applied and take effect.

11 See Moon-Young Huh, *Perception of North Korean Leadership and Its Policy Prospects* (Seoul: RINU, 1994), pp. 108–9.

will be needed for practical improvement of the inter-Korean relationship and consolidation of peace on the peninsula.

### **Unification Formula**

The unified fatherland that the Korean people should attain is a single national community in which each individual's liberty, well-being and human dignity are ensured, and a state that would play a leading role in the coming Asia-Pacific age—a great, advanced democratic state contributing to world peace and the co-prosperity of mankind.

To achieve such a unified state, the Seoul government, in President Kim Young Sam's National Liberation Day message on 15 August 1994, proclaimed a National Community Unification Formula featuring the process of reconciliation and cooperation, a South-North commonwealth and a unified state.

According to this unification formula, South and North should enter a relationship of reconciliation and cooperation instead of hostility and confrontation to initiate dialogue for unification. To this end, the South and the North in this stage must build up mutual trust by recognizing (as they pledged in the Basic South-North Agreement) each other's systems and energizing multi-pronged exchanges and cooperation.

In the second stage the South and the North would restore and further develop their economic, social and cultural links through co-prosperity and consolidation of peace. At this stage, the South and the North would realize a common national living sphere, the so-called South-North Commonwealth, as an intra-national special relationship, not as state-to-state relations.

At the final stage, we would see the unification into a single state within one nation. The South and the North would realize

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12 Larry A. Niksch, "U.S.-D.P.R.K. Relations and the Korea Policy of the United States," a paper presented to the conference on *Changes in North Korea and the Korea Policies of the Four Major Powers around the Korean Peninsula*, sponsored by the Research Institute for National Unification, Seoul, 17 May, 1996, p. 9.

political integration by forming a unified legislature and government under democratic procedures based on a unified Constitution, thus accomplishing complete unification featuring a single government and system of a single state within one nation.

On the other hand, North Korea, which insists upon its plan of unification by Korean Confederation, has declared three principles for unification, self-reliance, peace and national solidarity, and a "ten point decree" for grand national solidarity as the unification policy guideline. The real points are, however, to eliminate the ROK's National Security Law and its National Security Agency and force the withdrawal of the US troops from South Korea.<sup>13</sup> This implies that even if North Korea does seek coexistence with South Korea, it will maintain its united front strategy.<sup>14</sup>

When inter-Korean talks resume, South Korea will be steadfast on the principle of reciprocity to induce North Korea to become one of the regional member countries responsible for peace of this region in return for providing multi-lateral assistance to the North. But as North Korea perceives that active inter-Korean exchange and cooperation will bring about the opening of North Korean society, thus threatening its system, it is anticipated to be negative in improving the relationship with South Korea, such as full implementation of the Basic Agreement.<sup>15</sup>

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13 Myong Kee Kim, *Unification Policies of North and South Korea* (Seoul: Kukche Munche Yeonkuso, 1995), p. 159.

14 Moon-Young Huh, et al., *The Advent of Kim Jong-il Regime*, p. 14.

15 Tae-il Kim and Sang-in Chon, *Ten Point Decree for the Great National Unity for Korean Unification and DPRK Policy toward ROK* (RINU, 1993), pp. 4-5.

## The 1994 US-DPRK Geneva Accord and Its Impact on Inter-Korean Relations

North Korea and the US agreed in October 1994 in Geneva that North Korea freeze its construction of two nuclear reactors and forego reprocessing and seal its "radiochemical laboratory," and that the United States would support provision of light water reactors and interim energy alternatives in return for the freeze. At the same time, the two sides agreed to discuss the establishment of diplomatic representation in both capital cities on the way to normalize political and economic relations.

The US-DPRK Geneva accord has indeed influenced the political framework on the Korean peninsula and the development of inter-Korean relations. Russia and China have both made policy adjustments as a result of improvement of the US-DPRK relationship, and Japan has also made a quick policy response towards North Korea.

Such changes have brought a new environment for inter-Korean relations. At present, however, our main concern is Pyongyang's direction in the post-Kim Il Sung era. Resolution of the nuclear issue, peace and stability on the Korean peninsula as well as the relationships among the Northeast Asian countries and regional stability, all depend upon the path the North Korean regime will take.

