

## **What If Big Bang Occurs on the Korean Peninsula?**

*Eui-Gak Hwang*

*Professor emeritus of economics, Korea University and  
Senior Research Professor of The International Centre  
for the Study of East Asian Development (ICSEAD), Japan*

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Eui-Gak Hwang\*

## Abstract

North Korea is on the brink with both its Dear Leader's health deteriorating and its economic function faltering. This paper looks into possibility of "Big Bang" on the Korean Peninsula and would-be immediate policy options to be taken by countries which have more or less "big stakes" on the Korean Peninsula. The paper intends to imply that South Korea should pursue a close in-advance cooperation on national reunification with China, USA, Japan, and Russia by proclaiming that a Unified Korea would not side with any particular interest party or parties in sensitive ideologically related international affairs.

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\*Eui-Gak Hwang is currently a senior research professor at the International Centre for the Study of East Asian Development (ICSEAD), Kitakyushu, Japan.  
Corresponding address: ICSEAD, 11-4 Otemachi, Kokurakita, Kitakyushu, 803-0814, Japan.  
E-mail: hwang@icsead.or.jp; eghwang@korea.ac.kr

## What If Big Bang Occurs on the Korean Peninsula?

### 1. Introduction

History tells us that many nations, whether large empires like the ancient Rome or small tribal states documented in the Old Testament, have risen and fallen over past long time. But the evidence of the past is almost always too varied to single out the “hard” and “sole” reason for the rise and fall of each nation. The success and failure of a nation might be linked to the leadership, not to mention the economics, and politics of the nation. As Paul Kennedy pointed out in the introduction of his book, “*The Rise and Fall of the Great Powers*” (Lexington Books, 1987), there simply is too much evidence pointing various things: geography, political power struggles, corruption and national moral, betrays by inner power circles to the enemy, military organization, the alliance system, and war, and many other factors can all affect the relative power or fundamental existence of the members of the states system. However, the more recent record suggests that both the failure of economic policy and the overhang of long political dictatorship with human right suppression were undeniable crucial factors among others which had observed in the fall of East Germany and other former communist bloc countries in late 1980s. Until a few months before the Berlin wall fell down toward the end of 1989, most western political scientists and experts could not even foresee either the big bang fall of Berlin wall (November 9, 1989) or imminent solvency of the Soviet Union, though they remotely began to smell the gradual transition of the socialist system when Mikhail S. Gorbachev was instituting the new waves of *both glasnost and perestroika* in the communist bloc and international relations since 1986. When I was teaching at Muenster University under the exchange program financed by West German Ministry of Education during July-September, 1989, most German scholars told me that German reunification, if possible, would come far later than the Korean reunification. They appeared all to give up such a hope of their split nation to unify into one again. Their rationale seemed to ground on presumption that no

country<sup>1</sup> having stakes surrounding the divided nation would want to see the country reunited, and that was their sole reason to believe so. It is not arguing that two Germanys with about 80 million population had not interacted at all one another in an effort to keep their sense of national integrity even if the two had mutually exclusive political and economic systems. There had been a steady expansion of intra-trade and economic cooperation between two Germanys since German surrender (May 8, 1945) and subsequent division. Inter-German trade was about mere 103 RM (Reichsmark)<sup>2</sup> for the three trusteeship years (1946-48), and 745 million DM (Deutsche mark) in 1950, which rose to 15,306 billion DM in 1989.

The inter-trade and economic cooperation can play an important bridge role to keep intact national homogeneity and integrity among people artificially divided. The results would, however, end up differently depending on the political and ideological characteristics of respective regimes. In the inter-German transactions, the West Germany had consistently paid attention to improve both the human rights and living standards of the East Germans, not to mention the relation improvement with the East, while the latter had only sought for overcoming its economic backlash. With mounting inter-German interactions over time, it contributed to induce the iron curtain to lift off to expose the East Germans to the West news media including television shows. This led to the dramatic collapse of the East's communist regime which had survived for nearly 40 years since 1949. The relatively quite grass-roots' revolution within the East and the subsequent German

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<sup>1</sup> Money used as a means of payments (Verrechnungseinheit=VE) under occupation of France, England, the Soviet Union, and the United States of America.

<sup>2</sup> Based on Dyson agreement (January 1946) made between the United Kingdom and the Soviet Union in order to help the people secure their basic necessities, Germans were allowed to intra-transaction within two areas occupied by England and the Soviet Union respectively. This transaction was further extended to cover all regions occupied by England, France, Soviet Union and USA via Minden accord (January, 1947), but trade between the western regions and the east Germany came to complete stop on August 4, 1948. Frankfurt agreement (September, 1949 through June 1950) reopened trade between the west-occupied area and Russian occupied area. Berlin accord (September 20, 1951) was the first official agreement for economic cooperation and trade signed independently by the West and the East German governments.

The Berlin accord was interrupted from November 1951 to February 1952 due to dispute on East Germany's suspension of traffic between two Germanys, but reactivated effectively in May, 1952. This Berlin accord had laid in fact the legal basis on which "monetary, economic, and social integration between two Germanys" came into birth effective on July 1, 1990, after Berlin wall fell down in November, 1989.

unification were of course greatly attributed to Gorbachev's perestroika policy. The Soviet Union declared its immediate intention to discard the so-called *Brezhnev Doctrine*<sup>3</sup> at the Warsaw Treaty Organization (WTO) in October 1989. This new policy paradigm pursued by Mikhail S. Gorbachev since 1986 led to open the dramatic changes in political and economic and social landscape of the East European communist bloc countries, which provided a momentum for German unification as well.

The above inclusion is to illustrate that any event which is completely beyond human wisdom in this age can unexpectedly come like a thief in the midnight. Just as it was in the case of German unification in late 1989, so may the collapse of North Korea come to be materialized any time from now forward. Of course, the process and mode would be quite different and accompanying shocks may move in a way unwanted by the majority of remnant Koreans. The most plausible likely presage before us is that the Kim's heredity power is nearing to its end.

If North Korea faces a big-bang turmoil with sudden end of now ailing Kim Jong-il's reign, what would happen in the Korean peninsula? How will neighbor countries respond to the situation and what options will South Korea have to take? These are questions we are troubled to address.

In the next section, we will firstly consider some plausible assumptions on the future model or fate of incumbent North Korean regime and its consequential effects on the whole landscape of the Korean peninsula. The diagnoses will be followed by analysis on the reactions via political and military responses expected from those stake countries.

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<sup>3</sup> Leonid Ilyich Brezhnev (1906-November 10, 1982) was successor after Nikita Khrushchev as the Soviet first secretary (1964) and then General Secretary of the Communist Party in 1965. Brezhnev was master-mind behind the Soviet decision in 1968 to invade Czechoslovakia to crush *the Prague Spring*. In a speech justifying the move, he spelled out what came to be called the "*Brezhnev Doctrine*", asserting *Moscow's right to intervene in the affairs of other socialist states*.

## 2. The Spread Effects of *Perestroika and Glasnost*

The history of last two decades has shown that most heretofore communist bloc countries have unavoidably faced the necessity of adopting their respective reform policies in economic, political, and social spheres which have in turn contributed significantly to the life mode and well-being in each nation. Country like the Soviet Union went through a turbulent *big bang reform* ignited by an ideology of *perestroika and glasnost*, while China has been taking *a gradual reform* limited to introducing partial market-incentives in its economic management, keeping the socialistic structure of politics intact yet. The main cause of the socialist system's fundamental reform, whether the Soviet Union's model or China's model, can be attributed to the socialist system's loss of advantage in speed of economic development, backwardness in life-related new technology, and the increase of a variety of "both deprivations and limits" inherent in communist's top-down ordering system with wrong-done egalitarian principle. This cause is originated back to the deviant foundations of the social structure based on *the fundamental ideas of Marxist-Leninist theory*. The dream for building utopian society with socialistic egalitarian consumption has nearly failed in almost everywhere from the Soviet Union, China, Hungary, Poland, Yugoslavia, Czechoslovakia, Bulgaria, and Romania, and Vietnam, all of them North Korea's former allies, down to Algeria and Libya in North Africa. After about a half century-long experiments of Marxist-Leninist ideology, all of them have now shied their old failed systems to assimilate into the market-oriented free competitive one. However, this is not saying that the influence of Marxism is completely wiped out of the world. Many people used to survive in former communist society for long decades may look back to it whenever they face difficulties in job markets and dispersing income gaps after reform. Actually when the 2008 financial crisis originated from the U.S.A, spread across borders of all countries, some people in the Eastern Europe racked by high unemployment and income disparity tend to flock back to communism founding father Karl Marx. They may still admire socialism more than capitalism, because they think the latter is the right system for the survival of only fittest. But it doesn't mean that free market hopes are less than

egalitarian socialism hopes in today's world. Even the Libyan leader Col. Muammar-el-Qaddafi, a socialist dictator, who was always a headache for the American government, has been now rapidly changing into members of free market system since 2003. Qaddafi had already himself criticized his own socialist economic system as "not functioning efficiently", and opened Libya to more flexible socialist system working with the international community.

The only remaining stubborn socialist state is North Korea which is staunchly refusing to follow its former allies as well as its friend Libya. Now whenever change in Libya is mentioned, however, North Korea is brought up. In 2003, Libya announced it would quit developing nuclear weapons as the second North Korean nuclear crisis was unraveling. North Korea strongly refused to adopt Libya's model of first giving up nuclear development and then improving relations with the west. It has been almost five years since the two allies, North Korea and Libya, in making headache to the west took different paths. Qaddafi is now friendly with the United States and other capitalist countries in almost 55 years after the U.S. had bombed in 1986 his presidential residence in Tripoli, killing Qaddafi's adopted daughter. Libya, gave up nuclear weapons and accepted U.S. inspection. In 2006 it was removed from the terrorism list. Libyan economy is now almost in the realm of market functioning system, though politically it is still in one man's power much similar to Kim's North Korea. North Korea has until recently claimed, "we are different from Libya". Nevertheless, the retiring Bush administration unexpectedly removed North Korea from terrorism list on October 11, 2008, with yet-to-seen North Korea's keeping promise of its nuclear disablement. If North Korea would really follow the Libyan path against its heretofore rhetoric, both North Korea and Libya have very common and comparable politics in many similar ways subject to study. As Libya began to open itself to the international community, foreign investment has been flowing into the country since 2003. And it was not surprising for the world to see that Qaddafi had face-to-face talks with the U.S. Secretary of State Condoleezza Rice on 5 September, 2008, for the first time in 55 years at the same residence that the U.S. had bombed. Every worldly thing can change, indeed. The future of North Korea may evolve newly depending on its own

mind-set and paradigm shift as well as, among others, on the new U.S. foreign policy under U.S. 44th President Barack Obama of the Democratic Party. This will involve an important issue closely related to the question if North Korea can remain on the world atlas, with two unharmonious Koreas in the same peninsula.

If super powers that have very high stakes in the Korean peninsula do not expect the split countries to reunite, the external conditions will continue the North and the South keep remained separate as respective sovereign states of the families of the United Nation. Korea is only unsolved tragic nation in the current world which remains still divided for more than 60 years following its 36 years long agony of life under Japanese occupation. This situation does not, though, rule out any possibility that if the North takes a dramatic policy paradigm change, there would yet be hope for the two get reunited dramatically as did the two Germanys in 1989. Here the paradigm shift is meant by the North Korean reform and opening to the outside world. We have noted that the economic reform and opening policies in former command economies of the Soviet bloc have resulted in a dramatic change in the life of people of the respective countries. Such adoption of new reform policy has either changed the economic and political landscape of the most former command economies or lead to national reunification and economic development if the state was formerly divided. In case of North Korea, if the regime would adopt reform and opening, it may likely result in *either* gradual economic growth with its political system intact like China of the 1970-90 periods *or* abrupt explosion into its end which the North leaderships are afraid of. If the latter one, does the North's collapse mean its automatic absorption into the South? The answer will depend on many internal and external factors. Before we address this issue seriously, it may be worth reviewing the effects on most Soviet bloc countries of Mr. Gorbachev's radical reform policies in the late 1980s.

### **2-1. Gorbachev Phenomenon and Communist Bloc Change**

Mikhail S. Gorbachev's rise to the General Secretary of the Soviet government in March 1985 and the changes he has instituted in the world-wide communist bloc countries (but for North Korea) since 1986 was owed to an avoidable historical necessity. In all communist

East European countries (with no exception for North Korea) as well as the Soviet Union itself, growth rates had fallen steadily, and the technology gap with the West was increasing. The backwardness of the economy threatened in time to hold back the military sector. Even more importantly, majority of people in the bloc countries were increasingly being frustrated by the economic stagnation, the corruption, growing sense of hopelessness about the future and cynicism in people and society generally. As Gorbachev had consolidated his power, he had become more radical about the nature of the reforms which he insisted were essential. The need to concentrate resources on domestic economic development probably drove him to abandon the Soviet's communist allies in the fall and early winter of 1989. After the Berlin Wall was breached in November 1989, a new "Prague Autumn" burgeoned (corollary to the Prague Spring<sup>4</sup>), and old dictators of Bulgaria and Romania fell<sup>5</sup>. The East German youth stood up to demonstrate against the Berlin Wall in 1987 by invoking Gorbachev's name. Perhaps Mr. Gorbachev was then too preoccupied with other home matters to do more than to ask East German Erich Honecker to change his orthodoxy. But the wind of change emanating from Moscow and Gorbachev's divorce from the "Brezhnev Doctrine", forced East Germany to approve of perestroika and glasnost which resulted in big-bang German unification in 1989.

