

PUTIN'S PRAGMATIC APPROACH TO THE KOREAN PENINSULA

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This article's purpose is to analyze Putin's foreign policy toward the Korean peninsula. It opens with a brief review on the changes of Yeltsin's foreign policy line and on his foreign policy toward the Korean peninsula. And the prospects for Putin's foreign policy toward the Korean peninsula are presented.

The transition process of Russia's foreign policy line since late 1991 can be divided into three phases; pro-western foreign policy line from late 1991 to late 1992, Eurasian foreign policy line from late 1992 through mid-1996, multi-directional policy line since mid-1996. Putin is in succession of Yeltsin's multi-directional policy line.

Yeltsin's foreign policy toward the Korean peninsula can be distinguished into two phases; pro-South Korea policy until the death of Kim Il Sung in July of 1994, balanced policy toward South and North Korea since that time. The Russia-South Korea relationship was re-adjusted by re-affirming a "Constructive and Mutually Complementary Partnership" at the summit in May of 1999 between Kim Dae-jung and Yeltsin. In the meanwhile, the transition process of Yeltsin's foreign policy toward North Korea since the disintegration of the Soviet Union is to be differentiated in four phases: a period of aggravation until

the first half of 1994, Russia's search for improving its ties with North Korea until the second half of 1996, a period of stagnation from the first half of 1997 to the second half of 1999, and a period of re-adjustment since 2000.

At present, Putin is carrying out a pragmatic and realistic foreign policy, which is based on more profits in the political and economic sense, while pursuing balanced policy toward South and North Korea as was in the second term of Yeltsin's presidency. "Foreign Policy Concept of the Russian Federation" approved by Putin in June of 2000 explains that "of greatest concern (in Asia) is the situation in the Korean Peninsula. Efforts will be focused on assuring Russian equitable participation in solving the Korean problem and on maintaining balanced relations with both Korean States."

Russia's signing of a new "Treaty on Friendship, Good Neighbornliness and Cooperation between Russia and North Korea" in February of 2000, Putin's visits to North Korea in July of 2000 and to South Korea in February of 2001 can be understood in this context. In addition, the Russian government has been actively seeking the tripartite economic cooperation among South and North Korea and Russia in order to ensure substantial economic benefits. It is because the Russian economy showed a tendency of recovery in 2000 and on the Korean peninsula the reconciliation and cooperation between South and North Korea tended to extend after the inter-Korean summit.

At present, Russia attaches great importance to the stability of the Korean peninsula, regarding its unification as a matter to some future occasion. Therefore, Putin is likely to maintain the established principles of the Russian policy that have balanced relations with South and North Korea, while continuing to pursue his pragmatic policy so that he may raise Russia's voice in the Korean problems and obtain economic benefits. The second Russia-North Korea summit between Putin and Kim Jong-Il might be held just prior to the second inter-Korean summit.

I. Introduction

Since the disintegration of the Soviet Union in December of 1991 Russia has been experiencing great changes. Former Russian President Yeltsin is generally regarded as having succeeded in establishing democracy in Russia legally and institutionally by transforming the socialist system of the former Soviet Union into democracy. However, he failed to establish a true market economy in Russia and at last came to declare a moratorium in August of 1998. Putin, who has been acting in the capacity of Russian president since January 1, 2000, is endeavoring to rid his country of the harmful effects of lawlessness, corruption and social crimes and to overcome Russia's serious economic difficulties, all of which were caused during Yeltsin's presidency. In the field of foreign policy, Yeltsin coped with the changing international situation by taking several different foreign policy lines. At the present time, Putin is following the basic line of multi-directional foreign policy, which Yeltsin took during the second term of his presidency.

In the meantime, there have been a variety of changes in Russian foreign policy toward the Korean peninsula. Since the establishment of diplomatic relations between South Korea and the Soviet Union in September of 1990, the leadership of Russia and of South and North Korea has changed. Today, Putin pursues a more active and attentive policy toward South and North Korea in comparison to that of Yeltsin's era.

This article's purpose is to analyze Putin's foreign policy toward the Korean peninsula. It opens with a brief review of Yeltsin's foreign policy and his policy toward the Korean peninsula. Then, Putin's principles of foreign policy and pragmatic diplomacy are examined in chapter III. This paper will also deal with Putin's balanced policy toward South and North Korea in chapter IV. And finally, the prospects for Putin's foreign policy toward the Korean peninsula are outlined.

II. Yeltsin's Foreign Policy and Policy toward the Korean Peninsula

1. Yeltsin's Foreign Policy

The transition process of Russia's foreign policy since late 1991 can be divided into three phases. The first phase is the period of approximately one year from late 1991 to late 1992, during which Yeltsin carried out a pro-western foreign policy. With this policy, he expected a large amount of economic aid and investment from Western countries such as the U.S. and Japan in order to overcome the Russian economic difficulties and make reforms. Against his expectations, the economic aid and investment came to only a limited amount, and subsequently Russia was faced with a threat to its national security due to NATO's expansion toward Eastern Europe.