South Korea, the United States and the international community anticipate North Korea to emerge from its hermit status and play a role as a responsible member of the international community. For this purpose, the ROK should expand contacts with Pyongyang and thus reduce future uncertainties by inducing North Korea to comply sincerely with the US-DPRK accord. A lesson we acquired in negotiating with North Korea over the years is that we have been able to achieve results only when our message was clear and decisive.<sup>16</sup> Therefore, when we approach

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16 Do Tae Kim, *A Comparative Study on Negotiating Strategy of North and South Korea*

the North it is important to urge them to participate in the changes of the international mainstream, yet while preventing any misunderstanding by making clear our strong intention that the accord be implemented fully. Such a resolute position can be accurately transmitted to Pyongyang when the US-ROK cooperative mechanism demonstrates smooth function, and makes the North fully understand that the alliance possesses sufficient military deterrence and determination to prevent war on the peninsula. That is, both the US and the ROK governments have to show Pyongyang, by their actions, that any intention to gain more concessions through arbitrary interpretation of the Geneva accord, or to improve relations with the United States by excluding the South, has limit and will eventually fail.

### **Policy Direction of the North Korean Regime and the Inter-Korean Relationship in the Mid-1990s**

Since the provocation of the nuclear issue, North Korea has been concentrating on negotiation with the United States while it is reinforcing denunciation of the South and its playing out its united front strategy by resisting inter-Korean dialogue. It is continuing to denounce South Korean authorities for the South's ban upon paying respect to the altar of Kim Il Sung. Pyongyang is demanding abolition of the ROK National Security Law,<sup>17</sup> release of pro-communist political prisoners and dissolution of the National Security Agency.<sup>18</sup>

Diplomatic isolation, severe economic difficulties and transitional political situation have all forced North Korea to adopt a dual policy to keep its system intact. Diplomatically, North Korea is seeking to improve relations with the United States, Japan and other Western countries, while it is maintaining tension towards

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(Seoul: RINU, 1994), pp. 151-2.

17 *Rodong Shinmun*, 9 March - 13 March 1995.

18 *Rodong Shinmun*, 28 February - 3 March 1995.



the South in order to create a system-integrating effect within its own society.

However, the Pyongyang government is pursuing contacts with South Korean civilians in economic and practical respects, for example with South Korean businessmen to attract capital and technology. It also received rice aid from South Korea through dialogue between government and semi-government authorities.<sup>19</sup>

Therefore, even if North Korea continues agitating South Korean society and conducts its united front strategy for the purpose of consolidating its regime, it will inevitably have to hold talks with South Korea in the process of negotiating to get more aid from its southern partner. It is also anticipated to come out at some point with the principle of separation between economic and political matters in order to secure economic cooperation with South Korea.

It is quite probable, then, that Seoul could induce the North to dialogue and possibly adopt reconciliation policies toward the South. At the present state, it is desirable for the South Korean government to foster favorable conditions to bring North Korea to the negotiating table while maintaining consistency in policy towards the North. The ROK government should take measures to extend exchanges and cooperation in non-political spheres such as alleviating conditions for businessmen to visit the North in order to foster conditions for inter-Korean dialogue and improve relations.

Negotiation and cooperation between the two Koreas are inevitable in the process of implementing the light-water reactor project. The government may put the joint economic commission into operation or discuss the issues with North Korea through working-level contacts. Because the Agreed Framework states that North Korea engage in inter-Korean dialogue and imple-

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19 Ministry of National Unification, "Beijing Talks and Provision of Rice to North Korea," *South-North Dialogue in Korea*, No. 63 (January 1996).

ment the Denuclearization Declaration, the ROK government may propose opening the North-South Nuclear Control Commission to discuss North-South mutual nuclear inspections as well as joint peaceful utilization of nuclear energy.

### **Provision of Light-Water Reactors to North Korea and Inter-Korean Cooperation**

With the agreement reached at the US-DPRK talks and DPRK-KEDO meetings, North Korea finally accepted a central role for Seoul in the light-water reactor project by recognizing that Korean enterprise serve as main contractor and accepting the "Korean standard reactor." Now the LWR supply project is entering an active stage of implementation; on-site investigation teams composed of specialists from the ROK, Japan and the US four times visited the North and conducted surveys of the Shinpo area.

