

## THE PUTIN ADMINISTRATION'S NORTH KOREAN POLICY

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At the onset of the new Millennium, Putin took over the position of President of Russia. The rationale behind Putin's political success is that Russians are looking for energetic and decisive leadership and that he was regarded as a political leader who could bring law and order back to Russia. As such, Putin has inherited from Yeltsin the task of not only remedying the domestic situation, especially the economic situation, but also of implementing major changes in foreign policy. This paper begins with a discussion of Putin's new foreign policy goals and principles and then examines the process of the normalization of DPRK-Russian relations. Furthermore, this paper argues that Russia, with regards to its approach to North Korea, is presently concerned with two issues: first, it has tried to play an active mediator role with regards to the security problems on the Korean peninsula and second Russia has recently discovered that North Korea has a certain economic as well as security value. In its conclusion, this paper discusses the rationale and the framework for this exchange of interests between the two countries.

## Introduction

At the onset of the new Millennium, the then President of Russia, Boris Yeltsin, ceded power to the young and healthy Vladimir Putin despite his having six months left before his term expired.<sup>1</sup>

Three months later, following his outright victory in the presidential election, Putin officially took over the position of President of Russia. Having previously occupied several high positions, such as Director of the Federal Security Bureau, Secretary of National Security Council, and Prime Minister, Putin has long been involved in the Russian foreign and security policy decision-making process and has demonstrated his crisis management ability during the Chechen war.<sup>2</sup>

The rationale behind Putin's political success is that Russians are looking for energetic and decisive leadership and that he was regarded as a political leader who could bring law and order back to Russia. As such, Putin has inherited from Yeltsin the task of not only remedying the domestic situation, especially the economic situation, but also of implementing major changes in foreign policy.

In carrying out his reform policies, Putin has relied heavily on state institutions, namely the bureaucracy and the military/security establishment.<sup>3</sup> It now appears that the acquiescence of the military played a significant role in Putin's rise to power. In fact it has been reported that military commanders were summoned to a meeting in Moscow on 30 December 1999; one day before Yeltsin announced via a nationally broadcast speech that he would step down and turn over power to Vladimir Putin.

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1 Hanjong Lee, "Russian New Regime and Security Policy," *Review of Politics*, Vol. 19, 2000, p. 76.

2 Dongju Suh and Hyunsik Yon, "Russian Security Policy Course under Putin," *Review of Security*, Vol. 11, No. 1, 2000, p. 107.

3 Ian Bremmer and Alexander Zaslavsky, "Bush and Putin's Tentative Embrace," *World Policy Journal*, Vol. 18, No. 4, 2001, p. 14.

As Putin's overtly tough stance on the problems facing Russia had made him extremely popular with many members of the military, the military brass attending the meeting readily gave their consent to the proposed transfer of power.<sup>4</sup> As a result of the above, military affairs have played a significant role in the decision making process of the Putin administration.

Shortly after taking office, Putin embarked on a number of diplomatic initiatives toward North Korea. Two historic events took place in 2000: the signing of a new friendship treaty replacing the 1961 military alliance pact as well as the first ever summit meeting held between the two countries. All in all, Putin's diplomatic efforts have been part of Russia's attempts to normalize its estranged relations with Pyongyang.

These diplomatic initiatives are part and parcel of the new foreign policy course taken by President Putin from 2000 onwards. Putin's Korea policy has been formulated based on the changes in Russia's global strategy and in its Northeast Asia policy.

The recent normalization of relations between Russia and North Korea coincided with the change of leadership in both countries, and especially with the arrival of Putin as the new Russian leader. As part of its efforts to break out of its international isolation North Korean leader Kim Jong-il had attempted to improve relations with major powers such as the United States, Japan, and the European Union. Kim Jong-il, who had taken a wait and see approach to the reestablishment of relations with Russia, saw Putin's initiative as a welcomed opportunity.

The rise of a new leader in the Kremlin marks an important turning point in the process of DPRK-Russian rapprochement. Under Putin, Russian foreign and security policy has experienced considerable changes. The purpose of this paper is to examine the new Russian policy toward North Korea following the leadership change in Russia, by

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4 Tom Wuchte, "Northeast Asia's Forgotten Worry: Russia's Far East," *Pacific Focus*, Vol. 16, No. 2 (Fall, 2001), p. 48.

focusing on the summit talks between the two leaders and the conclusion of the New Friendship Treaty.