Probably Gorbachev held a different conception of and had thought to pursue different policies toward Eastern Europe from his rise to power in 1985 to 1988. On this Charles Gati described in his book, *The Bloc That Failed*, as follows: *In effect, Gorbachev was giving the old theory of "separate roads to socialism" a new lease on life. He was telling the communist leaders of Eastern Europe to take charge of their own affairs. The countries of Eastern Europe were not (yet) on their own, but the region's communist parties were*

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<sup>4</sup> In Czechoslovakia in 1968, communist reformers appealed to democratic ideals that were deeply rooted in the country's pre-World War II. Alexander Dubcek, the leader of the Czechoslovak communists and the symbol of the Prague Spring, personified hope for democratic evolution, real pluralism, and a peaceful way to a state governed by law and respectful of human rights.

<sup>5</sup> In mid-1988, the Bulgarian Communist Party leader Todor Zhivkov who had his personal stake in continuity rather than change was abruptly dismissed, and the Romanian communist dictator Nicolae Ceausescu who strongly opposed to Gorbachev's call for change brought only a massive, bloody civilian revolution in December 1989 that finished the tyranny – and this tyrant, on Christmas Day.

*granted far more autonomy than they had before; it was not primarily their responsibility and not the Soviet Union's to improve economic performance under (if at all possible) stable conditions. Gorbachev's apparent intention was to accelerate the bloc's decentralization that had begun after Stalin's death. All in all, the words emanating from Moscow did not yet point to a radical break with the past; they suggested a gradual evolution in Soviet thinking. On the one hand, Gorbachev's affirmation of the socialist states' "common interests" was a sign of continuity in the Soviet perception of Eastern Europe. On the other hand, his emphasis on the autonomy of the region's communist parties was a hopeful sign of the fading of Moscow's imperial mentality.*<sup>6</sup>

Whatever Gorbachev's early intention was, his new mind sets contributed definitely to bring with radical winds of political and economic changes that would sweep for a while across the landscape of all Eastern European countries. Above all, the breaching of the Berlin Wall on the very watershed date, November 9, 1989, offered indisputable proof that the Soviet Union would not use military forces to maintain the East-West divide and nothing could remain the same in the East Europe and other communist bloc. This does not imply that Moscow has since then completely given up its hegemony over Eastern Europe and would give way to full respect for the principles of sovereignty and non-intervention for its former satellite states. Under certain circumstances, Gorbachev's successors look yet to resort to the use of military force on behalf of its real or perceived ethnic, economic and security interests, but no longer on behalf of its real or perceived ideological interests, as the world learned awkwardly from the Red Army's overnight invasion into ethnically split Georgia during the period of Beijing Olympics festival in the summer of 2008.

The important point is that Gorbachev's foreign policy with its well-disciplined tolerance contributed to accelerate the socialistic bloc's rapid decentralization that has been driving them to assimilate into free market system. Indeed, nations are reshuffling today their relations with others as the old environment of the Cold War era is replaced by the emergence of a new economic regionalism, globalization, and mutual cooperation. As Su

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<sup>6</sup> Charles Gati, *The Bloc That Failed*, (Indiana University Press, 1990), p.78.

Tung-pao, a renowned writer of the ancient Sung Dynasty of China, once said, everything is changing when we perceive the world from the perspective of a constant process of change over time<sup>7</sup>. But the only exception in the world today appears to be North Korea which remains yet largely untouched and undisturbed Hermit Kingdom at the time of this writing in 2008. Were Karl Marx and Friedrich Engels and Kim Il-sung alive today, will they advise the North leaderships to keep intact and wait and see how the South Korea will fall first with its mounting inside leftists' uprisings and on-going anti-government strikes to fundamentally shake the South's system? Indeed, some outside Korean observers including this author worry that South Korea is recently more vulnerable than strictly controlled unchanging North Korea. For many pro-leftist elements have bred and seated in every corners of free South Korea during the last decade under both Kim Dae-jung and Roh Moo-hyun regimes. However, this writing will rather focus, above all, on shortening the life span of the dictatorial communist regime in the North.

## **2-2. Why North Korea Refuses Fundamental Change?**

Richard Holbrooke properly described in his article that "History is not immutable. But there is one pattern that comes very close to bring a law of history: in the long run, the rise and fall of (great) nations is driven primarily by their economic strength"<sup>8</sup>. Earlier, Paul Kennedy also pointed out clearly the same logic by saying that "the historical record suggests that there is a very clear connection *in the long run* between the individual (Great Power's) economic rise and fall and its growth and decline as an important military power (or world empire). This, too, is hardly surprising, since it flows from two related facts. The first is that economic resources are necessary to support a large-scale military establishment. The second is that, so far as the international system is concerned, both wealth and power are always *relative* and should be seen as such". ... "whether a nation be today mighty and rich or not depends not on the abundance or security of its power and riches, but principally

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<sup>7</sup> Su Tung-pao, *A Thought in front of Red Wall (Jun-Jokbyokbbo)*, Sung Dynasty of China: AD 1036-1101.

<sup>8</sup> Richard Holbrooke (2008), *The Next President: Mastering a Daunting Agenda*, Foreign Affairs, September/October, p.4.

on whether its neighbors possess more or less of it”<sup>9</sup>. As compared to South Korea, North Korea has remained poor since the mid-1970s and endless economic competitive struggles for nearly 60 years between the two Koreas have ended up with fostering per capita income disparity: the North with only a half size of population has per capita income of about 1/20 of the South as of 2008. North Korea is today extremely poor, undemocratic, and wrongly ruled, which means that it is likely to experience serious backlash in its political security and military strength as well. As pointed out in the above metaphor of Paul Kennedy, the economically near-bankrupt Kim Jong-il regime is no longer likely to be capable to match with its hostile South Korea in the military strength, if not its possession of nuclear warheads being developed by putting the people under the screw. The number of service men and women in the North is about double of those of the South, but the later is much outracing the former in terms of sophisticated weapons and striking capacity, that is coupled with the US military supports. North Korea’s state-run economy of heavy military-oriented industry is nearly dead. Nevertheless, Pyongyang still survives this long since 1948, manifesting seemingly loud paeans to both its self-reliance and its supreme ruler.

Indeed, what makes the world not ratiocinative is that this world’s last Stalinist regime has not so far imploded and that it keeps yet surviving with a self-imposed information blockade apparently unparalleled anywhere in the world today. Once, the command economy performed well exceeding the South’s unstable economy until the mid-1970s, but after then the North’s vehicle has been on the rough unpaved road enough to fall apart deep behind the South. Despite the self-reliance isolation policy was the main source of binding its economy, the North leaderships did want neither to admit its inherent bottlenecks, nor to change their misguided doctrine. They were not afford to put money aside in fat years to spend in future would-be lean years as well. Even during the Cold War the North Korean economy survived only thanks to both Soviet and Chinese subsidies, and it came to near collapse as soon as Moscow and Beijing discontinued their free aids in the early 1990s. To make matters worse, in addition to the North’s self-imposed isolation, severe natural

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<sup>9</sup> Paul Kennedy (1987), *The Rise and Fall of the Great Powers*, (Random House, Inc., New York), p. xxii in Introduction.

disasters such as yearly flood and drought hit hard the life of North Koreans for nearly a decade starting from 1990. A disastrous famine from 1996 to 1997 was reported to kill between 600,000 and one million people, followed by continuing famine in recent years. If not the windfalls from the sentimental brethren in the South as well as Chinese benevolence, North Korean economy could have further unraveled as a result of decades of isolation or *Juche (self-reliant) policy*. From mid-1990s up to date, the North is increasingly dependent upon aids from the South to partially escape from poverty. The private coffers from the leftist prone people bred in both Kim Dae-jung and Roh Moo-hyun administrations, the South NGO (including some Christian churches and Buddhists as well), business, former North Korea residents now living in the South have been already overflowing for more than a decade since the mid-1990s. This wealth transfer from the South is being suspected to make possible the North Korea's opaque national budget divert to use for its nuclear program. Though, many younger people as well as a considerable number of nationalistic minded residents as well do not mind at all about such hypothesis eyed by some conservatives today in the South.

These private coppers, in particular, may attribute to facilitating corruption among hungry officials and traders and thus eventually reduce public confidence in the state in North Korea. But diffusion of such information is not likely to exacerbate or too slow in the controlled society so as for the conditions to tend to breed people's uprisings.

North Korea is often described as the world's last controlled Stalinist regime and it has remained resolutely closed off to the world. Over the more than past 60 years, it has defied various predictions of its imminent fall-down, stood aloof throughout the turbulent reform rush swept across all former Soviet bloc countries and gained an outsized place among global concerns because of its pursuit of nuclear weapon projects. Most former communist allies opened their economies and began to prosper. A decade later, North Korea announced its package of economic measures in July 2002 in which most commodity prices (including rice and the staple) were raised for the first time in more than two decades. The so-called farmers' markets where peasants and public employees came together to trade were brought one step closer to legitimacy. The public distribution (rationing) system was

suspended- a major blow to the population who for decades had relied on government-subsidized grain rations as their main source of food. The North also took some dramatic measures such as inducing South Korean tourists to Mt. Keumgang and later to Gaeseong, not to mention its providing lands for the development of Gaeseong Industrial Complex with South Korean investment money. This very limited openings intend mainly to obtain hard currencies from the southerners, which intrinsically embeds a great future uncertainty because the North will never abide by any bilateral agreements and laws. The North used not to hesitate to abrogate any agreement or treaty one-sidedly if it faces any necessity. Above all, these measures taken are very minimal ones like the visible peak of an iceberg. The main body of the iceberg is not subject to melt down in North Korea.

North Korea remains yet closed off as a dark and little known state, as of the end of 2008. In this age of information, North Korea guards its secrets tightly. As an example, North Korea's approach is, "Know thy enemy, but don't let them know us". Since early September 2008, many outsiders speculate the 66-year old Kim Jong-il has been sidelined by a stroke, while North Korea continues to release undated photos showing an active Dear Leader, sporting his trademark bouffant at public events. The question of Kim's whereabouts underscores the difficulty of knowing anything conclusive about what goes on in North Korea. To fasten its padlock, North Korea announced suddenly on November 24, 2008 to stop the use of two railroads running across the Demilitarized Zone (which connected only a year ago) and to shut down tours to both Mt. Keumgang (so-called Diamond mountain) and city of Gaeseong (old capital city of Yi Dynasty) in the North, starting December 1, 2008. This angry announcement accompanied blaming for all responsibility to the new conservative Lee Myung-bak regime in South Korea<sup>10</sup>. Both projects were ambitiously developed by the Hyundai Asan Corporation of South Korea with astronomical amount of investment during the last decade. Coincidentally, President

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<sup>10</sup> A month earlier, North Korea's *Ro-Dong Shin Mun* (North Korean Official Newspaper) reported in its October 16 (2008) edition that the North is seriously considering to suspend all fronts of North-South Relations because the South Lee Myung-bak regime continues to denounce the North Korea's dignity with anti-communist posture. See <http://blog.yonhapnews.co.kr/king21c/>

Lee was former CEO of the Hyundai Group where he had worked for the most part of his past life.

The Mount Keumgang (Diamond) tourism project came to halt in July 2008 when a South Korean woman was shot to death by a North Korean guard at the scenic mountain resort. The suspension of the Gaeseong city tour project for South Koreans and the rail services signals the North's intended return to Cold War-style brinkmanship tactics. Pyongyang has been demanding the conservative President Lee Myung-bak government in Seoul implement agreements made during the two inter-Korean summits, first one in 2000 and the second one in 2007. The North apparently attempts to reveal its bid to get unconditional economic aid from the South while sealing its populace off from exposing to the prosperous South Koreans. The North is, nonetheless, not likely to completely expel all South experts and businessmen from the Gaeseong Industrial Complex since it is the biggest cash cow for the famine-stricken North and the North is still in the course to learn how to manage and operate the money box<sup>11</sup>. When Pyongyang squeezes South Korea with border clampdown, Pyongyang knows well that the squeeze will in turn squeeze the North's economy.

But Pyongyang keeps always shy away from real peace and security with its brethren in Seoul in spite of its often rhetoric: "Let's Go Together as One Nationality".