Under these circumstances, Yeltsin pushed a Eurasian foreign policy forward in the period from late 1992 through mid-1996, in which the CIS and Asian countries were regarded as being as important as Western countries. This can be regarded as the second phase in the transition process of Russia's foreign policy. Carrying out defensive and passive policies, Yeltsin could consolidate Russia's national security by adopting a new military doctrine in November of 1993 and by establishing a strategic partnership with China in April of 1996 to cope with the new enlargement of security relations between the U.S. and Japan.

The third phase is the period after Yeltsin's re-election in mid-1996. Since then, the Russian government has taken a multi-directional policy line. It is an offensive and active foreign policy, aimed at recovering the status of Russia as a power and creating favorable international circumstances to help solve its economic difficulties. Putin, who has been the leader of Russia since 2000, is following Yeltsin's multi-directional policy and claims to stand for strong Russia.

2. Yeltsin's Policy toward the Korean Peninsula

Yeltsin's foreign policy toward the Korean peninsula can be distinguished into two phases: pro-South Korea policy until the sudden death of Kim Il Sung in July of 1994, a balanced policy toward South and North Korea since that time.

Expecting a large amount of economic aid and investment from South Korea, Yeltsin pursued a policy, in which it attached greater importance to South Korea than North Korea. However, a very small amount of investment Russia received from the South Korean government and businesses fell well short of Russian expectations.¹ In addition, South Korea, which granted US\$ 1.47 billion of a promised US\$ 3 billion credit line to the former Soviet Union, decided not to grant the remaining credits in August of 1993, because Russia failed to repay the principal and interest owed to South Korea. In spite of its contribution to the peaceful settlement of the North Korean nuclear problem, Russia was excluded from the settlement.² The rising left wing and extreme right-wing nationalistic parties in the Russian Lower House (the State Duma), and the Eurasian foreign policy of the Russian government at that time — as well as the above mentioned Russian dissatisfaction with South Korea — led the Russian government to re-evaluate its policy towards the Korean peninsula. Kim Il Sung's death was the turning point at which Russia changed its pro-South Korean policy to a policy of balanced relations between South and North Korea.

1 As of end 1993, the South Korea's direct investment in Russia amounted to US\$ 23.54 million, which accounted for only 0.4 percent of the sum of all foreign investments US\$ 5.5 billion.

2 Regarding Russia's position on the North Korean nuclear problem at that time, George F. Kunadze (Former Ambassador to Korea), "Security and Economic Situations in the Korean Peninsula with Emphasis on North Korea," (a paper presented at the 9th IFANS-IMEMO conference on "Korean-Russian Cooperation at the Turn of the Century," October 28-29, 1999, Seoul, Korea), pp. 5-8.

In the second half of the 1990s, the most critical diplomatic juncture since the establishment of diplomatic relations between Russia and South Korea was reached. This came about because Russia was unhappy with its exclusion from the Four-Party Talks proposed by South Korea and the U.S. in April of 1996 and because of a diplomatic squabble caused by the reciprocal expulsion of several intelligence agents from each side. It was very fortunate for both countries that the diplomatic conflict was solved by re-affirming their "Constructive and Mutually Complementary Partnership"³ at the summit in May of 1999 between South Korean President Kim Dae-jung and Russian President Yeltsin.

In the meantime, the transition process of Yeltsin's foreign policy toward North Korea since the disintegration of the Soviet Union can be differentiated into four phases. The first phase is a period of aggravation lasting until the first half of 1994. The relationship between both countries could not help but to be aggravated because of Yeltsin's pro-South Korean policy at that time.

Upon the death of Kim Il Sung, Russia changed its policy toward the Korean peninsula from a pro-South Korean policy into one of balanced relations between South and North Korea. Russia tried to improve its ties with North Korea until the second half of 1996. In the second phase of Yeltsin's policy toward North Korea, North Korea assumed a passive policy towards Russia. This was because North Korea was then still being ruled by Kim Il Sung's dying injunctions; it was dissatisfied with reports in the Russian press critical of the political and economic situation in North Korea; the supply for Russian military

3 In the "Korean-Russian Joint Declaration" in June of 1994 the South Korean President Kim Young Sam and the Russian President Yeltsin declared that the relationship between the Republic of Korea and the Russian Federation is now turning into a "Constructive and Mutually Complementary Partnership" based on the common values of freedom, democracy, rule of law, respect for human rights and market economy.

weapons to South Korea to partially repay credits; and its expectation that Gennady Zyuganov, the leader of the Communist Party of the Russian Federation, might win the Russian presidential election of 1996.

The third phase of Yeltsin's policy toward North Korea began in the first half of 1997 and lasted until the second half of 1999 and is characterized by a period of stagnation. Since the military alliance treaty of 1961 was de facto renounced, Russia and North Korea made preparations for concluding a new treaty in order to replace their relationship based on a military alliance with a normal relationship. However, Russia was concerned not only about external affairs, i.e. NATO expansion toward Eastern Europe and the situation in Kosovo, but also about its internal economic crisis, i.e. the declaration of moratorium in August of 1998. North Korea also continued to carry out a foreign policy focused on the U.S. Therefore, Russia maintained its relations with North Korea within the limits of that time.

It was in 2000 that a turning point in the relationship between Russia and North Korea was reached. The period from that time until now makes up the fourth phase of their relationship, which is characterized by a period of readjustment.