This paper begins with a discussion of Putin's new foreign policy goals and principles and then examines the process of the normalization of DPRK-Russian relations. Furthermore, this paper argues that Russia, with regards to its approach to North Korea, is presently concerned with two issues: first, it has tried to play an active mediator role with regards to the security problems on the Korean peninsula and second Russia has recently discovered that North Korea has a certain economic as well as security value. In its conclusion, this paper discusses the rationale and the framework for this exchange of interests between the two countries.

### **Putin's New Foreign Policy Course**

After the implosion of the Soviet Union in 1992 Kozyrev, the first Foreign Minister of Russia, advocated close cooperation with the West. His non-doctrinal approach to foreign policy was based on the expectation of Western assistance during the transition to democracy and a market economy. In addition, Russia expected that the West was ready to fully embrace Russia as an equal partner and believed that Russia's security would best be ensured by its integration with the Western world.

To Russia's disappointment, a "Marshall Plan" never materialized and as a result many Russians could not help but feel that they had been left to fend for themselves after the dismantlement of the USSR and their withdrawal from Eastern Europe. Despite all the calls for 'shock therapy,' Western investment proved scarce. Western support for Russia's transition toward a market economy and democracy was limited to a trifle of IMF loans worth a few billion dollars; an amount that did not even cover the funds needed to deal with Russia's decrepit

infrastructure and its dramatic social problems.

Despite its implementation of neo-liberal economic reforms, Russia has not managed unlike Poland, Hungary and the Czech Republic, to overcome its economic difficulties. In order to rationalize their mismanagement and deep involvement in corruption, many Russian elites have developed various anti-Western images. First, they maintained that the West has always been deeply hostile toward Russia. Moreover, these elites stressed that the bombardment of Yugoslavia was a direct threat to Russia. In addition, some members of the ruling elite argued that the advice of Western experts on market reforms was designed to destroy the Russian economy.<sup>5</sup>

In this context Russia's pro-Western foreign policy was criticized as being a "romantic" policy by its opponents. By the mid 1990s Russia appeared to have adjusted its foreign policy course from its idealistic and pro-Western path toward a more pragmatic and independent one. Yevgeni Primakov's appointment as Russian Foreign Minister in January 1996 represented unmistakable evidence that Russian foreign policy has drastically altered its course. Russian hostility toward the United States reached its zenith in the late 1990s when Prime Minister Yevgeni Primakov had his plane made a U-turn over the Atlantic in March 1999 in protest over the bombing of Yugoslavia.<sup>6</sup>

After having succeeded Yeltsin in 2000, President Putin initiated a new foreign policy course that focused on realism, pragmatism, and the protection of Russia's national interests. Russian foreign policy increasingly derived its guiding principle from a balanced Eurasian approach that valued Europe and Asia equally.

Under Putin, the primary goals of Russian foreign policy have remained the same, i.e., to ensure favorable external conditions so as to assure the continuation of domestic reforms. However, the main differ-

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5 Vladimir Shlapentokh, "Russian Attitude toward America: A Split between the Ruling Class and the Masses," *World Affairs*, Vol. 164, No. 1, 2001, p. 21.

6 Ian Bremmer and Alexander Zaslavsky, *op. cit.*, p. 12.

ence between Yeltsin's and Putin's foreign policy is that the latter has been more determined in his vigorous pursuit of more realistic policies. The adoption of this new pragmatic foreign policy direction has been the result of the arrival of a new and young leader in the Kremlin, one who has critically reviewed Yeltsin's foreign policy.<sup>7</sup>

### **Changing Russia's Korean Policy**

There have been two major revisions to Russia's foreign policy toward Korea over the last ten years. The first was Russia's monumental decision in 1990 to normalize relations with the Republic of Korea and begin to dismantle the Cold War Structure on the Korean peninsula. In addition, from 1991 to 1995 Russia reduced its political and economic relations with the DPRK to a bare minimum.