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<sup>11</sup> On November 24, 2008, the North's Army announced via KCNA (Korea Central News Agency in Pyongyang) that it will halt tours of its historic city of Gaeseong and stop train service to and from South Korea because of Seoul's confrontational and betrayal policy toward the communist North. Furious with the South for its sponsorship of the UN General Assembly's human rights committee resolution on November 21 by a vote of 95 to 24 with 62 abstaining, North Korea announced on November 24 that it would begin banning South Korean tourists from the city of Gaeseong, and that it would selectively expel South Koreans who work in the joint industrial complex and limit the activity of South Korean managers there beginning December 1. However, it will guarantee the South Korean business operation, though the number of company staff allowed to remain in the Gaeseong Industrial zone will be cut to about 880 persons, a fifth of the 4,200 with permits for the enclave. As of December 1, 2008, there are 88 South Korean companies that run factories in Gaeseong using about 35,000 North Korean workers. The North also sent a message to Hyundai Asan Corporation, the main operator of Gaeseong city tours and Diamond (Keumgang) Mountain and other joint projects, the most of South staffs will be expelled in early December and that any resumption of joint tour and other projects depends on Seoul's attitude. The North said, the fate of the inter-Korean relations entirely depends on any changes in Lee Myung-bak who is branded as a "traitor", "a pro-American sycophant" and "despicable human scum".

Despite its failure to tackle a famine that is costing many lives, why does North Korean leadership refuse to reform fundamentally and often employ its tactics to turn the clock back by bringing in inter-Korean crisis?

In a short word, the North leadership does duly recognize the fact that it has lied, cheated its own populace and failed in competing with its hostile brethren in the South. When the country is open, it would be the very end day for both the reclusive leader and his close followers now in power. In the early 1990s when former communist bloc countries adopted reforms and openings, few outside observers expected Kim Jong-il or his regime to survive this long. But he has preserved, thanks to his ruthless leadership in a Hermit Kingdom, a gift for political manipulation, and his use of brinkmanship diplomacy and his leakless seizure of military power elites. Nepotism and inherited power along with no other member of the top leadership able to challenge him ensure Kim's dominance in the well sheltered society. North Korea's elites do not dare to challenge Kim and they, feeling cornered, understand that unity under Kim's leadership is only condition for their survival. Thus they continue to support their leader with little regard for the plight of most North Koreans.

The only survival way for both the supreme ruler and his elite followers is thus keeping their country closed tightly, making their grass-root people neither to hear nor to see what is going on in outside world. By guarding its secrets, the North exercises remarkably well to keep foreigners as well as its own people uninformed about its internal affairs even in this age of information. Of course, the question is how this sheltered policy would do more good than harm or *vice versa* to its leader groups as well as its people in large.

This does not mean that North Korean economic function has not changed at all in the past decade when the North faced near-collapse in its economy and accordingly depended largely on aids from South Korea and China. Until the early 1990s, the North strictly controlled its state collective economic system. However, things have changed to inevitably allow various functioning of so-called unofficial private markets that have people learn by themselves if not to starve to death in the state where the Public Distribution System was no longer alive. Various transactions in terms of barter or pecuniary exchange have

intrinsically been developing as only way to survive for a vast majority of the people. Even bureaucrats, knowing that the state has no resources to reward their zeal, are increasingly looking for the secondary market opportunities. The secondary markets are inbreeding both legal trading (small plot private farming and individual side-business, etc.) and illegal trading (corruption, bribing, smuggling, and human trafficking, etc.). The increasing diffusion of the secondary market activities is also attributing to weakening the economic controllability of the central government, which in turn drives the bureaucrats to cooperatively secure public distribution at lower prices to sell them at higher prices, to submit false reports and to make possible many other things that were unthinkable before. The North leaderships apparently try to respond by reiterating their old anti-market rhetoric and to stage frequent but only partially successful campaigns against the so-called subversive, anti-socialist, and dirty capitalistic activities. North Korea's suspension of both the Gaeseong tour for South Koreans and the rail services starting December 1, 2008 could be understood as a measure to backpedal on its further exposition to the South's market economic elements<sup>12</sup>. The regime in Pyongyang is doing its best to resist reform and maintain the self-imposed reclusive status quo for as long as possible to prolong Kim's stay-in- power. North Korean leaders must be afraid that ushering in reforms would be likely to jeopardize their standing. Meanwhile, the North leadership often used to tactically mobilize "confrontational strategy" toward South Korea and other extramural enemies to keep its own people alert and unite. But Pyongyang should realize that its gripping door tight and increasing tensions on the peninsula will only do more harm than good to the famine-stricken economy.

China and South Korea have for years tried to exhort North Korea to open up its economy out of their respective and pragmatic motivations. The Chinese government would not want to see North Korea implode anytime soon, which would bring refugee

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<sup>12</sup> In addition to the South's sponsorship on the resolution of the UN Human Rights Council in Geneva in October 2008, North Korea has vehemently protested against the South's Lee administration for not stopping what "Fighters for Free North Korea" is sending helium balloons in its efforts to educate the people of the North. The leaflet dissemination proves that the efforts are an extreme irritancy to the North's regime. Making North Korean people know about the "truth" constitutes a "hostile challenge to the North leadership's dignity".

flows into China. Instead, China would want to implant its own style of reform in Pyongyang: that is, gradual economic liberalization while maintaining basic principle of socialist political system. China may further prefer to keep the Korean Peninsula divided in order to maintain the North as a strategic buffer zone.

South Korea has also its reasons for preaching reform. If Pyongyang were to change and to improve economically and politically, the cost of reunification would be much less. The South Korean government's support for and private investment in North Korea have eyes on helping the North Korean economy reach a substantial level over an extended period of time while maintaining peace and security in the peninsula. Development of North Korea could also provide good potential input and output markets for the South's economy.

But neither China nor South Korea has so far succeeded in coaxing North Korea to change. This is not because North Korea is ignorant of the successes of both Vietnam, which suffered a famine by the mid-1990s, and China, the once-impoverished economic miracle. But because North Korea is well aware that market reforms and openings would unavoidably undermine the self-imposed isolated Kingdom.

This does not say that North Korea has never taken any attempts to implement any internal and external change. The *Juche* nation announced in July 2002 its package of economic measures, first in the history of the DPRK. Official commodity prices were raised for the first time in more than three decades. Rationing – formally known as the Public Distribution System – was cut way back. And the farmers' markets were brought to legitimacy, and the secondary markets began to activate wherever needed by unofficial traders. In 2000, North Korea embarked on a diplomatic offensive that included the normalization of relations with many European Union countries. North Korea was rather cooperative in reaching the unprecedented June 2000 North- South summit between Kim Jong-il and Kim Dae-jung.

Pyongyang dared to exchange visits of high-level envoys with the United States by sending its General Jo Myong-nok to Washington in August and inviting US Secretary Madeleine Albright to Pyongyang in October. Pyongyang invited Japanese Prime minister

Junichiro Koizumi to Pyongyang in September 2002, attempting to achieve a breakthrough relation with Japan and expecting a big transfusion of assistance from Japan. During this summit in Pyongyang, Kim Jong-il acknowledged his country in the 1970s and 1980s had abducted thirteen Japanese nationals who were used to train North Korean spies. In the midst of its rare gesture for some change in its foreign policy to serve domestic needs, a secret nuclear weapons program was revealed in October 2002 in North Korea, which was in violation of nonproliferation agreement. This event set North Korea back in the direction of brinkmanship. On the other hand, Pyongyang also began by then to sense that economic reform and increasing contacts of its people with South Koreans would expose its people to the South's prosperity. Sooner or later, the population would come to seriously question the North Korean regime's legitimacy, unless Pyongyang grabs its people tightly. It needs to employ tactical changes mixed with "cold bath (tight grabbing)" and "hot bath (loose grabbing)" for the purpose of the regime's survival.

For decades, Pyongyang has managed to sustain its legitimacy by injecting people to embrace a sort of paranoia that their system could only provide the best paradise for the mass. But many North Koreans who have been recently exposed to South Koreans already begin to suspect their leaders and to know the extent of the government's lies. This fear makes it impossible for the North's morose leadership to embark on both further reform and liberalization.

*The North Korean Central News Agency tells its readers how to think about reform: the South Koreans "want to use their pitiful humanitarian aid to lure us into openness and reform in order to destabilize our system from within". In March 2007, an editorial in the official daily Rodong Sinmun warned against the consequences of contact with the outside world: "Imperialists mobilize their spying agencies and use schemes of cooperation and exchange through various channels in order to implant the bourgeois ideology and culture within the socialist and anti-imperialist countries". The elites in Pyongyang believe,*

*seemingly with good reason, that they must all hang together or else they will surely be hanged separately.*<sup>13</sup>

### **3. Can Kim Jong-il's Regime Sustain Much Longer?**

For decades, both father Kim and son Kim have well discouraged any number of predictions about their regime's sustainability. The North Korean economy has already gone unsustainable since the late 1970s. The North's economic landscape was completely drained desolate in the 1990s because of the system's inherent inefficiency coupled with the wrath from the nature. During last decade long, the state was incapable of meeting its most basic needs, including feeding its people. The North is keeping afloat for nearly a decade largely thanks to aids and assistance from South Korea, as it did in the 1970s and 1980s due to aids first from the Soviet Union and then from China. Nevertheless, the leadership in Pyongyang has managed to retain its grip for decades, and appears still secure and robust. What are the secrets behind this puzzle?

The keys to answer the query above may lie in two sources: one is related to internal policy and the other is external policy. Firstly, North Korean leadership had classified people largely into two groups. One group belongs to people close to Kim's relatives and elites who stay near the ruling class. They are minority in numbers and mostly reside in Pyongyang.

The majority of the rest people are simply from families of grass-roots. For decades of food shortages, Kim has only put priority on the ruling class in food rationing, while distributing only marginal share to the rest of the populace. So the latter have suffered long from mal-nutrition which has hindered their physical body growth and development. Not surprisingly, foreign visitors can easily notice that the most average people in rural and remote areas as well as most soldiers are short and small, as compared to some elite class people in Pyongyang and also compared to average South Koreans.

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<sup>13</sup> Andrei Lankov, *Staying Alive: Why North Korea Will not Change*, Foreign Affairs (March/ April 2008), p. 15.

The ever-supreme ruler has concerned with feeding well only a limited number of people and military cadets around him at the cost of the majority of people's health and large starvation everywhere remote from Pyongyang. The tactics has something to make majority of people remain poor and helpless, so that the weak can never able to stand up and to dare to challenge against the ruler and ruling class. Secondly, the leaders and elites have used their skilful diplomacy to lure a bunch of aids from the South and international NGO groups, sometimes with "bluffing to put the South into "the sea of fire" and sometimes with tactics to arouse sympathy from benevolent outsiders. Some (but not sufficient) aids could be maintained so as to feed the ruling class as long as the North keeps to make the most use of its skillful diplomacy and nuclear weapon bargains with the west.

More recently, however, the juxtaposition system with newly embedding secondary (so-called black) markets appears to help the economy partially to reboot so as to hang on in "the country where everything is a chouse". Some cash is also coming from drug and weapon trafficking by its agents abroad.

North Korean leader, Kim, who appears to be well aware of the consequences of spreading the "wake-up call for survival" from the bottom, is trying his best to keep his Kingdom cut off from the "wake-up", but it is likely increasingly unsuccessful unless he can feed the all people adequately.

Some outside North Korean observers like Marcus Noland argue that the hardships of North Korea in its 2002 economic reform was due to "faulty implementation" rather than "bad intentions"<sup>14</sup>. This theory might be extracted from the evidence about the North's 2002 July price reform initiatives and the reform's eventual frustration. Perhaps, many North Korean technocrats do not understand both basic economic principles and markets. But the frustration was rather caused by the leadership's lack of confidence (or doubt) about the would-be impacts of the reform if implemented more extensively, not to speak of the shortages of physical and human resources to successfully support the reform process.

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<sup>14</sup> Marcus Noland, *North Korea's External Economic Relations: Globalization in Our Own Style*, in North Korea and Northeast Asia, ed. Samuel S. Kim and Tai Hwan Lee, pp.165-93 (Lanham, Maryland: Rowman & Littlefield, 2002).

Kim permitted the reform package, hoping to invite foreign capital. In that package, he intended to eliminate price and wage controls and devalued the currency. That proves that he did well understand the markets and his intentions were also correct largely, if not all. The problem was, however, seating deep in his selfish mind sets. He has been obsessed with the lingering worry about the risky outcome to impact on his leadership and power structure once the society is open up. Economic reform and opening will not necessarily translate into political restlessness, but Kim and his close followers must nonetheless be concerned about the social changes taking place around them. After all, they believe it was the grass-root middle classes that pushed change in Eastern European states, the Soviet Union, and Romania. They are afraid that their own starving people, if awake up, would follow the Tienanmen Square uprisings in June 1989 in neighboring China. The drag of the reform was thus largely associated with “Kim’s fear” and “bad mind-sets”.