The basic position of the ROK government towards the LWR project is that it provide opportunities to improve inter-Korean relations and reinforce North Korea's nuclear transparency. Given this position, the ROK government, which must maintain its central role in the project implementation, should consider some problems that North Korea and two other main players within the KEDO, the US and Japan, can be expected to raise prior to the actual construction of the LWR under the circumstances of North Korea's continued strategy of trying to exclude Seoul, together with American and Japanese attempts to extend their influence in the project.

One, the US, Japan and the ROK have not yet decided how to share expenses. The three countries had roughly agreed that Seoul would cover costs corresponding to its central role; Korea is projecting its burden to be about seventy to eighty percent of the total.<sup>20</sup> On the other hand, the US administration is

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20 Min Cho, "The Present Status of Inter-Korean Relations and Prospects", a paper

persuading the Republican-led Congress to go along on the matter of the Agreed Framework by emphasizing that United States should assume no financial burden.<sup>21</sup>

Also, Pyongyang will try to minimize the impact of the LWR supply project upon North Korean society by imposing strict regulations on travel, communication, clothing and residence domain for South Korean participants. At present Pyongyang does seem to have agreed, reluctantly, to guarantee security and convenience for the workers from the South and provide necessary services and equipment during the construction period.

### **Inter-Korean Economic Exchange and Cooperation**

As the US and the DPRK signed the Agreed Framework on 21 October 1994, the ROK government has begun to activate inter-Korean economic cooperation. Inter-Korean trade that began on October 1988 entered a state of lull during 1993 and 1994 due to the North Korean nuclear issue. Total trade volume that was \$18 million in 1989 has recorded a gradual increase each year since, and reached \$287 million in 1995.<sup>22</sup>

In order to overcome its economic crisis, North Korea is devoting efforts to foster favorable conditions both domestic and international as well as to attract capital for the implementation of its policies that place priorities on agriculture, light industries and trade. It is trying, however, to attract capital from the South not through governmental but civilian sectors by means of inviting individual enterprises to the North. The North Korean efforts to acquire more investment through active inter-Korean

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presented to a conference, *The Present Status of Inter-Korean Relations and Prospects for 1996*, sponsored by RINU on 15 December 1995, p. 26.

21 *Chosun Ilbo*, 3 September 1996

22 Ministry of National Unification, *Monthly Review on Inter-Korean Exchange and Cooperation*, No. 60, 1996, p. 26.

economic exchange and cooperation has faced troubles and limitations.

In the short term, the ROK government has been concentrating on securing institutional arrangements for expansion and extended economic exchanges and cooperation such as personal security, a treaty on guarantees on investments, permission for unexpected remittance, prevention of double taxation, conflict resolution, and overall coordination. It is necessary, however, to focus on opening talks between the two authorities to achieve the above mentioned devices. It is quite obvious for South Korea to consider that economic cooperation with North Korea should be pursued under the guideline that it contribute to reconciliation and cooperation as well as confidence building between the two Koreas.

In the middle and long term, the government should establish a definite will to conduct economic cooperation with North Korea and implement the policy consistently. The government should see to it that enterprises can perform effective investment in and trade with North Korea, develop various forms of economic cooperation with the North, and implement policy by taking into consideration the political and social effects, in North Korea, of economic cooperation.

### **Flood Damage and Food Shortages in North Korea**

North Korea is reported to have suffered tremendous flood damages due to exceptionally heavy rainfall in July and August 1995. Some areas recorded as much as 470mm in a day. The DPRK authorities announced that millions of people were affected by inundation and that the total cost of the damage caused by the floods exceeded \$15 billion. According to a report by the United Nations Department of Humanitarian Affairs, more than one hundred thousand homes were displaced and there would be 1.9 million tons of damage to agricultural production for 1995. Above all, destruction of production facilities and infrastructure

throughout the country will inevitably exert long-term effects on the economy. In light of North Korea's past closed-mind behavior, its request for immediate relief from the United Nations and its willing acceptance of the UN Assessment Mission to conduct investigations render evidence of the severity of the situation.