However, as the Russian political leaders eventually came to the conclusion that a further deterioration of relations with Pyongyang did not correspond with Russian interests in the region, Moscow has tried to carry out a more balanced policy toward the Korean peninsula since 1996.<sup>8</sup>

These Russian efforts to reestablish normal relations with North Korea coincided with the initiation of the Primakov doctrine. As such, Moscow began examining the possibility of signing a new Friendship Treaty with Pyongyang, designed to provide the relationship between the two countries the necessary legal framework, from 1996 onwards.

Russia had two main motives for seeking to actively normalize relations with the DPRK. First, fearing that North Korea's sudden collapse

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7 Seung-Ho Joo, "Russia and Korea: The Summit and After," *The Korean Journal of Defense Analysis*, Vol. 13, No. 1 (Autumn, 2001) pp. 104-7.

8 Vadim P. Tkachenko, "A Russian View on Korean Security after the North-South Korea Summit," *The Korean Journal of Defense Analysis*, Vol. 12, No. 2 (Winter, 2000), p. 20.

would endanger its Far East security, Russia wanted to minimize security risks by playing the role of mediator between the two Koreas as well as by inducing the necessary conditions to bring about the peaceful unification of the Korean peninsula.<sup>9</sup>

Any armed conflict on the Korean peninsula would create a direct threat to the inhabitants of the Russian Far Eastern territory. In addition, other potential threats to Russian interests caused by an armed conflict on the peninsula included an ecological or economic catastrophe caused by the destruction of Korean nuclear power reactors or an influx of Korean refugees into Russian territory. In this respect, it was broadly conceived in Moscow that the Korean peninsula was no less important for Russian security than Afghanistan, Tajikistan, Iraq or Yugoslavia.<sup>10</sup>

Second, in the economic sphere, there has been much disappointment within the Russian government over the limited amount of trade and investment with South Korea. Although economic cooperation between South Korea and Russia gained momentum for the first few years after diplomatic normalization, it has remained at a moderate level since the outset of the economic crisis in South Korea. As a result of this limited economic interaction, Russia began to ponder the possibility of a new concept of trilateral economic cooperation that would include Russia, South and North Korea.

In the beginning North Korea refused to accept the Russian proposal. However, by the mid 1990s North Korea began to come around to the Russian point of view. This tendency was further strengthened after 1998 following Russia's strong opposition to the NATO intervention in Yugoslavia and to the American bombardment of Iraq. It is highly probable that the leaders in Pyongyang were impressed by Russia's willingness to stand up for the interests of its old friends even if this was done to the detriment of its relations with the USA.

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9 Seung-Ho Joo, *op. cit.*, p. 108.

10 Tom Wuchte, *op. cit.*, p. 28.

There is no doubt that the North Korean leaders also paid attention to Russia's burgeoning relationship with China. As a result, North Korea has come to believe that it can rely on Russia to defend its national interests in the international arena.<sup>11</sup>

Building on the positive transformation of North Korea's attitude toward Russia, Putin tried to reestablish a friendly relationship with the DPRK, while simultaneously pursuing cooperative ties with the Republic of Korea. Here it is important to point out that a major goal of Putin's foreign policy was Russia's active involvement in the settlement of the Korean question through the maintenance of a balanced relationship with both Koreas.

### **Russia's Summit Diplomacy toward North Korea**

In June 2000, Putin visited Pyongyang for a summit with Kim Jong-il, becoming the first Russian leader ever to set foot in North Korea. This visit was part of his East Asian tour that took him to Beijing, Pyongyang, and lastly Okinawa, where a G-8 summit meeting was to take place.

The summit between Russia and North Korea came 14 years after Kim Il-sung's visit to Gorbachev in Moscow.<sup>12</sup> In 1986 Kim Il-sung had set out for Moscow to plead for aid, trade and weapons. Kim traveled amid great pomp and ceremony, touring the Soviet Union and seven of its East European allies.

Kim Jong-il made a return visit in Moscow in 2001 making Russia the second country Kim has visited since assuming power and the first since Kim visited China in May 2000. The last time Kim visited Russia was in 1959 when as a teenager he accompanied his late father, Kim Il-sung.<sup>13</sup>

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<sup>11</sup> *Ibid.*, p. 21.

<sup>12</sup> *Donga Ilbo*, July 20, 2000.