Today, North Korea is indeed trapped in a dilemma. If it pursues reform and opening to give vitality to its ill-economy, the population would come to realize that they have been deceived by the Kim family rule in a fake paradise for more than a half century. This will lead people to seriously question the North Korean regime’s legitimacy. If the North maintains its state control and self-imposed blockade to outside, the economy will not be sustainable any longer. However, Pyongyang is still managing to survive through its economic hardships due to unconditional aids from both South Korea and China. And yet North Korean leaderships do not show gratitude to their benefactors in Seoul and Beijing.

China can but not tell North Korea what to do because of such plausible excuse as that “if we tell Kim Jong-il to do something, he doesn’t listen. If we threaten him, he listens even less”. Nevertheless, China keeps pouring the constant flow of aid, whatever the Kim’s regime does or does not. Chinese strategy is mainly to keep the North as its political and ideological ally, because of the North’s geopolitical importance to China. . The North’s coldly rational leader knows about it so well and think he deserves to receive Chinese aids with no gratitude in return.

Pyongyang has also been able to keep afloat thanks to many benevolent South Koreans who are both congenial and not stingy toward the North communists. For more than a

decade, Kim Jong-il utilized, though reluctantly, the South *sunshine policy*<sup>15</sup> in his favor until the South Korea's new conservative Lee Myung-bak government began to demand both reciprocity principle in inter-Korean relations and human right improvement in North Korea. It must be noted by passing that Kim Dae-jung's sunshine approach was to convince South Koreans that the life-and-death confrontation between the two Koreas was of no necessity when in fact North Korea was and is never yet ceasing to keep its knife sharp. The cool heads in the North have had no reason to refuse juicy and unconditional offers of all possible hard currencies, technology and plants from its cocky, but mindless southerners, but they have always deliberately calculated when to take actions to expel all the corrupt and dangerous capitalistic elements from their so-called pure paradise. Lee Myung-bak government provided the cool heads with good excuses to stop all existing inter-Korean relations when Lee cast "yes" on the North Korean human right violation at the U.N. human rights<sup>16</sup> resolution on November 21, 2008. His two predecessors used to abstain from the UN voting on North Korean human right issue. International advocacy groups say North Korea is among the world's worst abusers of human rights. Among other things, the North is known to run a network of prisoners labor camps believed to house more than 300,000 political detainees, with many subjected to torture and summary execution.

Restricting inter-Korean trade and traffic through its border with South Korea effective on December 1, 2008, Pyongyang said that it will never pardon the traitors in the South. This kind of scenario for throw-back anytime was contemplated at least by the communists from the first ticking-off of the South –North approach. South Koreans did, however, overflow with over-expectation when the closed door appeared to slightly open across the

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<sup>15</sup> The sunshine policy was initiated by former President Kim Dae-jung in 1998 who insisted that Seoul must help the northern brethren by all means in order to achieve harmonious prosperity while keeping peace in the peninsula.

<sup>16</sup> The U.N. human rights declaration was first adopted in Paris on December 10, 1948 by 58 countries at a meeting of the U.N. General Assembly with the absences of the Soviet Union, Eastern Europe, Saudi Arabia, and South Africa after a tortuous debate in which communist countries held up "real" economic and social rights against the "bourgeois" cultural and social principles defended by the West. The Article 1 of the declaration proclaims that "All human beings are born free and equal in dignity and rights".

barbed walls along the Demilitarized Zone. Despite North Korean leaderships had never lost the dream to take over the South from the American imperialist and its faithful dog's control, Kim Dae-jung volunteered to go to Pyongyang to make show up by shaking hand with the ever victorious Kim Jong-il in June 2000. This factual event radically changed perceptions of the North monarchic and communist regime in the South. For most South Koreans it was just a startling experience to see the veiled Kim Jong-il shaking hands with Kim Dae-jung on television networks and newspaper front-pages. Former dissident Kim Dae-jung had skillfully discredited the previous governments' views of the North in the eyes of South Koreans and effected many his fellow South Koreans to regard Kim Jong-il as the respectable leader of the other Korea, but as neither a perpetrator nor an autocrat any longer. And to the extent, many new leftist-prone South Koreans began to view North Korean predicament as the victim of the anti-North Korean policy by the United States and its hunting dogs-the extreme conservatives in the South. The sentiment in favor of the North after the June 2000 summit was matched by the widespread of anti-Americanism sparked by a dozen of left-inclined news medias coverage mainly focusing on negative aspects of affairs involved with American troops in Korea. The pro-North Korean sentiment is getting wide spread and deep, and the South-South conflicts (between leftists and rightists) on the issue are getting acute everywhere in South Korea. This change is what the North expected and calculated when it opened trade with Kim Dae-jung. The North leadership knows that young generations in the South are rather curious about over-the-border ideology and thought-after egalitarian society somewhat different from their diverse economic classes in the South. Older Koreans remember and are generally wary of the unforgettable scars of the Korean war (1950-53) committed by the North invasion into the South. But the young generation, the so-called 386ers – those in their thirties, who came of age in the 1980s, and was born in the 1960s, are now in important positions of power and are displacing older conservative elements in general. They insist to support the North Korean economy by all ways. Even many Catholic nuns, Protestant clergies and Buddhist monks are actively participating in sending money and all sorts of aids to North Korea and frequently visit North Korea to help build North Korean economy and regime

longevity. A well known big Presbyterian church in Seoul is known to have supported with billions of dollars the North to build the Pyongyang University of Science and Technology, which may be used as a main centre of deadly weapon development, not to speak of training the North political cadets. Surprisingly, a South Korean (namely Christian) working for the Pyongyang project (in the name of missionary objectives) writes in his book that *Christianity is the complete achievement of communism*.<sup>17</sup> Apparently his perception is not proper if he is really a Christian. Just as it is impossible to mix fire and water, so is it impermissible to intermingle Christianity with Communism. Unfortunately, there are numbers of people among South Koreans who are increasingly in the trap of perception confusion.

Indeed, many South Korean blind money and strategic goods are outpouring sources to enable for Kim Jong-il to keep afloat yet. Out of the money coming from the South, the North is apparently diverting considerable portion to its military sector with intention of not only strengthening his power structure but also subjugating its rival around. The monarchic regime may live longer than the fast eroding and split and disharmonized South Korean regime. Perhaps, Kim Jong-il may now think he does not need to use his nuclear weapon or military power to crush South Korea under his rule: he may accomplish the same goal through nurturing the on-going split between the major liberalists and the minor conservatives in the South, while taking all economic creams from those ignorant southerners. Indeed, there are many volatile factors such as the increasingly favorable perceptions of North Korea, growing anti-Americanism among middle class people, a push to dismantle internal security mechanisms, and ideological split, etc., in South Korea.<sup>18</sup>

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<sup>17</sup> Chung Jin-ho, *Jesus was a layman*, (Hong-sung-sa, Ltd., 2003), p. 184-188.

<sup>18</sup> All social conflicts began to explode in the South since Kim Dae-jung (called DJ), the longtime fighter against Seoul's military regimes, took office in 1988 and immediately promoted his Sunshine Policy intended to take off North Korean coat. In his Presidential inaugural address in early 1998, DJ laid down three principles. (1), no armed provocation between two Koreas, (2) no intention to undermine or absorb North Korea, (3) pursue reconciliation and cooperation between two Koreas. In his 2000 June summit with Kim Jong-il, DJ agreed to accommodate a slightly modified version of Kim Il-sung's "confederation approach" as a road map to unification, which laid a stepping stone for the "progressive" or "leftist" agenda in the South. His successor Roh Moo-hyun vigorously promoted DJ's version of the Sunshine Policy, which is a prelude to a union of two equals. Furthermore, Roh was pushing political changes that would harmonize Southern

Even a rather neutral leading newspaper in Seoul carried its editorial comparing U.S. President-elect Barack Obama with the South President Lee Myung-bak with hidden intention to criticize his conservative posture to North Korea. It said that “what Lee preached for a year as only an empty slogan, Obama has practiced in just one month after his election. The difference between Seoul and Washington in governing ideology and administrative style will likely become even clearer in their foreign policies, particularly regarding North Korea. Obama’s emphasis on cooperation and partnership in foreign policies means closer ties with China and Russia, two of North Korea’s biggest allies. If and when the increasingly unpopular Japanese Prime Minister Taro Aso is replaced with a more future-oriented leader, Seoul could be left alone in the new diplomatic wave sweeping this part of the world”.<sup>19</sup> This progressive editorial suggests in a roundabout way that Lee must work hard to win the favor of North Korea by providing “don’t-ask aids (or aids without conditions)” as did his former two governments. Many progressive journalists in the South do seldom criticize the North Korea’s hostile policies toward the South. Instead they turn all blames to the South’s hawks and conservative government for any deterioration of the North and South relations. To make matter unfortunate, the so-called conservative ruling party as well as the current political leadership misperceives the danger and avoids even to enforce exiting laws to tame down those growing leftist elements in the South.

Nevertheless, South Korea has so far been on the right trends to grow to somewhat maturing democracy course with strong economic expansion, which is now developing a new equilibrium with a political system finely balanced between progressive and

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politics with those of the North. Roh initiated to abolish the South’s National Security Law, which dates back to 1948 and was used by military governments to stifle dissent. Even more controversial was his announced hope to legalize communist parties in South Korea. After a decade of these two leftist regimes, South Korean political and social landscape has completely changed. Now there are leftist political parties which occupy several seats in the National Assembly and which officially and publicly propose the “confederation of the North and the South” under the socialistic political and economic system. The National Security Law is yet alive, but is no longer in use for any occasions in South Korea. Many progressive elements can freely shout out their voices regardless of their ideological colors and with no constraints. It may sound a complete democracy, but it is now often the source of social turmoil, that drags down the economy from productivity in South Korea. But it is hoped that everything will work eventually for the good.

<sup>19</sup> The Korea Times, *New U.S. Administration*, (editorial, December 4, 2008)

conservative elements. And South Korea's democratic system has autogenous capacity not only to overcome internal strains but also to prevail despite of a variety of panic gaps. The democratic society of the South is completely distance from the monarchic dictatorial state in the North. And we do know that in all things, freedom and democracy in the South work for the good of those who love them while a failing totalitarian regime in the North could not absorb a vibrant and prosperous democracy.

The autocratic communist ruler Kim Jong-il, who has above all failed in feeding his suppressed people while developing costly nuclear weapons, must be eroding now despite of the North's official KCNA recent series of reports about Kim's several public appearances amidst of wide spread rumors on his serious illness. Kim reportedly suffered a stroke in August 2008 and underwent brain surgery, but North Korea denies he fell ill. North Korea's official efforts to show up his robustness reveal that once the leader falls down, his impoverished country is not sure where to go. However, his days are apparently coming to finish soon, and so is his regime. If we must forecast when the day will be, we would be intolerably inaccurate more often than not if we say it will be within easily countable days or months. But the clock is now ticking by and there must be a time near for ending up his regime<sup>20</sup>. It is a time for all neighbor countries- South Korea, the United States, Russia, China, and Japan, to prepare contingency plans, individually as well as jointly.

#### **4. What Will Neighboring Nations Do If North Korea Falls?**

These countries have directly involved in the so-called six party talks on the North Korea's nuclear proliferation issue on all levels since their first meeting in August 2003. The talks have stalled over finding an acceptable procedure through which to verify the North's June 2008 declaration of its nuclear demolition programs. The United States removed North Korea from the terrorism blacklist in October, 2008. In return to its

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<sup>20</sup> Refer to *A Time for Everything*, The Old Testament, Ecclesiastes 3: 1-8.

agreement to denuclearization, Pyongyang was to get 1 million tons of fuel oil or energy aid of equivalent value. About half has so far been delivered by the mid-2008. In removing the blacklist, the United States claimed that the North had agreed to the use of “scientific procedure, including sampling and forensic activities”. The North, however, denied the U.S. claim, claiming there is no documented proof of such language ever being agreed to. The North said the main task of the six-party talks would be to speed up the aid delivery under common understanding on its denuclearization plan. In dealing on North Korea, Japan-U.S relations are feeling “quite” chilly because Japan’s strong position on the negative effects of giving aids to North Korea (not to say downright Japanese worries over the U.S. delisting of Kim’s regime from terrorism) without resolution of the Japanese abduction issue<sup>21</sup>. In angry reaction, North Korea said (on December 6, 2008) it would not recognize Japan as a member of “six-nation nuclear disarmament and aids package talks” due to resume in the second week of December, 2008 in Beijing because Japan refuses to provide its share of energy aid to North Korea. “We will neither treat Japan as a party to the talks nor deal with it even if it impudently appears in the conference room, lost to shame,” a Foreign Ministry spokesman was quoted by the North’s official Korean Central News Agency (KCNA) as saying. Did the furious rhetoric imply either that other countries (either China or U.S.A or countries outside the five-nation group) were willing to provide Japan’s share of the aid to the North’s blackmailing, or that the impoverished nation stands desperately at the neighborhood of its bankruptcy? Or was the North’s anti-Japan complaint foretelling that the six-party talks would be futile this time again <sup>22</sup>since North

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<sup>21</sup> A Japanese poll results released by the Cabinet Office on December 6, 2008 said that a record-high 28.1 percent of the public thinks Japanese-U.S. relations are “not good” or “not so good”. The number is the highest since the question was added to the annual interview-based survey in 1998 and eclipses the previous figure by 7.7 points. Only 68.9 percent – the lowest percentage ever – regard relations between the two countries as good or relatively good, down 7.4 points from the previous year. The results may reflect Japanese worries over the U.S. policy changes over North Korea. (See The Japan Times, Monday, December 8, 2008, p.2, for further detail coverage).