III. Putin's Principle of Foreign Policy and Pragmatic Diplomacy

According to the "Foreign Policy Concept of the Russian Federation"⁴ approved by Putin shortly after his election in June of 2000, the Russian government judges that the end of the "Cold War" and the advancement of Russian reforms have substantially broadened the possibilities for cooperation in the world arena. It perceives that while military power still retains significance in relations among states, an

4 <http://www.mid.ru/mid/eng/econcept.htm>

ever greater role is being played by economic, political, scientific, technological, ecological, and information factors. Therefore, the document emphasized the important role of Russia as one of the permanent members of the U.N. Security Council in forming a new world order.

The Russian government regards the following factors as new challenges and threats to the national interest of Russia: the global policies of the U.S. to establish itself as the sole superpower, the weakening role of the U.N. Security Council, the proliferation of weapons of mass destruction and their means of delivery, military-political rivalry among regional powers, ethnic-national and religious extremism. In order to encounter these new challenges and threats, the Russian government, under the strong leadership of Putin, places its foreign policy priorities on achieving firm and prestigious positions for Russia in the world community as a great power and seeks to establish a multi-polar system of international relations, recognizing the goals and principles in the U.N. Charter, creating favorable external conditions for steady development of Russia, forming a good-neighbor belt along the perimeter of Russia's borders, eliminating and preventing potential hotbeds of tensions and conflicts in regions adjacent to Russia, and building a system of partnerships and allied relations with foreign countries. Along with this, the Russian government is carrying out a pragmatic and realistic foreign policy, which is based on more profits in the political and economic sense.⁵

IV. Putin's Balanced Policy toward South and North Korea

At present, Putin is pursuing a balanced policy toward South and North Korea as in the second term of Yeltsin's presidency. "Foreign

5 On Russia's pragmatic foreign policy, see A. Fedorov, *New Pragmatism of Russia's Foreign Policy*, *International Affairs* (Moscow), Vol. 45, No. 5, 1999, pp. 47-52.

Policy Concept of the Russian Federation” explains that “of greatest concern (in Asia) is the situation in the Korean Peninsula. Efforts will be focused on assuring equitable Russian participation in solving the Korean problem and on maintaining balanced relations with both Korean States.”⁶ Putin’s visits to North Korea in July of 2000 and to South Korea in February of 2001 can be understood in this context.

1. Putin’s Policy toward North Korea

As acting Russian President, Putin concluded a new treaty with North Korea in February as formal Russian President visited Pyongyang in July of 2000, where a joint declaration was adopted. The conclusion of a new treaty and the adoption of a joint declaration signaled the end of a ten-year cooling-off period between Russia and North Korea after the establishment of diplomatic relations between Russia and South Korea. As the longstanding economic difficulties of Russia and North Korea brought about fruitless outcomes in economic cooperation with North Korea, Putin has been seeking to realize so called “tripartite economic cooperation,” which combines together the South Korean capital, North Korean labor power, and Russian resources and materials.

(1) Signing of a New Treaty

Although the new “Treaty of Friendship, Good Neighborliness and Cooperation between Russia and North Korea” replaced the alliance treaty of 1961 and was initiated in March of 1999, the official signing of the treaty was put off several times. In order to sign a new treaty, Russian Foreign Minister Ivanov visited Pyongyang from February 9-10, 2000 with a delegation of thirty-three persons. The trip marked the

6 <http://www.mid.ru/mid/eng/econcept.htm>, p. 12.

first trip by a Russian foreign minister since Foreign Minister of the Soviet Union Shevardnadze's trip to North Korea in 1990.

The conclusion of the new treaty resulted from a concurrence of interests in both countries. In the Russian presidential elections scheduled for March of 2000, the Russians regarded acting president Putin's victory as a matter of course. In addition, there was a tendency of the U.S.-North Korean and Japanese-North Korean rapprochement after the U.S. and North Korea had agreed at the Berlin talks in September of 1999 that the former lifted some of its economic sanctions against the latter in exchange for North Korea's suspending its missile tests. Under these circumstances, the Russian government, which was trying to transform Russia into a strong country, re-evaluated its strategic interests in East Asia and sought to restore its influence on the Korean peninsula and to re-arrange its relations with North Korea. Russia and North Korea did not have a legal basis for their relations after the *de facto* renunciation of the alliance treaty in September of 1996.

On the other hand, North Korea began to pursue a multi-directional policy by establishing diplomatic relations with Italy immediately after the release of the "Perry Report" in September of 1999. It was also necessary for North Korea to re-arrange its ties with Russia into a normal state-to-state relation and to enhance its position in negotiations with the U.S., Japan and South Korea.

Russian Foreign Minister Ivanov said upon his arrival in Pyongyang that, the treaty will open a new page in our relations and will promote the development of cooperation in all areas in the 21st century, as well as stabilize the situation on the Korean peninsula.⁷ He presented a message from acting President Putin to Kim Jong-Il, in which Putin expressed his serious concerns over the continuation of tensions on the Korean peninsula. The message also says the Treaty of

7 Russian FM Issues Statement on Arrival in N. Korea, *FBIS-SOV-2000-0209*, p. 1.

Friendship, Good Neighbor Relations and Cooperation between Russia and North Korea opens up broad possibilities for expanding and strengthening Russian-Korean cooperation in various spheres, for intensifying all bilateral ties and raising the standard of political dialogue. Russia consistently calls for untying the Korean knot at the negotiating table and supports the efforts of the Korean people to peacefully unify the nation, his message says.⁸ The Russian delegation did not have a chance to talk with Kim Jong-Il, since at that time he was unwilling to receive high-ranking foreign delegations.