When Kim Jong-il set off to visit Russian President Vladimir Putin, he retraced his father's 1986 railway journey along the TSR. However, Kim Jong-il's tour paled in comparison to his father's; there is no communist bloc left to hail him, and to make matters worse his country is in the midst of a seemingly endless famine. Nevertheless, the junior Kim was welcomed whole-heartedly by the Russian leader.<sup>14</sup>

In August of this year Putin and Kim Jong-il met once again; this time in the Russian Far East. The contact was exceptional for Kim Jong-il in that Putin traveled a long distance to meet him and because Kim Jong-il was on an unofficial trip. Moreover, the president's representative in the Far Eastern Federal District, Konstantin Pulikovskiy, has stated that the two leaders third official meeting is slated for 2003 in Pyongyang.<sup>15</sup>

This active summitry between Russia and North Korea is significant in three ways. First, these summits symbolize the beginning of a new era in Moscow-Pyongyang relations as normal neighbors. Putin's historic visit to Pyongyang amply demonstrated Russia's eagerness to formally put an end to the estranged bilateral relations of the last ten years and open a new relationship with the DPRK.

Summit diplomacy can also offer an opportunity for Russia to reengage itself in the regional power struggle over the Korean peninsula, thus ending the three-way dominance of the U.S., China and Japan. Russia's reemergence in the area also increases the possibility of its having a moderating influence on China and the U.S. and on the two Koreas.

Second, and closely related to the first point, Putin's visit was beginning of a Russian diplomatic offensive designed to enhance its influence and prestige on the Korean peninsula and in Northeast Asia.

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13 Seung-Ho Joo and Tae-Hwan Kwak, "Military Relations Between Russia and North Korea," *The Journal of East Asian Affairs*, Vol. 15, No. 2 (Fall/Winter 2001), p. 309.

14 *Newsweek*, August 13, 2001.

15 *ITAR TASS*, April 19, 2002.

Following the July summit, Russia has sought, with renewed energy and persistence, to cultivate its image as North Korea's mentor, often speaking up for its former ally in the international community.

As far as North Korea's missile development program is concerned, while the reason Putin sent Foreign Minister Igor Ivanov to North Korea in February 2000 was ostensibly to sign a new Friendship Treaty, he was also dispatched to get the North to abort their plans to celebrate Kim Jong-il's birthday with the test-launching of a missile.

On another occasion, during the Pyongyang summit talks, Putin succeeded in persuading Kim Jong-il to accept a conditional moratorium on further missile launches. Kim Jong-il allegedly said to Putin that North Korea might abandon its missile program if it were permitted to launch one or two peaceful satellites a year from the territory of a third country.<sup>16</sup>

Although the true intentions of Kim Jong-il have yet to be confirmed, Putin conveyed Kim Jong-il's message, that North Korea would develop its missile program for peaceful purposes and that Kim Jong-il would be open to negotiations on the subject, to the other world leaders present during the Okinawa G-8 summit. Moscow's diplomatic efforts can be explained by the potential advantages of deterring North Korea from continuing its missile development.

Quite simply, Russia's diplomatic efforts stem from its opposition to the U.S. development of a MD system, a system that has become a global security issue as a result of North Korea's missile development program. Putin's trip to China and North Korea ahead of the G-8 Summit held in Okinawa was prompted by Russia's need to solidify its position as the leader in the joint action taken by Russia, China and North Korea against the MD system.<sup>17</sup>

The three old allies positively assessed the strengthening of the

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16 Jae-nam Ko, "The Russia-North Korea Summit and Beyond: The Role of Russia on the Korean Peninsula," *East Asian Review*, Vol. 12, No. 3 (Autumn 2000), p. 75.

17 *Ibid.*, p. 71.

Beijing-Moscow-Pyongyang triangle and believed that by doing so they could much better coordinate their efforts to affect world policy, in particular, efforts to prevent US attempts to create a TMD in North-east Asia. As such China and North Korea are backing the Russian position on the preservation of the main principles of the 1972 ABM treaty, on NATO's eastern expansion, and on the UN's leading role in global affairs.