<sup>22</sup> North Korea, which tested a nuclear bomb in 2006, partly disabled its Yongbyon nuclear complex in June 2008 in a disarmament-for-aid deal, but the six party talks held in Beijing during December 8-11, 2008 failed again to agree on a protocol to verify if Pyongyang was abiding by its agreements. Chief U.S. delegate Christopher Hill said all talk members had to see what the reaction was to a draft text offered on December 9 by China (prepared in prior consultation with North Korea), but Hill was quoted to have said, “I think the key

Korea would never like to open its remote inland for foreigner's inspection? If foreigners come to verify the North's nuclear project sites, they may find its another hide, namely poppy farms, which the North wants not to be exposed. North Korea is known to have operated "the white bellflower project" to produce heroin in several hill farms controlled by its military since the 1960s.

External aid and cooperation as well as occasional exchanges with the outside world just begin to internally undermine North Korea. The rumors about both rich life and social freedoms in South Korea are already spreading from-ear-to-ear even in the strictly controlled society. Someday the people in the North may be tempted to arise to get rid of the political liars and disastrous regime. This change, though, will not or may evolve in very slow motion, for North Korea's leaders are doing everything to weather-strip its all windows. No one can tell for sure about the possible timing and mode of "would-be big bang" in the morose society. But an abrupt overnight thunderstorm may occur when everybody least thinks and is yet unprepared.

Whatever situation would it be involving with the blinking regime, nations at stakes with the peninsula must be prepared, despite of their mutually different "perception" or "blue print" in case Kim Jong-il collapses. Discussion of both 'contingency planning' and 'life after Kim Jong-il' has been ramping up significantly from the last quarter of 2008. In fact the Chinese military has already been increasing troop numbers along the border with North Korea since September 2008. While China has declined to publicly discuss contingency plans with the United States, the Peoples' Liberation Army has deployed more soldiers on the border to prepare for any emergency case connected with North Korea. The two giants must have different and conflicting views on contingency planning, while they

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thing is to figure out whether this is a draft that everyone can work or not". Apparently, U.S. and Japan's delegates were similarly downbeat with regard to the Chinese draft (outlining a way to verify the North's nuclear information) that does not have the word "sampling" but instead uses the phrase "international standards that include scientific procedures". The so-called six party talks, which have stretched over the years with very little to show, are only likely to serve North Korea to earn time to complete its nuclear weapon project so as to become one of nuclear power nations in the world. Actually the multilateral talks failed on December 11, 2008 to break an impasse on checking Pyongyang's nuclear declarations, scuppering the Bush administration's hopes for a diplomatic success before it hands over to new President Barack Obama on January 20, 2009.

agreed at the high-level Sino-U.S. Strategic Economic Dialogue held in Beijing on December 4-5, 2008 to promote prosperity and growth of the world economy and trade<sup>23</sup>.

All neighbors might, first of all, have common concern about the danger of nuclear weapons if stolen to or placed in the hands of international gangsters. To keep the “nuclear football” from passing over to any ‘bad guys’ will be the top priority to be commonly shared by all nations which are concerned with possible global holocaust. As regards to any possible influx of refugees or internal riots due to regime changes in North Korea, China and South Korea would duly worry about more than other nations. Securing influential pre-occupation of the positions for stability and security would be also more than important in that this will afterward affect not only how the demolished state to reorganize into new economic and political system but also whose umbrella Korea would be placed if reunified into one. There will be many interests eyed differently on this peninsula among nations when the big bang occurs.

Before considering the neighbor countries’ dynamics or responses when a sudden big bang occurs on the peninsula, it seems to be in order to briefly look at how a big bang would explode on the Korean peninsula.

#### **4-1. “Big Bang and the After” Scenario: *Dynamite-Implosion Model***

Here a Big-bang implies that North Korea would collapse unexpectedly due to either external forces or internal causes. In fact the current North Korean regime has two dangerous “dynamites” that could explode sooner or later. The first dynamite is its nuclear weapon brinkmanship for which the Six-Parties have struggled to peacefully solve since 2003, but without any remarkable results as already discussed everywhere in this chapter.

The Bush administration evidently considered once to attempt a preemptive strike to remove the Kim-Jong-il regime, but the option was given up in favor of alternative “carrot policy” to persuade the North to return to IAEA’s NPT (non-proliferation treaty) in

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<sup>23</sup> U.S. Treasury Secretary Henry Paulson and Chinese Vice Premier Wang Qishan inked an agreement to make the two countries’ export-import banks to provide \$20 billion available in trade financing to boost commerce and economy at the meeting in Beijing, held against the backdrop of the worst global financial crisis in decades.

exchange of energy and other humanitarian aids as well as an offer of normalization of Pyongyang (DPRK)- Washington (US) diplomatic relations. Unless the North's denuclearization is settled, Pyongyang can not avoid international economic sanctions which shall drive the already broken economy into corner. The North will also find it is increasingly difficult to trade its nuclear weapons for foods with the rest of the world.

The second dynamite is closed related with its extensive state controls along with the Kim's ruthless ruling. A vast majority of people including even bureaucrats have today to rely, if not to starve to death, on various transactions in secondary (black) markets to feed themselves where state distribution system does no longer function normally. The North Koreans will gradually learn that their brethren in the South enjoy material conditions and individual freedom that would be unthinkable in North Korea. The people will be tempted, sooner or later, to desire to join in the South's prosperity. The majority of soldiers and bureaucrats in row of low ranks would be no exception. If cornered people were to stand up someday in near future, Kim Joing-il or his heir would face the same fate as the maverick Romanian communist leader Nicolae Ceausescu (who had been the Kim's special friend) was overthrown and executed.

If once such a big bang occurs in North Korea, the next big question is what situations will evolve on the peninsula to affect the future shape of a Unified Korea. The issue may be thought of in terms of two hypothetical path scenarios related with *an implosion (and explosion) model*. The first one is the case of *uncontrolled implosion*, which is defined as regime collapse without producing an alternative regime. This could follow such events as large scale rioting, assassinations and the executions of communist leaders and cadets, large unemployment released from the dissolved military, attempt of military coup, floods of unsettled refugees within and across the border, and weapons disposal problem as well as lethal weapons trafficking. The second one is *controlled explosion* which means an alternative regime sets in immediately, probably being supported by the existing military power groups. This alternative regime may or may not seek a Unified Korea with the South. This second scenario will lead to a new problematic complicated situation on the

peninsula. There are, of course, many possible scenarios that fit in between these rough indicators, such as explosion cum implosion, and incomplete explosion and implosion.

In this writing, we will, for both brevity and simplicity, take the model that assumes not only an *uncontrolled implosion* in the first short duration, but also an absorption by South Korea over a short period of time. Of course, the absorption model will highly depend on the *arts of* South Korean foreign policy approaches. Hoping this model work, we will overview below the respective perceptions of neighbors on the Korean peninsula.

#### **4-2. Chinese Perceptions of the Korean Peninsula**

From the historic and geopolitical perspective of the People's Republic of China, the combined area of North and South Korea remains one of the most important areas of consideration for Chinese foreign policy, not only in military and political terms but also in economic terms. Economic relations with South Korea only since early 1990s have significantly benefited Chinese take-offs in the stages of its primitive absorption of advanced technology as well as market-oriented development strategies. One time foes have thawed their iced past to open pragmatic new path of relations one another. Today, China is the largest economic and trade partner of South Korea, followed by the United States, and then by Japan.

Military and ideological relations with North Korea have been rather a long and irreversible ties since China came to rescue North Korea in the Korean war, 1950-53. China poured more than a million number of troops in the Korean battle fronts to help push the hostile U.N. troops back to the vicinity of the 38<sup>th</sup> parallel. To save Marshal Kim Il-sung (1912-1994) for the Democratic People's Republic of Korea, Chairman Mao Zedong (1893-1976) of the People's Republic of China founded on October 1, 1949 unsparingly sacrificed about 921,836 Chinese soldiers (deaths 184,128, wounded 715,872, missing 21,836) in the Korean peninsula. One of Mao's sons died in the Korean War. On November 25, 1950, the People's Liberation Army of China entered the war with initial some 300,000 Chinese "volunteer" troops led by General Peng Dehuai. China's intervention had ensured China to place North Korea in the role of a junior brother tied up to the elder's power. One

time comrades are still worth staying near as mutual helpers in consolidating socialism in the two neighbors, even if Beijing and paranoid Pyongyang often differ in both “understandings” and “approaches” to contemporary world affairs.

Indeed, China as economic and military powerhouse today is succeeding in winning two inversive Koreas under its influences whereas U.S- Chinese and Japan-Chinese rivalries are ever rising under the waters for the peninsula. Nevertheless, China will not want to see North Korea united with South Korea. The Chinese government would prefer to keep the Korean peninsula divided and maintain the North as a strategic buffer while keeping the South as a trade and strategic partner. Chinese government must look to the future that if the two Koreas were to unite, the Korean peninsula would serve the United States and Japan to advance militarily to the peninsula border with China. Therefore, Chinese primary concern is most likely to maintain two Koreas divided in rivalry. For all practical purpose, it would be much easier to deal with divided Koreans than with united Koreans in all aspects of Korea-China transactions. But officially, Chinese say that they have no reasons to oppose Korean reunification if the people of the divided states choose. Chinese say that it would be happier to have an enlarged friendly market in the peninsula than continuing to provide North Korea with material and diplomatic support with no gratitude in return. But word is one thing and real mind is another. Pyongyang does not appear to show gratitude to its benefactors in Beijing partly because the latter does not expect reciprocity each and every time. The former knows that Beijing pursues to support her for the sake of the latter’s long run interests.

The current relationship between Beijing and Pyongyang is just as complicated as it is important for historical and geopolitical contexts. It was China that had come to aid of North Korea during the Korean War. China is still the provider of 80 percent or more of the North’s requirement’s for crude oil as well as almost half its food. Beijing could enforce somewhat more extent of leverage over Pyongyang than any other country. However, Beijing may avoid applying too much leverage because doing so could result in losing every leverage it has over Pyongyang, not to speak of breaking regional stability. In return, Pyongyang is also careful not to exhaust Beijing’s patience too far as revealed in the

Pyongyang's moves to often comply with the latter's exhortations (i.e., to return to six-party nuclear talks), under the right circumstances.<sup>24</sup> This implies that China can make Pyongyang change if it sees the need desperately. China, however, will not do any of these things now. Beijing may think Kim Jong-il's regime very useful for taming the capitalist neighbors' functionalism including the United States. Most important, China may not want to destroy its long-time ally, the DPRK, on account of nuclear weapons to complicate the position of its prime rivalries, the United States and Japan. Chinese policy has been very careful and tactical, though, not to take sides in the discussion in the six-party talks in Beijing since its beginning in 2003, endeavoring to find common ground between North Korea's positions on one side and the United States' positions on the other. In this regard, Chinese positions were close to those of South Korean officials who also sought a balance and stressed the need to reduce confrontation, avoid pressure, and preserve peace, mainly by giving unconditional favor, if possible, to North Korea. However, the juxtaposition of these internally mismatching and face-saving foreign policies must not last long. Yes, yes and no, no must be clearly declared soon in the trajectories of multilateral dialogue. Any attempt to concurrently satisfy two differently motivated rivals, namely the United States and North Korea, will only consume time in vain.

China-North Korea relations appeared to have enhanced as China showed its strong support for North Korea in welcoming Kim Jong-il who again visited China in 2004 and 2006, and Chinese President Hu Jintao made his first official visit to North Korea in 2005.

Chinese primary concern is to keep its long-term relationship with Pyongyang, of course, while it assesses the longer-term consequences of failure to resolve the North's nuclear possession to cause Tokyo to develop a nuclear weapon program. China prefers to keep the six-party talks to facilitate a "sure life-line" for North Korea in exchange of Pyongyang's deadly weapons, which will prevent any further proliferation in East Asia.