The assessment mission is focusing attention on provision of shelter to the 500,000 people who have lost their homes before winter and solving impending food shortages due to the ravaged grain production. Before the flood damage, it was estimated that North Korea would be short of about two million tons of grains (for food, feed and processing). An additional two-million-ton shortage as a result of agricultural damage will make North Korea barely able to meet half the total 6.72 million tons (1995 figure) grain requirement.<sup>23</sup>

Food shortage is not at all new in North Korea. The country has long been resolving food shortages with imports from the Soviet Union, China and other countries. Last year Pyongyang overcame its aggravated situation by receiving rice aid from Seoul and Tokyo. Worse food shortages seem inevitable this year, and it is putting tremendous effort into the acquisition of grain from other countries.

Under such tremendous food shortage, Pyongyang has to seek a new way out of the critical situation. The problems cannot be solved by construction of LWRs, reception of substitute energy, rice aid from South Korea and Japan, limited foreign investment in the special economic zones, or the leader's benevolent actions. The North Korean leadership seems still to be unaware of the severity of the situation.<sup>24</sup> Even if it is, it is not in a position to launch system reform.

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23 Soo-Young Choi, "Socio-Economic Structure and Current Situation of North Korea," *Journal of Strategic Studies*, Vol III, No. 2, 1996, p. 50.

24 Jae-Jean Suh and Byoung-Lo P. Kim, *Prospects for Changes in the Kim Jong-il Regime* (RINU, 1994), pp. 36-37.

Although North Korea did suffer great damage from the exceptionally heavy rainfall, the cost estimates of damage alleged by North Korean authorities seem absurdly exaggerated. The figure seems to encompass even the economic damage incurred over the past years. North Korea may also try to take advantage of the natural disaster to appease popular grievances as well as to distort the reality of North Korean situation to the outside world. Perhaps they will try to obtain as much anonymous help as possible.

South Korea's humanitarian rice aid to North Korea confronted some unexpected incidents such as the forced hoisting of the DPRK flag on Seoul's vessel on 26 June 1995, and Pyongyang's internment of ships carrying rice on 31 July 1995. The ROK government completed its humanitarian supply of 150 thousand tons of rice as planned and further incidents did not occur. These incidents, however, blocked the South Korea government from considering additional rice aid to the North until a national consensus might be reached on the matter, something quite difficult to attain. Sentiment among the people in the South demands that relief aid for flood damage should be implemented only after deliberate consideration of findings by international organizations and other circumstances. Despite Seoul's good intentions in donating rice, Pyongyang is merely trying to secure leverage in inter-Korean affairs through overemphasis on procedural technicalities.

The future of North Korea remains dark so long as the leadership behaves only reactively to this crisis rather than tackling the root of the problem.<sup>25</sup>

There can be no future for North Korea without thorough self-critique and an awakening from the belief in the great leader's infallibility, from blind obedience, fantasy and obsession on ideology, from immanent contradiction in the North Korean

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25 Seung-Yul Oh, "Shortage in the North Korean Economy: Characteristics, Sources, and Prospects," *Korean Journal of National Unification*, Vol. 4, 1995, p. 131.

style of economic system, from fears to reform and open up, and from misperception and antagonism towards South Korea. However, there have as yet been no signs of change.

Now the North Korean leadership is in the very situation of having to decide upon the survival of the people and the system itself. The leadership should be fully aware that the natural disaster, which inflicted such damage on some three quarters of the North Korean agricultural land and produced thousands of victims and tremendous property losses, may not be simply a natural disaster beyond human power. It could be an event that will play a precipitating role to explode the contradictions that have accumulated over the years. For the North to survive, it has to change. For this very reason, the leadership should initiate active system reform, but obviously the North Korean leadership is still not taking seriously the urgency to carry out changes.