Moreover, Russia's President Vladimir Putin has helped the DPRK integrate itself into the international community. As a result of his extensive contacts with North Korean leader Kim Jong-il, Putin has found himself the subject of much interest in the West. Consequently, his visit to the North has helped promote North Korea's relations with some other states, such as Canada and several European countries.<sup>18</sup> Russia also supports North Korea's participation in international organizations and forums. In this regard, Putin whole-heartedly supports South Korean President Kim Dae-Jung's idea that North Korea should be allowed to join APEC as a guest.

There is one more important result of President Putin's visit to the DPRK that is worthy of mention. Following Putin's visit to Pyongyang, the text of his "Russia: New East Prospects," which presented his point of view on Asian security including security on the Korean peninsula, was published in North Korean newspapers. This event marked the first time in decades that the opinion of any Russian president has been published in North Korea. Analysts have interpreted this occurrence as the growing interest in Russia's position within the North Korean leadership and the latter's willingness to count on Russia to maintain regional security.

Third, Putin has used these summits to push for economic cooperation with both Koreas at the bilateral as well as multilateral level. During his meeting with Kim Jong-il, Putin discussed trilateral economic

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18 *ITAR TASS*, November 11, 2001.

cooperation with the two Koreas. As such, it is expected that Russia and North Korea will vigorously promote trilateral economic cooperation, which would combine Russia's raw materials and North Korea's labor force and facilities with South Korea's capital and market demand.

Furthermore, Putin proposed to repair and modernize around 70 North Korean plants and power stations that had been built with the support of the Soviet Union.<sup>19</sup> During the third minister-level meeting on economic cooperation held in Pyongyang in October 2000, Russian Education Minister Vladimir Filipov, leading the Russian delegation, emphasized the need for South Korea's financial investment in such projects.

President Putin has also proposed the linking of the Trans-Korean railway to the Trans-Siberian Railroad. During summit talks in Moscow, the two countries agreed in principle on the idea of extending the TSR through North Korea and onward into South Korea. This agreement to link the railways was one of the summit's key achievements.

### **New Friendship Treaty between New Leaders**

Russia has learned from its past bilateral relations with North Korea that strained relations with the latter were in no way beneficial to the enhancement of its national interests in Northeast Asia. Therefore, Putin upon taking control of state affairs immediately began to take steps to normalize relations with North Korea.

First on Putin's list of things to do to reestablish relations with North Korea was the conclusion of a basic treaty between the two countries. The old alliance between the two countries had expired in

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19 *Chosun Ilbo*, August 21, 2002.

1995 and no legal framework had since been put in place to replace it.

To this end, Putin sent Foreign Minister Igor Ivanov to Pyongyang in February 2000 to sign the Russia-North Korea Treaty of “Friendship, Good Neighborliness and Cooperation” which had been initialed in March of the previous year.

This was the first such visit to the DPRK by any Russian Foreign Minister. The last time a Soviet Foreign Minister had visited Pyongyang was in September of 1990 when Eduard Shevardnadze traveled to Pyongyang to inform the North Korean leadership of the imminent conclusion of diplomatic ties between the Soviet Union and South Korea. The new Friendship Treaty was ratified by the North Korean parliament on April 6, however the Russian parliament waited until July 19, shortly before Putin’s visit to Pyongyang to ratify it.

The signing of the treaty itself had been delayed three times before Foreign Minister Igor Ivanov finally signed it during his visit to Pyongyang. This is indicative of how both Moscow and Pyongyang were in no hurry to normalize relations during the Yeltsin era.

At first Ivanov’s visit to Pyongyang was scheduled for May 1999, but it was delayed because Russia was preoccupied at the time with more pressing problems at home and abroad. During this period Foreign Minister Ivanov was busy with both NATO’s air campaign in the former Yugoslavia and with ROK President Kim Dae-Jung’s official visit to Moscow.

Ivanov then intended to visit Pyongyang in early June immediately following President Kim Dae-Jung’s visit to Moscow. This time it was North Korea that requested a postponement of the visit, thus implicitly making its opposition to President Kim Dae-Jung’s Moscow trip known.

The last postponement of the plan for Ivanov to go to Pyongyang occurred in November 1999, this time due to internal Russian reasons.<sup>20</sup>

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20 Seung-Ho Joo, *op. cit.*, p. 111.