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<sup>24</sup> Beijing, anxious to start first negotiations on North Korea's nuclear projects, once cut off oil for three days in February 2003 as a warning. Pyongyang agreed to sit down for multilateral talks shortly thereafter. This proves that China could force Pyongyang to act when it sees the need badly. But China refrains to exert the power to bring Kim Jong-il to act.

For any worst case when North Korean regime falls overnight, China has so far been preparing all possible measures. Back to the early 1960s, Chinese government had already engaged in inducing ethnic Koreans to freely relocate out to other provinces from their inherited eastern regions including Liaoning, Jilin and Heilongjiang provinces which once accommodated about 60 percent ethnic Koreans of total residents. On the other hand, Chinese government had subsidized to encourage ethnic Chinese to move into those regions. Today the composition of Korean ethnicity in these three north-east Chinese provinces is no more than 45 percent. This population decomposition policy was made by Chinese government with its tactical eyes well in advance on possible territorial dispute between China and Korea when two Koreas would reunite someday. In more recent years as North Korean situation becomes vulnerable, China has more troops deployed along the border to cope with possible large refugees from the North. More importantly, China has recently invested much in the North's major and active mineral mines. To protect its interests, large numbers of Chinese troops are ready any time to cross the border into Korean territory.

By passing, it is worth noting that China has recently put efforts to form sets of cooperative multilateral mechanisms which do not include the United States, while the latter has been toughening its approach to North Korea and middle East countries. One of the most interesting, but little known, efforts of this kind in Asia is the "Shanghai Five Process"<sup>25</sup>. The Shanghai Five process consisting of China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan, has quietly, but steadily, built up its economic, military, and diplomatic relations since 1996 and seeks to present itself as more viable counterweight to U.S. influence in both Central and East Asia. They have stuck together and issued increasingly tough statements in opposition to what they see as U.S. "hegemony". This will give Beijing and Moscow find ways and strategic partnership to assert themselves more effectively in a world they see as dominated by the United States. This process will involve issues related to North Korea bordering with both China and Russia.

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<sup>25</sup> Bates Gil, *Shanghai Five: An Attempt to Counter U.S. Influence in Asia?* Brookings Institution ([http://www. Brookings.edu/opinions/2001/0504china\\_gill.aspx? p=1](http://www.Brookings.edu/opinions/2001/0504china_gill.aspx? p=1))

While Beijing yet wants to keep on reasonably good terms with concerned powers,<sup>26</sup> China's key concern is to keep its strong leverage politically and economically in the Korean peninsula because of the peninsula's geopolitical importance in safeguarding Chinese top national security and regional stability. Chinese leaderships may seriously consider if it would be better toppling stubborn Kim Jong-il and installing a new communist leader in North Korea who is more subservient to China than allowing the two Koreas to unify under U.S.-Japanese umbrella. This would be a second best choice for China if it wants to continuously maintain its leverage at least in a part of the Korean peninsula. From its security standpoint as stated above, China always prefers a divided Korea on which it can exert its military influence more readily, while keeping some distance from advancing American-Japanese hegemonic ventures into the mainland. China will contribute to the North Korean regime's security based on their "Treaty of Friendship, Cooperation, and Mutual Assistance" of 1961. Most probably, China is preparing contingency plans from perspectives of many angles including deployment of troops to the border as well as to deep inside of North Korea if necessary. In case of a sudden crisis, and in case of the replacement of the Kim Jong-il's regime or a change in its political system would be inevitable, China will definitely make efforts to put in power a pro-China government in North Korea in order to sustain its buffer region from the U.S.-Japanese joint hegemony. If the Korean peninsula were swirled into any brakeless turmoil with the North-South dividing wall falling down, there is no question that it would be China that will attempt promptly, decisively, and unsparingly to advance deep into the peninsula. The leaders in Beijing will never loose its belt to put Americans and not the least the Japanese, to replace Beijing's influence on the peninsula with theirs.

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<sup>26</sup> Beijing has carefully not only averted any confrontation with Washington in the U.N Security Council over the Iraq war but also hoped to avoid a setback in relations over divergent approaches to resolving the North Korean nuclear issue.

### **4-3. U.S. Policy and the Korean Peninsula**

Korea-U.S. relationship has been more than one hundred years since the U.S. established first diplomatic relations with a Korean state in 1882. Today, majority of South Koreans and Americans are proud of a centennial celebration of sorts, but some Koreans including the North's communists do not buy highly the history of the relation which, they perceive, firstly led to American acquiescence in Japan's oppressive colonization of Korea, and secondly supplied all negative sources to deter national unification. The adversarial relationship between the two halves of Korea has indeed something to do with the lingering ambiguity of the Korean love and hate toward Americans, Russians, British, Chinese and not least to Japanese, all parties connected with the Yalta and Potsdam conferences.

Two ideologically different regimes in North and South already began to emerge by the end of 1945. During the next two years, the process gained momentum, while U.S. and Soviet representatives in the Joint Commission of the Moscow Conference<sup>27</sup> squabbled in vain over how to carry out the trusteeship agreement. Meanwhile, the division was under way more permanent.

U.S. combat forces withdrew from the South in 1949, remaining only a military advisory group of about 500 men to continue training South Korean armed forces consisting of about 98,000 men. The withdrawal of the U.S. combat forces from South Korea indicated that U.S did not place any further relative strategic importance on the peninsula. If President Harry Truman did not to decide to re-engage militarily in Korea with the U.N. support soon after the North invaded the South on June 25, 1950, the current U.S.-Korea relation would be completely different picture, not to mention of the general American perception on the peninsula. It was the United States which came to save the South's democracy from the attack of the North communists. It were the Americans who helped South Koreans rebuild

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<sup>27</sup> At the Moscow Conference first held in the eve of the December 1945, the United States and the Soviet Union agreed that their respective Korean commands were to meet promptly to resolve urgent administrative and economic problems. The two commands were to formulate recommendations in consultation with "Korean democratic parties and social organizations", for the establishment of a provisional Korean democratic government, namely a form of "trusteeship". The Moscow agreement brought a massive protest from all political groups in the U.S. zone, though later the Korean Communist Party in the South reversed it's position and lined up with the Soviet-dominated Communist Party in the North.

their economy with individual freedom from the vicious circle of poverty in those few years after the Korean War. It is the United States where millions of Korean young people have received advanced education and training with which they could contribute to their nation's remarkable economic growth and social stability in the past half a century. The close ROK-U.S. military alliances had served to the security of South Korea which did, in turn, contribute to the miraculous economic development in the South during the past decades.

Both Kim Dae-jung and Roh Moo-hyun regimes were already pursuing a rather radical paradigm shift favorably toward the North, while the U.S. Bush administration inaugurated in 2001 had differences in North Korea policy and other military defense-related areas with South Korea. In particular, under those liberal regimes, many change has already been under way in the South Korean society. The young generations, so-called 386ers – those in their thirties, who came of age for college education in the 1980s, and were born in the 1960s, have no particular love of the United States, which is perceived to be the ally of the old military and authoritarian governments which were believed to be responsible for both political suppression and the Kwangju massacre in 1980. The June 2000 summit between Kim Dae-jung and Kim Jong-il ignited the outpouring sentiment in favor of the North among many South Koreans, which also made them view North Korean economic predicament as the victim of sanctions imposed by the United States and its past puppet regimes in the South. A torrent of anti-Americanism was reinforced by a pair of American soldiers who accidentally killed two high schoolgirls by a tank run-over on training maneuvers.

Yet when five of the South Korean sailors were gunned down by a North Korean guard vessel in southern territorial waters in the same month, there were no noticeable expressions of young people's outrage in Seoul. Similarly, in the summer of 2008, large groups of demonstrators lighted with candles every nights in Seoul streets against U.S. beef imports, but instead they kept very silence when a South Korean tourist was shot to death by a North Korean soldier in the Kumgang mountain resort. Nor has any strong message been expressed by most news media in the South when the North shut down both the North-South train trips and Gaeseong tourism effective on December 1, 2008..

A surge of anti-Americanism matched by favorable sentiment toward the North as well as rapid China *rapprochement* in South Korea, not to mention Roh Moo-hyun's power equation<sup>28</sup>, led in turn to a round of Korea-bashing or sense of betrayal in the United States. Amid mutual distrust and pique, the ROK-U.S. military alliance underwent rapidly a major redefinition whose effect expanded into other areas. When Roh Moo-hyun's progressive government volunteered to take over the American control of the joint R.O.K-U.S. military operation from the year 2012 (which most South's conservatives regard as "a dangerous plot to dismantle internal security mechanisms"), the United States readily agreed, as if it had waited to have such an excuse, to lift off its future immediate and automatic military involvement in the peninsula. A number of recent U.S. military engagement changes in the rest of the world reflected the Bush administration's redesign of Korean military posture, yet in-depth consultation between Washington and Seoul on future shifts in the U.S. defense strategy was conspicuously absent. Of course, U.S. overseas military engagement policy depends on many multi-factors such as U.S. overall security and foreign policy perspectives, U.S. domestic economic and political situation, and regional and bilateral security ties with other nations.

The former Korean President Roh's political aspiration to obtain "independence" and "sovereignty" in its national defense was well synchronized with Bush administration's need to radically reduce the ground presence on the Korean peninsula due to U.S. mounting strain in the Iraq battle. But it must have hurt Americans in general that South Korea choose "U.S military withdrawal" as if the U.S. has infringed on South Korea's sovereignty, while Americans think they have fought to help South Koreans defend their democracy and freedom for over a half of the century. With mounting anti-American sentiment in Seoul during the 2003-2008 periods in particular, the cleavage appears getting wide and deep.

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<sup>28</sup> President Roh Moo-hyun advocated that South Korea should play a "balancing role", switching sides on an issue-by-issue basis between the "northern alliance" (namely, Beijing and Moscow) and the "southern alliance" (namely, Washington and Tokyo). He said that "the power equation in Northeast Asia will change depending upon the choices we make".

When the U.S. sat with the North to take off from terrorist blacklist in October, 2008, Washington did not include Seoul in the talk for the deal made in Pyongyang, reflecting the climate change in the R.O.K-U.S. relation<sup>29</sup>. Amid mutual pique and bashing, however, the two governments agreed on principles of re-defined military alliance and started the implementation process starting in 2005 until early 2007. The two governments became seemingly further cooperative after the February 13 agreement in the Third Session of the Fifth Round of the Six Party Talks from 8 to 13 February 2007<sup>30</sup>, leading that they even concluded the KORUS FTA, that is, the Korea-U.S free trade agreement, in April 2007, which is still pending for respective congressional approval in both countries as of the end of 2008.

The 2007 February 13 agreement contains the participants' long run objectives on the Korean peninsula beyond the denuclearization of North Korea (see footnote 30 below). This shows that the American side perceives current North Korean issues as broader than simple nonproliferation terms, which would be related to the peninsula security as well as the bridge role in accessing to the mainland. The Bush government considers the ultimate questions of trying to work with the other four parties – China, Japan, Russia, and South Korea – when a contingency occurs. Probably, the U.S. administration correctly looks to solve any future Korean problems by working closely with other countries as responsible stakeholders. In particular, the United States positions to work closely with China to deal with both the risk and possible collapse of North Korea.

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<sup>29</sup> The George Bush administration made rather a hasty decision to remove North Korea from the list of state sponsors of terrorism, based on Pyongyang's oral commitment to a verification plan. But since then, the Bush administration has made no progress on a so-called verification protocol with Pyongyang despite of U.S. earlier shipment of a half of heavy fuel aid promised to the North in 2008. Pyongyang must intend to thwart the fading Bush administration's hopes for a last diplomatic success and it wants to wait until the Obama administration takes over U.S. Oval Office. Yet it is too early to predict if the North's denuclearization process will enter a "bridge of no return" or if it will open North Korea's diplomatic normalization with the U.S. and Japan, cementing two Koreas system in the peninsula during the Obama era.

<sup>30</sup> In the February 13, 2007 Joint Agreement, the six countries established five working groups and one separate forum. The five working groups are for: (1) The denuclearization of the Korean peninsula; (2) The normalization of DPRK-U.S. relations; (3) The normalization of DPRK-Japan relations; (4) Economy and energy cooperation; and (5) A Northeast Asia Peace and Security Mechanism. (See the Appendix A.) The separate forum is for establishing a permanent peace regime on the Korean peninsula. Indeed, their objectives go beyond the denuclearization of North Korea, but for cementing two legal countries on the peninsula.

The Bush administration started in the beginning with key eye on making regime change in the North, but as he nears to the end of his second terms his concern shifts to attempt some diplomatic success amidst of his historically low approval rates from 2005 to 2008, although he is very dim to succeed in any left-over deals with North Korea.<sup>31</sup> Probably, Americans do not read correctly the mind-sets of North Korean leaderships. North Korean leaders are aware of this fact and therefore, they have used the nuclear card to secure 'decisive benefits' such as security of the regime and economic assistance, while aiming at external propaganda-effects that heighten its status and assure its internal solidarity. Kim Jong-il regime's lifeline would be its nuclear program. For North Korea, abandoning its nuclear program would be like abandoning its life. Therefore, North Korea attempts to repeat "go-and-stop strategy" to gain "benefits and time" through "dialogue, suspension, and renegotiation cycle" with the United States and other parties concerned.