The new treaty⁹ signed by Ivanov and his North Korean counterpart Paek Nam-Sun on February 9, 2000 is composed of a preamble and twelve articles. It is a fundamental legal document that provides a basis for the overall bilateral relationship for ten years ahead. The new treaty stipulates as follows:

- Mutual respect of sovereignty and non-interference in internal affairs, development of friendly relationship on the basis of equal rights and principles of international law (Article 1);
- Willingness to get in touch with each other without delay if the danger of aggression to North Korea or to Russia is created or under the circumstances where peace and security are threatened and when there is the need to have consultations and cooperate with each other (Article 2);
- Regular consultations about important issues related to mutual interests (Article 3);
- Support for Korean unification on the basis of principles of independence, peaceful reunification and national consolidation (Article 4);

8 Ivanov Gives Putin Message to North Korean Leader, *FBIS-SOV-2000-0209*, p. 1.

9 The new treaty was ratified by North Korea on April 6 and by the Russian lower house State Duma on July 19 and the Russian upper house Federal Council on July 27, 2000, and it came into effect on October 30, 2000.

- Expanding efforts to promote cooperation in the spheres of trade, economics, science and technology (Article 5);
- Deepening the relationship between parliaments, other government institutions and social organization of two countries (Article 6);
- revitalization of contact in many fields at various levels between cities, companies, associations and important persons of two countries (Article 7);
- the treaty is valid for ten years and will be automatically prolonged every five years thereafter unless either contracting party gives one year's notice to the other contracting party on the termination of the treaty (Article 12).¹⁰

Unlike the alliance treaty of 1961, provisions on ideological solidarity and mutual defense pacts are excluded in the new treaty. However, Russia and North Korea opened up the possibility of military cooperation, within certain limits, by putting in a clause stipulating immediate bilateral consultations in case of a security emergency. This means that the two countries agreed to closer military cooperation than Russia did in the Article 2 of the "Treaty of Basic Relations between the Russian Federation and the ROK" signed in 1992. But the new treaty does not contain any clause stating that the Russian government supports the North Korean unification program, the so-called "Democratic Confederation of Koryo," despite the fact that North Korea reportedly maintained that Russia should support its unification program in the new treaty.

A joint statement by Russia and North Korea was issued in connection with the signing of the treaty. The statement notes that, the conclusion of the Treaty on Friendship, Neighborliness and Cooperation between the Russian Federation and the Democratic People's Republic

10 Full text of the North Korean-Russian new treaty, www3.yonhapnews.co.kr (2000. 11. 3).

of Korea marks the beginning of a new stage in the development of relations between the two countries.¹¹ The Russian delegation exchanged views with such North Korean high-ranking officials as the chairman of the Permanent Council of the Supreme People's Assembly Kim Yong Nam, Foreign Minister Paek Nam-Sun and other. They reportedly discussed ways to promote political and economic cooperation, joint countermeasures against the Theater Missile Defense (TMD) plan of the U.S. and Japan, and the situation on the Korean peninsula, as well as ways to cooperate in the modernization of North Korea's weapons and factories, many of which were built with help of the Soviet Union. And the Russian side seems to have urged North Korea to support and participate in the Russian project to build a global missiles and weapons technology control system.¹² At a press conference just prior to his departure from Pyongyang Ivanov stated that, the period of a certain chill, encountered by Russia and the Democratic People's Republic of Korea in the 1990s, has been overcome. He also said that Russia comes out in favor of the Korean Peninsula's becoming an area of stability and peace. Moscow is prepared to actively participate in the political settlement processes in the region.¹³

Predicting that no provision undermining Seoul's national interests would be included in a treaty of basic relations between Pyongyang and Moscow,¹⁴ the South Korean government believes that Russian efforts to improve the relations with North Korea could induce North Korea to become a member of the global community. The relationship between Russia and North Korea has changed from an offensive and

11 Russia, North Korea say Treaty Signals 'New Stage' in Ties, *FBIS-SOV-2000-0209*, p. 1.

12 Russian Spokesman on Ivanov's Visit to North Korea, *FBIS-SOV-2000-0208*, p. 1.

13 Ivanov Says 'Chill' in Russian-DPRK Relations Overcome, *FBIS-EAS-2000-0210*, p. 1.

14 DPRK-Russia Treaty Said Not To Undermine ROK's Interests, *FBIS-EAS-2000-0209*, p. 1.

defensive alliance in the era of the Cold War to a normal state-to-state relationship with the signing of the new treaty in 2000. By concluding the treaties on basic relations not only with South Korea but also with North Korea, Russia has come to establish balanced relations with the two countries on the Korean peninsula based on international law.