The new Friendship Treaty does not include an automatic military intervention clause as the 1961 Alliance Treaty did. The old treaty became the cornerstone of the alliance between Russia and the DPRK during the Cold War. In the aftermath of the implosion of the Soviet Union Russia and South Korea have expressed concerns that this automatic military intervention clause might become a threat to the security of Northeast Asia as any military provocation on the part of North Korea was likely to escalate into an international war involving the major powers.

The new Friendship Treaty contains, as proposed by Russia during the negotiations over the treaty, a mutual contact clause. On the surface, this mutual contact clause means that both parties, in the event of the emergence of the danger of an aggression against one of the countries or of a situation jeopardizing peace and security, should enter into contact with each other immediately.

However the exact meaning of this clause is open to interpretation since the treaty does not make clear under which circumstances the two countries should immediately contact each other or whether military assistance should be provided or if non-military assistance, for example diplomatic support, is sufficient.

In fact, Russia wanted the clause included in the treaty in order to increase its influence over North Korea without having to automatically get involved in a conflict situation on the Korean peninsula. By leaving the interpretation of this clause open, Russia provided itself with alternatives on the question of whether it would intervene militarily or peacefully.<sup>21</sup>

All in all, as a result of this mutual contact clause Russia was able to provide a “soft” form of political guarantee to North Korean security concerns, while enhancing its own influence on the Korean peninsula.<sup>22</sup> The Russo-Vietnamese Friendship treaty also contains a similar clause

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21 Seung-Ho Joo and Tae-Hwan Kwak, *op. cit.*, p. 305.

22 Tom Wuchte, *op. cit.*, p. 23.

stipulating mutual obligation to seek immediate contact in case of a security crisis.

During negotiations over their own basic treaty Russia proposed a similar clause to South Korea. However, this suggestion was not welcomed by the ROK. With the exception of this clause, the new Friendship Treaty resembles the Basic Treaty signed by the ROK and the Russian Federation in November 1992.

### **“Iron Silk Roads” and Arms Transfers**

Russia has expressed its strong interest in “iron silk roads” projects. During his visit to Pyongyang in February 2000, Russian Foreign Minister Igor Ivanov proposed the connection of the TSR to the TKR to North Korean leaders. In his first round of meetings in Pyongyang, Russian President Putin also broached the issue and Kim Jong-il favorably received his plan.

Putin continued to promote iron silk roads when he met with President Kim Dae-Jung during the UN-Millennium Summit in September 2000. During this meeting, the two leaders agreed to connect an inter-Korean railroad to the Trans-Siberian Railroad.

In addition, during the early part of 2002 Zhirinovsky helped Putin promote the project by visiting Pyongyang and discussing the railway connection plan. Moreover, Vladimir Putin himself recently traveled to Vladivostok for talks with Kim Jong-il, who arrived in his private train, to discuss opportunities for business cooperation with Russia. The key reason for Putin’s trip was to reaffirm Kim Jong-il’s intentions and to demand the acceleration of a reconnection of the Inter-Korean railway that was severed after the Korean War.<sup>23</sup>

In December 2000, Russia and South Korea reached a basic agree-

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23 *Newsweek*, September 2, 2002.

ment on the modernization of the railway line destined to run from Busan in South Korea, through Pyongyang in North Korea, and over to the Khasan station on the TSR. This construction project was approved by North Korea.

Russian President Vladimir Putin stressed that Russia was ready to invest several hundred million dollars in the project to update the TKR and join it with the Russian TSR. He emphasized that the TSR was in fair technical condition. So far, a total of one billion dollars has been invested in the reconstruction project.<sup>24</sup>

The TSR was originally built as a means to project political power in Asia and the Pacific. Completed in 1901, the 8,591-kilometer line linked Moscow with Vladivostok, Russia's main Pacific seaport. By the 1930s it was possible to travel by train from Europe to the southern tip of Korea. But after World War II, rail lines across Eurasia lost their importance. The Cold War divided the continent into ideologically opposed camps. As a result sea transport was used as a substitute and this mode of transportation has grown progressively.

The new rail links, many maintain, are set to provide significant economic benefits. It is estimated that more than 500,000 containers could be annually diverted from the current shipping routes once the line is extended to South Korea. The freight travel time will be reduced from 40 to 15 days. There is little doubt that these iron silk roads will help establish cheap and direct transport lines from Asia-Pacific countries to Europe. The reduced shipping costs will facilitate not only South Korean trade with Russia and Europe, but also inter-Korean trade.