Main stream of U.S. foreign policy is usually pragmatic and rather steady over time, but the course trend used to differ very much depending on which party, Republican or Democrat, controls the White House. The U.S. policy toward the Korean peninsula may not be too big a deal to the American people, but it is a life-or-death matter for Koreans who are yet ideologically divided and situated among big elephant powers around.

Therefore, what is most concerned to Koreans, both North and South, is how the new American President Obama will reshape his country's Korean peninsula policy and manage conflicts in strategic calculations of other countries in Northeast Asia.<sup>32</sup> Will the Obama administration choose to concentrate its policy priority on mostly domestic affairs in the face of the U.S. financial and real sector's crisis, shying away from such headache issue as

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<sup>31</sup> Refer to Charles L. Pritchard, *Failed Diplomacy* (Brookings Institution Press, Washington, D.C., 2007), p.162, which reads: "*Unless the president of the United States makes a clear, strategic decision to accept the current North Korean regime as it is rather than wish for its demise; decides how to proceed; communicates his vision of what the relationship between the United States and North Korea would look like to Pyongyang following a negotiated nuclear settlement; and then instills the discipline in his staff to work toward the goal, with one voice, it is unlikely that a satisfactory resolution will be achieved during the remainder of the current administration*".

<sup>32</sup> Mr. Barack Obama is known to favor "talks" to "reactions" in dealing nuclear proliferation issues with North Korea and Iran. But he must understand above all if the other party intends "to cheat and to deceive with talks".

any rogue regime's nuclear weapon programs? If that happens, North Korea will emerge as a member of the world nuclear club. If something still happen unexpectedly in the power structure in North Korea, the power equation in Northeast Asia will change depending on the choices the U.S. makes. When Americans do no longer have any further stakes in making alliance on the peninsula, the world will see soon that the entire Korea's ship will sink soon after that dramatic change happens within the North's regime. Otherwise, the whole Korea would unavoidably enter Beijing's orbit in the new geometry of international politics.

Older Koreans remember the Korean wartime sacrifice of America and are generally in favor of American military presence on the peninsula, contrary to younger generation. But they are increasingly wary of the "American pragmatism and functionalism" in its foreign policy. As one can see, it is an undeniable fact that the United States is overly concerned about the dangers of North Korea's nuclear weapons to be exposed uncontrollably when a sudden change occurs in the North. Just as the U.S. views a nuclear North Korea as unacceptable, it would also view a nuclear reunified Korea as equally unacceptable for obvious reasons. A nuclear reunified Korea may well push Japan down a road toward nuclear weapons development that China will not tolerate. The United States may not object to Korean reunification on a nuclear-free condition if the U.S. does not fear to allow China to keep its sole polar power in East Asia. If it were not a primary area of contingency plan for the U.S. policy makers to concern about, and if Chinese and Americans compromised solidly in achieving ever-lasting equilibrium in their relations<sup>33</sup>, the United States might have no reason to increase its "taste" on the Korean peninsula in large in reshaping its new world strategy. Nevertheless, the U.S. may still like to consider to use the united Korean peninsula as an important land bridge for its future trade expansion with China, Mongolia, Russia and mid-east nations.

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<sup>33</sup> The U.S. is wary of China's growing power, but American pragmatism is increasingly viewing China as "strategic partner" rather than "strategic competitor". China, for its part, also views the U.S. as practically helpful as major demand market for Chinese products, not to speak of their common objectives of achieving a nuclear weapons-free Korean peninsula. Chinese-U.S. cooperation helps China to maintain its ultimate gain of Chinese leverage over both Pyongyang and Seoul. American and Chinese interests in Korea may not overlap completely, but they do so considerably on evolving problems in Korea.

If the new U.S. government became unconcerned about the Korean atlas, the United States would not only lose its leverage in the Northeast Asia but also soon become less powerful and non-influential nation in the world affairs. Instead, China will emerge as a major player politically and economically, which will lead to new paradigm shift in Japanese policy as well. If Kim's regime dismantled in the North and if the United States kept off on the peninsula, Japan would have to look to China to secure its survival within Northeast Asia. This suggests that the United States should not repeat the "Acheson's error in drawing a line to retreat from Korea".<sup>34</sup>

#### **4-4. Japan and the Korean Peninsula**

Korea has endured five major occupations and about nine hundred invasions during its history of more than five thousands years. The harsh and painful occupation began at the wake of the Russo-Japanese War of 1904-05, in which the Japanese humiliated Moscow's forces. As a result of U.S. President Theodore Roosevelt's peace brokerage, Japan won control over Korea. Japan occupied Korea in 1905 and annexed the country outright five years later. And this was the beginning of all kinds of tragedies, pains, tears, despairing poverty and hardships that Koreans have endured until today; to list a few, they include complete "obliteration" of national integrity, family separation, ideological conflicts, unforgettable war, and mounting feeling of mutual distrust and hatred and adversary among the same race. Actual Japanese occupation ended on August 15, 1945, but the scars of the occupation and many after-effects have erstwhile lingered in the minds of most Koreans who were born, grown, and educated in the unfortunate peninsula.

Both North and South Korea perceive Japan as an old evil that derived from the past colonial rule as well as a repeated 'denial' of Japanese wrong-doings of sort.<sup>35</sup> Japan has so

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<sup>34</sup> In 1947, Dean Acheson, the postwar U.S. secretary of state, drew a U.S. defense line outside of the Korean peninsula, from Japan through the Ryukyus to the Philippines, that invited the North's Kim Il-sung to start the so-called "Great Fatherland Liberation War", lasted for three years and one month, only leaving numerous casualties on both sides and "no liberation". The withdrawal of the last remaining U.S. combat forces from South Korea was an indicator of the relative unimportance of the peninsula in U.S. strategic thinking.

<sup>35</sup> For example, Japanese former Air Self-Defense Force chief of staff Toshio Tamogami justified Japan's aggression in China and colonial rule of the Korean peninsula both in his "war essay" and in his unsworn

far never acknowledged the importance of World War II “comfort women” as a “painful and emotive” issue in Korea. Up to 200,000 women from Korea, China, and the other countries were forced to work as sex-slaves in military brothels used by Japanese troops during World War II, but Japan denies responsibility for running a system of military brothels. The dispute on the unsettled sexual slavery issue as well as the territorial dispute over Dokdo (or, Takeshima), a set of rocky islets about halfway between Korea and Japan still remains as major impediments to enhancing reconciliation between the two neighbors.

Korea’s division is owed to three main causes: first importantly, it is an outcome of Japanese colonial rule and secondly, a by-product of post-war power game developing between Moscow and Washington, and thirdly, a result of ideological hegemony struggles among Koreans during and after the independence movement.

South Korea has steadily improved its relation with Japan since early 1960s in coping with common interests and objectives in economic, political, and cultural cooperation as well as in various regional and international issues. But for North Korea, Japan is yet a major hostile country which irritates Pyongyang with an issue of the North’s kidnapping Japanese citizens to train its spy- terrorist agents with Japanese language capability.

For Japan, North Korea is a nuisance that blatantly expresses its anti-Japanese sentiment deeply rooted in its historical relationship. Until the eighth normalization talks in 1992, Japan tried to normalize its relationship with North Korea through a ‘dialogue’. Even if Japan began to seriously recognize the North Korean threat after Pyongyang’s Taepodong missile test in 1998, the prime minister Junichiro Koizumi (who took office in 2001,) made

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testimony in the Upper House made on November 18, 2008. He said, Japan was never an “aggressor nation”. The army advanced into China and what is now South Korea because Japan stationed its military in those areas based on accords and treaties, and Japan was “a victim” that was “drawn into Sino-Japanese War” with repeated terrorist acts and provocations by Chiang Kai-shek’s Nationalist government. He also said that Japan was entangled in the mesh of a plot hatched by Franklin D. Roosevelt and carried out the Pearl Harbor attack. A total of 78 Air Self-Defense Force members submitted essays among total 235 essays to the same writing contest that the Apa Group, a hotel and condominium developer organized under the theme of the “True Modern History” in 2008. The Japanese Defense Ministry is known to defend Tamogami’s theory and other similar ‘conspiracy theories’ advocated by some ‘hawkish organizations’ such as Atsushi Fukuchi of the Atarashii Kyokasho o Tsukuru Kai (Japanese Society for Textbook Reform) in an excuse of providing ‘balanced’ historical view to Japanese young people. (see The Japan Times, November 9, 2008, Editorial: *Remember Pearl Harbor*, and November 12, 2008, p.2, and November 22, 2008, p.2, on the related articles.)

his first meeting with Kim Jong-il in Pyongyang in September 2002, when he learned about the abduction of the thirteen-year-old Japanese school girl named Megumi Yokota on November 15, 1977 from a couple of short blocks from her home in Niigata, Japan. At the dinner table, Kim Jong-il remarked by “blaming” that the “blindly motivated patriotism” of a few of Megumi father’s runaway employees abducted her to North Korean soil. It was not clear why the Japanese prime minister was so eager to establish diplomatic ties with the “unpardonable country” by having his second summit meeting with Kim Jong-il in May 2004. But Koizumi could secure both the release of five children of the abductees and the Pyongyang’s promise of resolving the other abductee matter by pledging that Japan would pay ransom, in the form of aid, amounting to \$10 million of medical and other supplies and a quarter million tons of rice.<sup>36</sup>

The issue of kidnapped citizens put forth by Japan would create havoc by branding Pyongyang regime as immoral state in international society. The North is known to be holding a total of 532 kidnapped citizens against their will from 12 nations, including 485 South Koreans and 16 Japanese.<sup>37</sup>

In response to the North’s abduction of innocent citizens and nuclear weapon test, Japan has implemented the strongest measures against North Korea among all of the six parties. Japan enacted laws on North Korean human rights, prohibited North Korean vessels from entering Japanese ports, and played a key role in passing the UN Security Council Resolutions sanctioning North Korea. On November 21, 2008 Liberal Democratic Party (LDP) of Japan compiled a strong draft bill to deal with North Korea’s abductions of Japanese nationals in response of Pyongyang’s reluctance to launch a fresh investigation into the abductees, despite its promise made in August, 2008 to do so. The LDP’s 14 point

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<sup>36</sup> Koizumi did not deliver all the promised assistance by cutting off aid deliveries in December 2004 when it became evident that North Korea was backsliding on commitments to resolve the abductee matter. In 2002 Pyongyang handed over remains said to be those of Karou Matsuki, one of young male abductees, but testing later showed they were those of an elderly woman.

<sup>37</sup> In its 2006 report to the U.S. congress, the Committee for Rescuing Japanese Citizens states that aside from Koreans and Japanese, 4 Lebanese, 4 Malaysians, 3 French, 3 Italians, 2 Chinese, 2 Dutch, 1 Thai, 1 Romanian, 1 Singaporean are being held. The confessions of the American defector Jenkins also verify this truth. See Sanghee Lee, *An Approach to Managing North Korea*, The Brookings Institution, May 20, 2008, p.10. ([http:// www. Brookings.edu/papers/2007/1120-north-korea-lee.aspx? p=1](http://www.Brookings.edu/papers/2007/1120-north-korea-lee.aspx? p=1))

plan calls for a ban on the entry of all ships that have made stops in North Korea into Japanese ports and the reinforcement of financial measures, including the freezing of bank accounts of all groups related to the North. Japan persistently insists that normalization would be possible only if the issue of the abducted citizens will be resolved. Japanese bold position for ‘pressure through confinement’ against North Korea is contrasted with the leaving Bush administration softening position toward Pyongyang.

Meanwhile, Japan has been strengthening its Self Defense Forces (SDF) capabilities after Pyongyang’s Taepodong missile launch test in 1998. It has accelerated the build-up of a missile defense system with the United States, while shifting the SDF deployment toward Korean peninsula area in anticipating either potential attack from North Korea or any possible contingency case.

Japan has a huge stake in the form a unified Korea may have. A unified Korea’s political and economic systems, defense posture, and relations with other countries will affect Japan’s national security and its citizen’s well-beings. Although Japan has limited direct influence over the future of Korea, Japan may like to clarify its national interests in an unified Korea and must take necessary measures to help ensure a unified Korean political and economic systems maintain long-term bilateral relations with Japan. Japan may look forward to forming a multilateral security framework in Northeast Asia to provide a sufficient sense of security for the nations concerned.