(2) Support for the Inter-Korean Summit and Putin's Visit to
Pyongyang

As far as the inter-Korean summit is concerned, Russia had been fixing its eye on the preparatory and progressive process of the inter-Korean summit, because Putin's visit to North Korea was scheduled for July 19-20, 2000. Russia assessed the inter-Korean summit between South Korean President Kim Dae-jung and Chairman of the North Korean Defense Commission Kim Jong-Il as a historic event and was deeply satisfied with its positive results, giving support to their policy. Since some positive results, namely the signing of the South-North Joint Declaration on June 15, 2000, came out of the inter-Korean summit, Russia expected the meeting of the two leaders of the divided Korea to create the prerequisites needed for the easing of tensions on the Korean peninsula and reconciliation. In addition, the Russian Foreign Ministry said, movement toward a genuine inter-Korean settlement would strengthen peace and stability in Northeast Asia, which coincides with Russia's interests.¹⁵

In particular, Russia expressed its satisfaction with the fact that the first inter-Korean summit was held and the direct South-North dialogue began without intervention of the powers surrounding the Korean peninsula. Analysis shows that Russia has come to expect a weakening of influence of the U.S., China and Japan on the Korean peninsula in this situation, where Russia had played the smallest role

15 Moscow Hopes Pyongyang Summit Will Help Korean Reconciliation, *FBIS-EAS-2000-0614*, p. 1.

among the four powers. With regard to the future South-North relations, the Russian government maintained that South Korea should help North Korea overcome its economic difficulties and normalize its relations with the U.S. and Japan so as to continue the South-North dialogue in spite of anticipated problems in realizing the contents of the South-North Joint Declaration.¹⁶

Immediately after the historic inter-Korean summit, Putin made a trip to Beijing from July 17-19 and to Pyongyang from July 19-20, 2000 on his way to Okinawa in Japan, where the G-8 summit was being held. He visited North Korea at the invitation of Kim Jong-Il for the first time as a top leader of the former Soviet Union and the Russian Federation. It seemed that his official visit to Pyongyang was aimed at seeking countermeasures against the TMD program of the U.S. and Japan and against the trilateral cooperation among South Korea, the U.S. and Japan. In addition, he wanted to discuss military cooperation with North Korea and to maintain balanced relations with South and North Korea under the present circumstances, where he had promised to travel to South Korea in the near future, as well as to ensure actual economic benefits. Putin held a summit meeting with Kim Jong-Il two times and they exchanged views on the situation in Northeast Asia, on the Korean peninsula, and on mutual economic cooperation. After the summit, a 11-point Russia-North Korea Joint Declaration¹⁷ was issued on July 19, 2000. Its contents and meaning can be summarized as follows:

First, the re-adjustment of the relationship between Russia and North Korea was reconfirmed by reaching an agreement to maintain their traditional relationship of friendship, good neighborliness, mutual trust and multilateral cooperation on the basis of the Treaty of Friendship, Good Neighborliness and Cooperation signed in February of 2000.

16 *Russian Broadcasting*, June 16, 2000.

17 DPRK's KCNA: DPRK-Russia joint declaration released, *FBIS-SOV-2000-0720*.

Second, Russia could continue to play the role of a guardian of North Korean security by reconfirming the provision of the new treaty that the DPRK and Russia express the willingness to get in touch with each other without delay if the danger of aggression to the DPRK or to Russia is created or when there is the need to have consultations and cooperate with each other under circumstances where peace and security are threatened.

Third, Russia could exclude the intervention of other powers in the Korean problem and seek to extend its influence on the Korean peninsula by supporting efforts to independently settle the question of Korean reunification by the concerted efforts of the Korean nation according to the South-North Joint declaration.

Fourth, Russia and North Korea took the same position on the missile issue: The results of the analysis of the present international realities prove that the missile threat from some states cited as a pretext to justify amending the ABM treaty is totally groundless and any deployment of the joint theatre missile defense system in the Asia-Pacific region may seriously wreck regional stability and security, the Joint Declaration says.

It is believed that in mid-2000 Russia, China and North Korea will cooperate with one another more closely than before in the sphere of security. This is because the Russia-North Korea Joint Declaration was issued under the circumstances that China and North Korea have maintained a military alliance since 1961 and that China and Russia have established a strategic partnership since 1996. Unexpectedly, during Putin's visit to Pyongyang, Kim Jong-Il told him that, North Korea is generally ready to use exclusively the missile technology of other states if someone gives it a booster rocket for carrying out peaceful space research.¹⁸ Therefore, it may be possible for North Korea and the U.S. to discuss in detail this issue over how to hand over

18 Putin Views Supplying Booster Rockets For Space Research, *FBIS-SOV-2000-0719*, p. 1.

technology for launching satellites to North Korea in return for giving up its missile program.

(3) Russian Interests in Tripartite Economic Cooperation

As the Russian economy recovered somewhat in 2000 reconciliation and cooperation between South and North Korea blossomed in the wake of the inter-Korean summit, and the Russian government has been actively seeking tripartite economic cooperation among South and North Korea and Russia in order to ensure actual economic benefits. Since early 1994, the Russian Foreign Ministry has proposed tripartite economic cooperation in seventeen fields; such as agriculture, forestry, fishery, coal and energy, the modernization of North Korean factories, the construction of nuclear power stations, the reconstruction of the trans-Korean railway and others.¹⁹ However, this proposal has not received a positive response from South Korea.