Naturally, the direct beneficiaries of such a project are North Korea and Russia, with expectations that they could earn \$150 million and \$2-15 billion a year respectively.<sup>25</sup> Russia has already tried to sell Asian governments on the idea of the TSR as a low-cost transport route to

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<sup>24</sup> *ITAR TASS*, February 27, 2001.

<sup>25</sup> *Kukmin Ilbo*, August 1, 2001.



Europe for Japanese, Chinese and Korean exports. Simply by lowering its tariffs in the mid 1990s Russia was able to achieve double-digit growth in freight volumes for the years 1999 and 2000.

Still more important however is the political aspect of the “iron silk roads” project. Russia can take advantage of its geopolitical location to serve as a transit corridor, which means that it will play the role of trade middleman between Japan and Europe or China.<sup>26</sup> As for Korea President Kim Dae-jung can thoroughly demonstrate that his sunshine policy of engagement with the North is achieving concrete progress. Furthermore, by being connected directly to Europe through the TSR, South Korea can in fact overcome the geographical disadvantage of being an island.

The feasibility of the “iron silk roads” project depends mostly on North Korea. The North Korean section of the railway must be modernized and the security concern regarding the re-linkage of the Inter-Korean railroad must be removed. The DPRK has demanded Russian military cooperation as a concession for its participation in the railway project.

During the summit meetings between the two countries, military cooperation topped Kim Jong-il’s agenda, whereas the “iron silk roads” project was highest on Putin’s agenda. Just how important military cooperation is to North Korea was highlighted by the cancellation of Kim Jong-il’s scheduled trip to Moscow in April 2001 as a result of his excessive demands for Russian aid, including tanks, fighters and other advanced military equipment as well as oil.<sup>27</sup>

While the Soviet Union ceased joint military exercises with North Korea in 1989, military cooperation and exchanges continued until the collapse of the Soviet Union in December 1991. From that point on Russia has maintained a cash for arms policy. Consequently Russian arms sales to the DPRK have since dwindled, a fact that has resulted

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26 *Newsweek*, August 13, 2001.

27 Seung-Ho Joo and Tae-Hwan Kwak, *op. cit.*, p. 309.

over the past few years in North Korea's failure to procure the necessary Russian supplies as well as their failure to modernize their weapons.

It is evident that military cooperation between the two countries has been minimized for economic reasons rather than political ones. The main culprit in the drastic reduction in the Russian-North Korean arms trade is in fact North Korea's lack of hard currency. During the Pyongyang summit, the Russian and North Korean leaders focused on the possibility of Russia providing equipment to North Korea. Nevertheless, the arms deal stalled because of the North's lack of hard currency. Russia has however gradually come to realize that it needs to make some exceptions on the issue of arms transfers to the DPRK if it wishes to gain a breakthrough in the "iron silk roads" project.

Clearly Putin has sought to appease Kim Jong-il in exchange for securing North Korea's cooperation in the building of the railroad. Russia, with the signing of a new arms pact, recently agreed to resume military arms transfers to the DPRK for the first time in over a decade. In addition to the MiG-29 and Su-27 air superiority fighters, among the aerial weapons systems currently being discussed is the Pchela-1T unmanned aerial vehicle.<sup>28</sup>

### **Security Cooperation between Russia and North Korea**

Whether and how Russian foreign policy toward North Korea contributes to the reduction of tensions on the Korean peninsula is an important question. The Russian side contends that although the United States is an important player on the Korean peninsula, it cannot solve the Korean problem alone.<sup>29</sup>

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28 *Journal of Electronic Defense*, July 2001.

29 Evgeny V. Afanasiev, "Vladimir Putin's New Foreign Policy and Russian Views of the Situation on the Korean Peninsula," *The Korean Journal of Defense Analysis*, Vol.

Russia, whose policy towards Korea is based on balancing relations with both Koreas, has been placing a balancing weight on North Korea and hence promoting the equalization of the power balance between the two Koreas. The summit diplomacy of Vladimir Putin and Russia's conclusion of the New Friendship Treaty with DPRK has contributed precisely to this goal.