To prepare for any radical regime change in the North, Japan needs to cooperate closely and strategically with South Korea, China, the United States and Russia. A reunified Korea should probably be considered in terms of its “would-be system” in the future geopolitical framework of the Northeast Asia if all nations concerned do get a win-win outcome by cooperatively coping with the situation in time. As U.S.- China relation rises due to improving bilateral economic trade, Japan may look to pursue its own will in the major international arena, while strengthening ties with both China and South Korea. With Washington starting to embrace Beijing, the time is propitious for Tokyo to better its relations with its neighbors and work together, despite of a lingering chill because of such factors as Japan’s wartime behavior in the 1930s and 1940s and territorial issues over the

Senkaku islets with China and the Dokdo (Takeshima) islets with South Korea. China became the largest trading partner of Japan in 2007 and of Korea in 2003. On December 13, 2008, Japanese Prime Minister Taro Aso invited Chinese Premier Wen Jiabao and South Korean President Lee Myung-bak to a first trilateral summit for opening a new era in cooperative relations and for leading to peace and development in the region in Dazaifu, Fukuoka Prefecture in Japan. They agreed to uphold the five principles – openness, transparency, mutual trust, common benefits and respect of diverse cultures, not to say of agreeing on currency swaps arrangement among them. The three countries account for 75 percent of East Asia's gross domestic product and about 17 percent of the world's GDP. Japan can play a leading role with cooperation of China and Korea and the United States in any matters of East Asia. A 'big bang on the Korean peninsula' would be no exception, for the political and economic systems of a unified Korea is so important for the interests of Japan, not to speak of its dynamic in affecting Japanese scope of activities and influence in the Northeast Asia.

#### **4-5. Russia and the Korean Peninsula**

The Soviet Union, like Japan, was interested in controlling the Korean peninsula even from the time of Russian Czar (tsar) ruler around 1900. The expansionist ambitions of the Russian Czar and Japanese emperor clashed in the Russo-Japanese War of 1904-05 in which the Japanese defeated the tsar army. Japan occupied the peninsula until its defeat in World War II. The United States, concerned about the casualties resulting from its invasion of the Japanese occupied land, persuaded the Soviet Union to declare war against Japan. So the Soviet Union declared war on August 8, 1945, just seven days before the Japanese emperor surrendered, permitting Russians to enter on August 9 to have a half slice of the Korean peninsula without firing a shot. The United States did not know when the war would end and what to do with Korea. As Red Army advanced into the peninsula quickly, the United States hastily proposed its division along the 38<sup>th</sup> parallel to avoid Soviet takeover of the whole Korea as the border for temporary share of occupation.

The Soviet Union supported Kim Il-sung (who had worked for the Soviet officials between 1941 and 1945) to establish its puppet communist regime in the northern half of the peninsula. The Soviet provided huge aids to North Korea during and after the Korean War with physical reconstruction and army-building. Yet with the Sino-Soviet split in the early 1960s and with the dissolution of the Soviet Union system in 1990, aids from China began to increasingly overpass Russian assistance, while the *Juche* regime yet tries to maintain equidistance policy from the two giants within the communist family.

Today, Russia's view of the Hermit Kingdom is a bit downcast. Russia has changed so much while the *Juche North* is yet literally intact in every aspects of its domestic governance system as well as in international affairs. Russian may in their hearts like to view North Korea as an old friend, but no longer an object to love. For Russia, North Korea can serve as a reminder of its old disciple in the Northeast Asian region as well as a basis for containing U.S-Japan influence. However, South Korea is economically more important than North Korea to pragmatic Russians. Unlike China, today's Russia does no longer appear to desire that the North Korean political system stay as a socialist state.

If there happens some political and regime change in the North, Russians are not likely to be concerned too much about if floods of refugees crossing the border of the peninsula would matter to them. But the probability of close cooperation on the contingency measures between Russia and China would most likely surpass the intensity of Russia to side with either USA or Japan.

The important strategic goal of Russia's foreign policy in East Asia is to become involved in regional economic cooperation, primarily with neighbor countries, in order to have more opportunities to develop East Siberia and the Russian Far East. Russia hopes to advance cooperation with China, Japan, North and South Korea, and ASEAN countries.

Russia should promote its interests strictly and avoid any possible confrontation or destabilization, especially along its borders, as well as in the Korean peninsula. Russia may hope to maintain peace and friendly regime on the Korean peninsula, because it still plans to develop one prospective project – a trans-Siberia railway connecting South and North Korea through Russia to the European Union countries. A unified Korea would

exceptionally important because this planned project can connect to Japan and the other Pacific countries in future. To the eyes of Russians, the Korean peninsula is important mainly because of its economic and strategic importance rather than Korea's political system. Yet a remaining question for Russians to think about is if Russians can do as much as the Chinese on the Korean peninsula.

## **5. A Way for Koreans to Manage “A Big-Bang” on the Peninsula**

No one knows about that day or hour when a ‘big bang’ would explode on the Korean peninsula. But it will come on a day when people do not expect it and at a day most Koreans are not aware of, just as did the Berlin Wall fall down in a day of chilly November 1989. So, now is just a time for Koreans to be on the close watch and to be alert. Being prepared for contingency plan will be the best way to minimize costs and disasters, not to say anything about any probable trap put forth by external involvement.

When one of political systems in two Koreas collapses<sup>38</sup>, the future fate of the peninsula depends, first of all, upon the choice Korean people makes. If the erstwhile divided people reunited under one bond of national pride and integrity, they could rebuild one unified nation despite of many stumbling blocs, impending obstacles and problems ahead. Otherwise, the Korean ship would soon sink apart again under the conflicting influences and leverages of alien engagements. Given the diversity of anticipated alien influences from China, Japan, USA and Russia, Koreans must be ready to harmoniously utilize them in favor of building one unified form of nation. To attract new help from the United States

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<sup>38</sup> I write this vague expression because I am aware of some worries that South Korea would be increasingly volatile if its internal strains are too great – especially when the state is being undermined internally by ideological and political conflicts as well as from the North. The general move toward confederation (contemplated by Kim Dae-jung and Kim Jong-il in June 2000), which rides on national trends currently in the South, increasingly favorable perceptions of North Korea, growing antagonism against the United States, a push to dismantle internal security mechanisms, and frequent workers’ strikes and sabotages, to name a few, could lead to North Korea’s triumph over the South Korean state in relatively short order. (see Gordon G. Chang, *Nuclear Showdown: North Korea Takes on the World*, Hutchinson, London, 2006, p.110.) But I rule out such hypothetical thesis, and write this book assuming that the cornered *Juche* state in the North will soon collapse.

in emergency case, South Koreans have to seriously review their recent parochial view against its old friend and benefactor-USA- as if they could handle things on their own. Apparently, the emerging anti-American sentiments in South Korea have hurt the feelings of its long-standing partner and friend. South Korea yet needs to closely cooperate with the United States, China, Japan and Russia over a prolonged period of time or when reunification arrives suddenly and unexpectedly. If South Korea fails to integrate all aspects of its relationship with those countries in the course of reunification, the hardship associated with a 'hard landing' will inevitably occur.

The best option would probably be for Koreans not to unfairly side with any party or any sub-group of the neighbors, maybe proclaiming a "neutrality" in international politics, despite a reunified Korean peninsula should only be thought of in terms of a work in progress rather than a "well-defined end-point". To deal with mounting loads of works ahead, the nation would rather need a strong leadership (instead of democratic way of government) for the initial stage of time so as to effectively achieve a 'soft-landing' after a 'big-bang'.

In the initial phase, Koreans should invite well coordinated cooperation from all party of neighbors concerned without allowing 'unbalanced leverage' in their participation to cope with many afterward security problems involving possible riots, weapon deprivation by gangsters, and floods of refugees, etc. To finance the cost of reunification, Koreans must also seek a wide of international cooperation too.

Koreans must from now positively prepare and take as early as possible an initiative to organize a multinational body which can help or supervise Korea to tackle effectively any unplanned and unforeseen spontaneous developments in the initial stage of reunification process. Taking account of many lessons from German reunification process would also help Koreans deal with an unexpected occurrence of a big bang on the peninsula.

*"The day will close on you unexpectedly like a trap. For it will come upon all those who live on the (peninsula). Be always on the watch and pray that you may be able to escape all that is about to happen."* –Luke 21:34-36. –

## APPENDIX A

### **Joint Statement from the Third Session of the Fifth Round of the Six-Party Talks February 13, 2007**

*The Third Session of the Fifth Round of the Six-Party Talks was held in Beijing among the People's Republic of China (PRC), the Democratic People's Republic of Korea (DPRK), Japan, the Republic of Korea (ROK), the Russian Federation and the United States of America (USA) from 8 to 13 February 2007.*

*Mr. Wu Dawei, Vice Minister of Foreign Affairs of the PRC, Mr. Kim Gye Gwan, Vice Minister of Foreign Affairs of the DPRK, Mr. Kenichiro Sasae, Director-General for Asian and Oceanian Affairs, Ministry of Foreign Affairs of Japan, Mr. Chun Young-woo, Special Representative for Korean Peninsula Peace and Security Affairs of the ROK Ministry of Foreign Affairs and Trade, Mr. Alexander Losyukov, Deputy Minister of Foreign Affairs of the Russian Federation, and Mr. Christopher Hill, Assistant Secretary of East Asian and Pacific Affairs of the Department of State of the United States attended the talks as heads of their respective delegations. Mr. Wu Dawei of the PRC chaired the talks.*

- I. The Parties held serious and productive discussions on the actions each party will take in the initial phase for the implementation of the Joint Statement of 19 September 2005. The Parties reaffirmed their common goal and will to achieve early denuclearization of the Korean Peninsula in a peaceful manner and reiterated that they would earnestly fulfill their commitments in the Joint Statement. The Parties agreed to take coordinated steps to implement the Joint Statement in a phased manner in line with the principle of "action for action".
- II. The Parties agreed to take the following actions in parallel in the initial phase:
  - (1) The DPRK will shut down and seal for the purpose of eventual abandonment of the Yongbyon nuclear facility, including the reprocessing facility and Invite back IAEA personnel to conduct all necessary monitoring and verification as agreed between IAEA and the DPTK.
  - (2) The DPRK will discuss with other parties a list of all its nuclear programs as described in the Joint Statement, including plutonium extracted from used fuel rods, that would be abandoned pursuant to the Joint Statement.
  - (3) The DPRK and the US will start bilateral talks aimed at resolving pending bilateral issues and moving toward full diplomatic relations. The US will begin the process of removing the designation of the DPRK as a state-sponsor of terrorism and advance the process of terminating the application of the Trading with the Enemy Act with respect to the DPRK.
  - (4) The DPRK and Japan will start bilateral talks aimed at taking steps to normalize their relations in accordance with the Pyongyang Declaration, on the basis of the settlement of unfortunate past and the outstanding issues of concern.
  - (5) Recalling Section 1 and 3 of the Joint Statement of 19 September 2005, the Parties agreed to cooperate in economic, energy and humanitarian assistance to the DPRK, in this regard, the Parties agreed to the provision of emergency energy assistance to the DPRK in the initial phase. The initial shipment of emergency energy assistance equivalent to 50,000 tons of heavy fuel oil (HFO) will commence within next 60 days.

*The Parties agreed that the above-mentioned initial actions will be Implemented within next 60 days and that they will take coordinated steps toward this goal.*

- III. The Parties agreed on the establishment of the following Working Groups (WG) In order to carry out the initial actions and for the purpose of full implementation of the Joint Statement.
1. Denuclearization of the Korean Peninsula.
  2. Normalization of DPRK-US relations.
  3. Normalization of DPRK-Japan relations.
  4. Economy and Energy Cooperation.
  5. Northeast Asia Peace and Security Mechanism.

*The WGs will discuss and formulate specific plans for the implementation of the Joint Statement in their respective areas. The WGs shall report to the Six-Party Heads of Delegation Meeting on the progress in other WGs. Plans made by the five WGs will be implemented as a whole in a coordinated manner.*

*The Parties agreed that all WGs will meet within next 30 days.*

- IV. During the period of the Initial Actions phase and the next phase – which includes provision by the DPRK of a complete declaration of all nuclear programs and disablement of all existing nuclear facilities, including graphite-moderated reactors and reprocessing plant – economics, energy, and humanitarian assistance up to the equivalent of 1 million tons of heavy fuel oil, including the initial shipment equivalent to 50,000 tons of HFO, will be provided to the DPRK.

*The detailed modalities of the said assistance will be determined through Consultations and appropriate assessments in the Working Group on Economic and Energy Cooperation.*

- V. Once the initial actions are implemented, the Six Parties will promptly hold a Ministerial meeting to confirm implementation of the Joint Statement and explore. Ways and means for promoting security cooperation in Northeast Asia.
- VI. The Parties reaffirmed that they will take positive steps to increase mutual trust, and will make joint efforts for lasting peace and stability in Northeast Asia. The directly related parties will negotiate a permanent peace regime on the Korean Peninsula at an appropriate separate forum.
- VII. The Parties agreed to hold the Six-Party Talks on 19 March 2007 to hear reports of WGs and discuss on actions for the next phase.