When Russian Foreign Minister Ivanov traveled to North Korea to sign the new treaty in February of 2000, they discussed ways to promote economic cooperation between the two countries, including a joint project to reconstruct and modernize factories built with the aid of the former Soviet Union. As soon as the news of the agreement between South and North Korea to hold an inter-Korean summit was reported on April 10, 2000, the Russian government informed the South Korean government of its intention to participate in infrastructure construction in North Korea. When he visited Pyongyang, Putin also consulted in detail with Kim Jong-Il on economic cooperation in such fields as the reconstruction of industrial facilities built with the technology of the former Soviet Union, the restoration of railways connecting the Trans-Siberian Railway (TSR) with the Trans-Korean

19 Trade Office in Moscow, Exploring Ways toward South Korea-North Korea-Russia Tripartite Economic Cooperation, *Information on Trade with the North* (1994. 1), pp. 128-130.

Railway (TKR) and so on.

According to an interview conducted with a member of the Russian lower house, Yuriy Ten, a Korean-Russian,²⁰ the Russian government regards the project to connect the TSR with the TKR lines as being economically feasible. This project would be very profitable for Russia, because the amount of transportation through the TSR line could increase by five or six times. Russia intends to rebuild 930km of the TKR line in North Korea from Khasan station to the border with South Korea. In particular, the Russian Railway Ministry is prepared to invest in modernizing the tracks and to aid in the operation and maintenance of the line, as well as to train North Korean railway personnel. In this context, Russian Railway Minister Aksenenko flew to Pyongyang on March 16, 2001 to discuss the specifics of projects with his North Korean counterpart. He led a special working group that assessed the state of North Korean railways. During his visit, he reached an agreement with his North Korean counterpart to strengthen the cooperation of the two countries in railway transportation.²¹ North Korea is also very interested in receiving Russian investments under this project. Yuriy Ten added at the interview that at the summit talks between Putin and Kim Jong-Il the project was also discussed to supply South and North Korea with Russian gas.

2. Putin's Policy toward South Korea

In accordance with his policy toward the Korean peninsula, i.e., balanced relations with South and North Korea, Putin visited Seoul from February 26-28, 2001 and had a summit meeting with Kim Dae-jung on February 27. Taking into consideration the above-mentioned aims of Russian foreign policy and Russian interests in the Korean

20 *Izvestiya*, July 25, 2000.

21 DPRK, Russia Agree to Cooperate in Railway Transportation, *FBIS-EAS-2001-0318*, p. 1.

peninsula, Putin seems to have made the trip to Seoul for the following purposes:

First, Russia sought to strengthen its influence on the Korean peninsula in light of the fact that the Bush administration came into power in the U.S. in January of 2001 and that Kim Jong-Il traveled to China the same month. In addition, the South Korea-U.S. summit was scheduled for March of 2001 and the second inter-Korean summit also seemed to be near at hand.

Second, Russia intends to ensure actual economic benefits by expanding economic cooperation with South Korea and by selling its military equipment to South Korea, as well as by realizing tripartite economic cooperation.

Third, in order to hold the U.S. global policy in check, Russia tried to get the support of the South Korean government in international security and military affairs. In matters related to National Missile Defense, the ABM treaty, START II and CTBT, Russia was, and is, opposed to U.S. policy.

In the meantime, South Korean President Kim Dae-jung, who asked Putin to visit Seoul directly after his inauguration in May of 2000, seems to have had the following policy objectives:

First, Kim Dae-jung sought to ensure Putin's support for his engagement policy, creating an atmosphere supportive of Kim Jong-Il's visit to Seoul.

Second, South Korea wanted to ask for Russia's constructive role in easing tensions and creating a peace mechanism on the Korean peninsula.

Third, South Korea intended to actually promote economic cooperation with Russia and expected positive Russian contributions to the development of economic cooperation between South and North Korea.

As a result of the coincidence of mutual interests, Putin came to Seoul for the second time as Russian president eight years after former

Russian President Yeltsin had visited South Korea. On the occasion of the South Korea-Russia summit talks, the third Korean-Russian Joint Committee on Economic, Scientific and Technological Cooperation was held on February 26, 2001. Under this committee, the Korean-Russian Far East and Siberia Subcommittee was established so as to strengthen cooperation with the Russian Far Eastern and Siberian regions. Along with this, the Korean-Russian Transportation Cooperation Committee was set up so as to link the TKR to the TSR. Both governments signed a memorandum of intent stipulating the delivery to Seoul of a large consignment of Russian military hardware worth US\$ 700 million. A part of this sum would be paid in cash and the remaining sum would be written off the Russian debt South Korea inherited from the former Soviet Union, which has now grown to US\$1.8 billion.²²

On February 27, 2001, Kim Dae-jung and Putin held summit talks two times and issued a seven-point Korean-Russian Joint Declaration²³ after the talks. Subsequently, Putin delivered his speech in the South Korean National Assembly. The following is an analysis of the outcome of the meeting from the South Korean viewpoint.