From the Russian point of view Russia-DPRK security cooperation will not cause any tension on the peninsula. While Russia and North Korea have stepped up contacts in the military-technical field, these arms transfers to North Korea may ironically contribute to peace and stability on the Korean peninsula, if they can help the plan to link the two Koreas by railroad materialize.

Russia is also ready to offer diplomatic support to help ease North Korea's security concerns. Russian foreign minister Igor Ivanov has upheld the DPRK's position in the international arena while describing U.S. President George W Bush's classification of Iran, Iraq and North Korea as "an axis of evil" as a "cold-war tag."<sup>30</sup>

This policy line will help Russia to increase its influence in the region and to play a role in the process of Korean unification. Russia expects that a unified Korea will become more independent from U.S. influence, which will lead in turn to an expansion of cooperative relations between Russia and a unified Korea. The other possibility is that a united Korea may well remain a strong military ally of the United States in Northeast Asia.

Irrespective of future US-Russia relations, the inclusion of a united Korean state in the sphere of U.S. military interests will certainly be estimated as the creation of a forward military base on Russia's doorstep, which would mean for Russia an Asian version of NATO's eastward expansion. In this regard, although Russia had previously simply expressed an "understanding" of the North Korean position on

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12, No. 2 (Winter 2000), p. 12.

30 *ITAR TASS*, February 15, 2002.

the issue, Putin called for the departure of US troops from South Korea in the joint declaration made after the Moscow summit talks.<sup>31</sup>

## Conclusion

As a result of Yeltsin's legacy, President Putin was placed in a position of having to overcome enormous problems at home. It is also evident that he cannot simply focus all his efforts on internal issues. Once ground is lost in the international arena, it is very difficult to win it back. This is why Putin embarked on an active multi-vector foreign policy. Since assuming power, he has visited the CIS states, Europe, China and North Korea, all within a six-month period.

In recent statements President Putin has confirmed that Russia is open to the outside world and that it is ready to develop cooperative relations and engage in dialogue with all countries. A new Foreign Policy Concept approved by Putin during his first month in office aims among other things to broaden the sphere of Russia's friends and partners.

As part of this new policy environment Russia has discovered the economic and security values of North Korea anew, and in the process has recovered its second closest friend in Northeast Asia. There is no doubt that Russia has paid special attention to the "iron silk roads" and that all other efforts, i.e., the summit diplomacy, the new Friendship Treaty, appear to serve the goal of connecting the railway.

However as far as economics is concerned, Seoul is still by far a more important partner to Russia than Pyongyang. Moscow trades 20 times more goods and services with Seoul than with Pyongyang. Therefore, Moscow should be able to give up North Korea and once more lean heavily toward Seoul if its new strategy toward North Korea

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31 Donald Kirk, "After Kim Jong Il's pilgrimage to Moscow: Down the road in Korea," *The New Leader*, Vol. 84, No. 5, (Sep/Oct. 2001), p. 6.

does not bring about the expected benefits.

Due to Putin's efforts two potential structure changes have emerged in Northeast Asia. One of these potential structures is one based on trilateral cooperation between Russia and the two Koreas. This structure is characterized more or less by the economic dimension. Russia whole-heartedly supported the inter-Korean summit because the two Koreas independently chose to hold the historic summit without any external influence, especially from the U.S. and Japan. This point encouraged Russia to capitalize on the summit.

The other potential structure, a more security oriented one, that has developed as a result of Putin's strategy is a new Cold War structure bipolarized by Russia-China-North Korea vs. the U.S.-Japan-South Korea. Recently, as NATO has been expanding its influence over some Eastern European countries, the South Korea-U.S.-Japan alliance is increasingly viewed as a military bloc aimed at Russia. As a result, Russia has reacted negatively to the TMD plan and to the U.S. strengthening of its alliance relations in Northeast Asia.

Which structure will be taken root in the region is highly dependent on Seoul's reaction. Seoul hopes that Moscow will play a constructive role for Korean peace and unification by exercising its influence over Pyongyang. Moscow, however, still has little leverage over Pyongyang, and the Russians have not yet regained the full trust of the North Koreans. As such, South Korea needs to assist Russia's new foreign policy toward North Korea enthusiastically launched by President Putin in this precarious situation.