### **North Korea's Argument for a Peace Treaty**

A DPRK Foreign Ministry spokesman announced on 28 April 1994 that the Korean Armistice Agreement has become mere scrap of paper and demanded a peace treaty with the United States. Since then, Pyongyang has been carrying out various measures to nullify the armistice. The ultimate objective of North Korea's attempt to weaken the armistice body is to sign a peace treaty with Washington, of course excluding South Korea, in order to secure the initiative on issues on the peninsula and to force American troops to withdraw from South Korean soil.<sup>26</sup>

In light of the North's demand for a peace treaty solely with the US, transition to a peace system by means of dialogue and negotiation between the two Koreas seems difficult for the time being. South Korea's basic position and principle on the issue of transition to a peace system on the peninsula was well

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26 Seong Ho Jhe, "How to Build a New Peace Structure on the Korean Peninsula," *Korean Journal of National Unification*, Vol. 4, 1995, p. 22.

represented by President Kim Young Sam's declaration for a peace system at the 50th Anniversary of the August 15 Liberation Day speech: (1) the principle that issues on the peninsula be resolved between the parties concerned, (2) a guarantee of peace on the peninsula through cooperation among the neighboring countries, and (3) abidance by the agreements already signed between the two Koreas. Therefore the ROK government would maintain and abide by the Korean Armistice Agreement in accordance with Article Five of the Inter-Korean Basic Agreement, until a new alternative can be agreed upon by *the two Koreas*. Thus the South Korean government would by means of cooperative mechanism between Seoul and Washington make every effort to prevent this North Korean offensive to nullify the armistice body. Over the middle and long term, however, intra-alliance measures such as regaining from the US commander wartime operational command over ROK troops and withdrawal of the Military Armistice Commission while placing the Joint Security Area under ROK army command should be taken to foster frequent military contacts between the two Koreas, and thus help Korea to pursue a peace system on the peninsula independently.<sup>27</sup>

### **Internationalization of the Korean Issue and Four-Party Talks Initiatives**

Since the end of the Cold War, the Northeast Asian countries are concentrating on economic development by extending contacts and exchanges with neighboring countries. As a result, ideological confrontation has become a thing of the past.

Despite the mainstream of friendly atmosphere, US-PRC, US-Japan and PRC-Japan relationships are in an uneasy state due to the rise of the Taiwan issue, trade friction, and military

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27 Yong-Sup Han, "Breaking off the Cold War Chains on the Korean Peninsula: The Relevance of Arms Control Measures," *The Korean Journal of National Unification*, Vol. 4, 1995, p. 69.



build-up in China and Japan. In light of political and economic situations of the four major powers in this region, coordination of interests seems difficult to attain, and conflict and friction among the countries seems to be being prolonged. The Korean peninsula is the geopolitical center of gravity of Northeast Asia. Therefore competition among the four big countries to extend influence over the peninsula will probably become fiercer in the future.

On the other hand, practical rather than ideological interests prevail over the relationships among the nations in the region. This is providing South Korea with an opportunity to reinforce unification capacity by means of developing close relations with Russia and China on one hand, and North Korea the chance to improve relations with the United States and Japan on the other.

Such changes in regional politics have a dual impact on the conditions for unification of the Korean peninsula. Aggravating relations among the four countries and competition to extend influence on the peninsula further internationalize Korean affairs, so South Korea should make every effort to gain support and cooperation from those surrounding countries to help accomplish unification. That will be arduous and exhausting. However, exchanges and contacts developing among the ROK-Russia, ROK-PRC, US-DPRK and DPRK-Japan bilateral relationships might well contribute to induce changes in North Korea.

The South Korean government does not oppose Pyongyang's efforts to improve relations with the US and Japan. However, to remove the possibilities of threat to the stability on the peninsula through inducing Pyongyang towards orderly change, the US and Japan should develop contacts with North Korea in concert with, side by side with, improvements in inter-Korean relations.<sup>28</sup>

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28 President Kim Young Sam reaffirmed this principle in his "8-15 Address" on 15 August 1996.

North Korea has been insisting upon the conclusion of a peace agreement with the US—but excluding South Korea who can only be a party to Korean issues. Last April, for example, North Korea conducted military intimidations a few times within the common security area of Panmunjom.

Under this situation, through a joint statement on 16 April 1996, Presidents Bill Clinton and Y. S. Kim suggested Four-party Talks in which North and South Korea, the US and China would participate together. This new peace proposal would remove the confrontation and hostility of over half a century and ease tensions to help build a lasting peace on the peninsula. If North Korea will respond to the four-party talks in the affirmative, inter-Korean relations will witness a new turn for the reduction of tensions on the Korean peninsula and establishment of a durable peace that will contribute for the peaceful unification in the coming years.