(1) Deepening of "Constructive and Mutually Complementary Partnership"

The two presidents agreed to the first point of the joint declaration that the continuous development of the partnership is important for the interests of the peoples of both countries and for strengthening security and stability in Northeast Asia. With this summit talks the groundwork was laid to improve and deepen bilateral cooperation in such fields as politics, security and military affairs, economy, science

22 Memorandum of intent signed in South Korea on arms deliveries, *FBIS-SOV-2001-0228*, p. 1.

23 Korea, Russia Issue Joint Statement at Summit, *FBIS-EAS-2001-0227*, p. 1.

and technology, culture, and arts. The second point of the joint declaration states that the two parties agreed to promote dialogues and consultations in various fields including meetings of heads of state, prime ministers, ministers, leaders of parliament, and to exchange views on regular basis on the bilateral and international issues of mutual concern.

The fourth point of the joint declaration states that the two parties agreed to further encourage exchanges and cooperation between the two countries in the fields of culture, art and science, education, law and so forth. In order to maintain peace and prosperity in the Asia-Pacific region the two presidents also agreed at the sixth point of the joint declaration to strengthen their cooperation through APEC both multilaterally and bilaterally and to actively cooperate for the continued development of the ARF.

(2) Ensuring Continued Support for The Engagement Policy
toward North Korea

Putin assessed the first inter-Korean summit and inter-Korean relations very positively and the two heads of state were ready to continuously cooperate for the development of inter-Korean relations. The seventh point of the joint declaration states the two heads of state reaffirmed that the historic inter-Korean Summit held in Pyongyang in June of 2000 and its follow-up measures had laid the groundwork for reconciliation and cooperation between South and North Korea as well as the reduction of tensions and establishment of peace on the Korean peninsula. Speaking in the South Korean National Assembly, Putin praised the mood of detente initiated by the historic summit between President Kim Dae-jung and North Korean leader Kim Jong-Il and noted that the summit ended 50 years of enmity between the two former Cold War foes.²⁴ The Russian side expressed its readiness and willingness not only to continuously support the course of enhancing

inter-Korean contacts and productive cooperation, but also to continuously contribute to easing tensions and securing peace on the Korean peninsula.

The Russian side seems to have had a pragmatic goal that if tensions were reduced and a peace mechanism in place on the Korean peninsula it could get rid of one of the reasons which the U.S. cites for deploying its NMD system. At the seventh point of the joint declaration the two parties agreed that the 1992 Joint Declaration on the Denuclearization of the Korean Peninsula and the 1994 Geneva Agreed Framework should be faithfully implemented to eliminate the nuclear threat on the Korean peninsula. Both parties further expressed their hope for the early settlement of the issues regarding the development, export and deployment of missiles on the Korean peninsula through continued dialogue among the parties concerned. It means that the Russian government is opposed to certain pressures or sanctions of the U.S. and Western countries against North Korea.

In the first half of the 1990s, Russia had been thoroughly excluded from the processes of solving the North Korean nuclear problem. Therefore, at his speech delivered in the South Korean National Assembly, Putin stated that Russia is ready to play its role in these processes. Also, Putin supported the peace process and cooperation between South and North Korea based on the agreement of the Korean people without external interference, the peaceful and diplomatic solution of all Korean problems, the reliable security by creating appropriate international legal guarantees and the peaceful creation of a unified Korean state. The seventh point of the joint declaration states that the parties further agreed to closely cooperate to establish a multilateral dialogue that will address the issues of the overall security environment and cooperation in the Northeast Asian region.

(3) Common Understanding of International Security Problems

In the fifth point of the joint declaration, the two presidents reaffirmed their willingness to fight international terrorism and eliminate weapons of mass destruction as well as their means of delivery. They commended the MTCR activities and exchanged views on the Russian proposal for a Global System of Control to promote the Non-Proliferation of Missiles and Missile Technologies. And they welcomed the successful outcome of the 2000 NPT Review Conference and expressed their hopes for the early ratification of the CTBT and the enhancement of the efficiency and effectiveness of the IAEA Safeguard System. The two states agreed that the 1972 ABM Treaty is a cornerstone of strategic stability, and expressed hopes for preserving and strengthening the ABM Treaty and for the early entry into force and the full implementation of the START II Treaty, as well as for the conclusion of the START III Treaty as soon as possible.²⁵

With regard to the inclusion in the joint declaration of the phrase “preserving and strengthening the ABM Treaty,” this question was hotly disputed at home and abroad. The domestic and international press reported directly after the announcement of the joint declaration that it was indirectly against the U.S. administration’s plan to develop a national missile defense (NMD) system or that the South Korean government supported Russia, which was strongly opposed to the NMD initiative of the Bush administration. South Korean government officials blamed the media, claiming that newspapers carried fabrications. According to officials, similar language was already used at various international conferences such as the G-8 summit in Okinawa and the Japan-Russia summit in 2000.²⁶

25 The U.S. asks Russia to scrap the 1972 ABM treaty in order to develop a missile defense system. The U.S. ratified the START II on January 26, 1996, while having not yet ratified the CTBT. Russia ratified the START II on April 15 and the CTBT on April 21, 2000.

In the author's judgment, the South Korean government included that the phrase in the joint declaration, taking into consideration a possible new crisis on the Korean peninsula rather than power relations in international politics. There were concerns that the NMD plan might cause a new arms race and dissipate South Korea's endeavors to persuade Pyongyang to give up its missile program. In addition, it was believed that the NMD plan could negatively influence the improvement of inter-Korean relations. According to newspaper reports, at the outset, Russia strongly asked for the inclusion in the joint declaration of a phrase opposing the NMD initiative, but Russia was faced with the South Korean government's stubborn resistance. It was necessary for South Korea to moderate the U.S. administration's concerns over its inclination toward Russia. Therefore, in the joint statement issued after the South Korea - U.S. summit of March 8, 2001, President Kim Dae-jung agreed with President Bush that new types of threats from weapons of mass destruction and missiles as a means of delivery require new approaches to deterrence and defense. The two leaders shared the view that countering these threats requires a broad strategy involving a variety of measures including defensive systems.²⁷

(4) Improvement of Bilateral and Tripartite Economic Cooperation

The third point of the joint declaration stated that the two parties agreed to further strengthen cooperation between the two countries in various fields including trade and investment, energy and resources, industry, small and medium-sized enterprises, science and technology, information and communication, fisheries, maritime transportation, aviation, railways, environment, tourism and regional cooperation.

26 Korea Sympathetic on US Missile Shield, <http://search.hankooki.com/search/search.../t20010302>.

27 [Summit] Kim-Bush Joint Statement, <http://www.hankooki.com/search/search.../t20010308>.

The two heads agreed to make efforts for the early and successful implementation of the project to establish the South Korea-Russia Industrial Complex in the Nakhodka Free Economic Zone and to closely cooperate on a gas development project in Irkutsk (Kovykta) and on the oil and gas development projects in Sakhalin. The Irkutsk gas project includes the construction of a gas pipeline from Russia to Korea via China. The estimated cost of this project is about US\$ 11 billion.²⁸ The Governor of the Sakhalin Region told a news conference that the companies participating in the Sakhalin project are ready to start construction of a gas pipeline in Sakhalin in 2002 and that deliveries of liquefied gas from Sakhalin to South Korea can start in 2005-2006.²⁹

Sharing the view that positive developments in inter-Korean relations have been creating a favorable atmosphere for the tripartite economic cooperation, the two heads of South Korea and Russia agreed to make efforts to faithfully implement such projects as energy, resources and the linking of the TKR with the TSR. Finally, South Korea supported Russia's accession to the WTO and its deep integration into the international economic system.

V. Prospect for Putin's Policy toward the Korean Peninsula

At present, Russia attaches great importance to stability on the Korean peninsula, regarding its unification as a matter for some future occasion.³⁰ Therefore, Putin seems to maintain the already established

28 Kremlin Pleased With Impact of Putin's Asian Swing, <http://www.russiatoday.com/news.php?id=301017>, p. 2.

29 Russian can start supplying liquefied gas to S. Korea in 2005, *FBIS-SOV- 2001-0223*.

30 Evgeny V. Afanasiev (Ambassador of the Russian Federation), "Peace & Security in Korean Peninsula & Prospects of Russia-Korea Relations," (a paper presented at the 18th International Symposium on the Korea's Foreign Policy; Grand Hyatt Hotel, Seoul, June 8, 1998), p. 26; George F. Kunadze (1999), p. 2.

principle of Russian policy to balance relations with South and North Korea, while continuing to pursue his pragmatic policy so that he may raise Russia's voice in the Korean problems and obtain economic benefits.

Regarding Putin's policy toward South Korea, he would like to further extend and deepen economic relations, particularly mutual trade and investment, since there are no serious political issues pending between the two countries and Russia is very satisfied with a high level of political contacts with South Korea.

Regarding Putin's policy toward North Korea, he would like to revitalize a political dialogue to further normal state-to-state relations. As Russia wants reconciliation and cooperation between South and North Korea rather than military tensions and confrontation, Putin's military cooperation with North Korea will be at a level that will not undermine the political, security and military balance on the Korean peninsula. In the economic field, the amount of Russian trade with North Korea could exceed US\$ 100 million in the near future. Strengthening cooperation in the railway sector could facilitate the realization of a project linking the TSR with the TKR. In addition, the extension of cooperation in the fields of agriculture, stockbreeding and fishery is expected between Russian Far East regions and North Korea. However, North Korean debts to Russia, amounting to US\$ 5.5 billion,³¹ and North Korean drug peddling remain obstacles to the development of bilateral relations.

Kim Jong-Il was expected to travel to Russia in mid-April of 2001 in order to hold a second summit with Putin. But at North Korea's request, it was postponed for an indefinite period. The trip was probably postponed for two reasons: first, North Korea's judgement

31 The debt issue has been partly settled in May of 2001 by the agreement between Russia and North Korea. They have fixed the sum of North Korean debts, which amounts to US\$ 5.5 billion and Pyongyang lay under an obligation to repay it during the next thirty years. *JoongAng Ilbo*, June 26, 2001.

that it would be meaningless to hold a summit with Russia because at that time the Bush administration did not complete its review of North Korean policy; second, the differences of opinion about issues pending between North Korea and Russia, which include North Korea's purchase of Russian military weapons and oil and its debts to Russia. It is believed that a second Russia-North Korea summit between Putin and Kim Jong-Il might be held just prior to the second inter-Korean summit.