### **The Prospects for Inter-Korean Reconciliation**

The essence in the mainstream of restructuring the world order consists of pluralist democracy and free market economy. A wave of democracy is bringing about the collapse of the authoritarian East Bloc regimes as well as in the Third World countries.

Our state of division is the product of the Cold War of East-West confrontation, and North Korea is fully aware that it is no exception to the target of the global mainstream. Therefore North Korea worries over the possibility of being absorbed by the South occurred in German unification. Views against following the German experience, however, prevail among the South Koreans<sup>29</sup> and the ROK government has no intention to unify with North Korea by absorbing it. The government is implementing a unification policy based on the guideline of a step-by-step,

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29 Most Koreans (82.8%) thought that gradual unification would be the best way to reunify the separated nation. Jae Jean Suh, et al., *National Poll for the Year 1993: Korean Unification Issues* (Seoul: RINU, 1993), p. 79.

gradual method of unification. This is the most desirable method in light of the realities.

However, the inter-Korean relationship is still not at the stage of reconciliation and cooperation. Therefore it is desirable to implement those joint projects from the economic field that are most likely to succeed in reaching agreement. When the inter-Korean relationship improves and the vision for unification is within reach in the middle or long term, the Joint Project for National Development should be translated into terms of concrete strategy to implement the National Community Unification Formula and be extended to a national grand strategy for the 21st century.

On 15 August 1994, President Kim Young Sam proposed the Joint Project for National Development, which aims to achieve co-progress between the two Koreas by realizing a gradual and step-by-step method of unification. "Unification through the construction of national community" signifies achievement of unification by building an economic and social community for co-existence and co-progress of the two Koreas by means of active inter-Korean exchanges and cooperation, and creating a political community when the economic and social communities mature into the stage of political integration.

The underlying background of the proposal was the perception that by means of joint development of national community, we could foster stability and development in North Korea, thereby consolidating peace on the peninsula and paving way to the path of national unification.

The Joint Project for National Development has three implications in the process of building a national community. First, it is a comprehensive unification policy for the economic field that implements inter-Korean economic exchanges and cooperation, in view of connecting a recovery of the North Korean economy with the creation and development of the economic community. Second, it is a concrete and practical strategy that is aimed to build a national community in a gradual and step-by-

step way. Third, it is a national project or strategy to build a national community by means of common efforts between the two Koreas, and develop the community into an advanced country that can play a leading role in the twenty-first century.<sup>30</sup>

Although the inter-Korean summit slated for 25 July 1994 failed to take place due to the sudden death of Kim Il Sung, the ROK government regards the consensus reached for the summit as still valid and looks forward to holding it at an appropriate time.

This summit, which has never been held since the separation of Korea into North and South, would provide a significant turning point in the inter-Korean relationship. It could be the very occasion in which ROK government could display its commitment in the stability of the North Korean system and improvement of inter-Korean relations.<sup>31</sup>

Holding a summit immediately after the official launch of the new North Korean regime may be conducive to grasp policy direction of the new regime and to discuss sincerely ways to improve inter-Korean relations with our North Korean counterpart. Moreover, the summit will pave a breakthrough for the impending issues on the peninsula as well as coordinating the speed of improvement of US-DPRK relations as well as those between the two Koreas.

Should there be a summit, the principle and detailed procedures that were agreed between the two Koreas may still be effective. Major issues for the summit agenda could include improvement of inter-Korean relations and a directive for the development of inter-Korean economic relations.

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30 Young-Ho Park, "Formation of National Community and a Search for the Joint Project for National Development," a paper presented to an 11 August 1995 conference at RINU in Seoul on *A Practical Index for Reconciliation and Cooperation between North and South Korea: Joint Project for National Development*, pp. 23-24

31 Young Tai Jeung, *North Korea's Intention behind Its Proposal for an Inter-Korean Summit and Prospects for a Dialogue* (Seoul: RINU, 1994), pp. 19-22.

After all, if North Korea understands the sincerity of the four-party talks proposed by both ROK and the US presidents and accepts an inter-Korean summit after Kim Jong-il's inauguration as head of the state, South Korea is willing to have dialogue with its northern partner on various impending issues including economic cooperation and a peace regime on the Korean peninsula. Through such open talks, North and South Korea could reconcile by confirming their willingness to abide by the Inter-Korean Basic Agreement.