

**A STUDY ON KOREAN PENINSULA PEACEFUL
UNIFICATION PROCESS**

By

Ali-Piri

THESIS

Submitted to
School of Public Policy and Management, KDI
in Partial fulfillment of the requirements
for the degree of

MASTER OF PUBLIC POLICY
(Department of international Relation and Political Economy)

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In the name of God the compassionate the merciful

ABSTRACT

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This monograph examines the question of what scenario would be more applicable for the Korea Peninsula unification process? Today North Korea appears to be on the verge of disintegration due in large part to philosophy of Juche or self-reliance, the disastrous flooding of 1995 resulting in widespread famine, and disproportionate military spending at the expense of economic development and social welfare.

In this regard Four scenarios are advanced; Soft landing and Hard landing. First scenario, Collapse and absorption, Second, Unification through conflict, Third, Potential external intervention, and Forth, Kim Jong Il remains in power but recognizes that his power is too weak and that can no longer effectively govern. In this case he will seeks reunification accordance with the South Korea's long term reunification.

The soft landing scenarios result in gradual reunification in accordance with South Korea's three-phase reunification plan. The hard landing scenarios cause tremendous

suffering, increased instability, and require intervention in order to stabilize the peninsula and prevent spillover both to the North and South as well as massive migration of the North's population. Because of current North Korea's situations, it's hard to say that a hard landing scenario would occur. It seems that North Korea is now facing three options; status quo, fundamental reform and limited reform. According to the first option, the Pyongyang regime values most highly its own survival and that it fears that any meaningful reforms would have the same fatal consequences for itself as reforms had for the former socialist nations in Eastern Europe. It thus envisions a continuation of North Korea's socialist system as the regime muddles through its economic problems, while maintaining its confrontational policy toward South Korea. In the status quo option, it is inevitable that the North Korean economy will continue to deteriorate. This option is also contrary to the interest of not only the U.S. and its allies, but also China. But the Pyongyang regime may at least maintain political stability, owing to its all-encompassing system of control, and voice against regime and exit from the country will be kept at minimum levels. This option may be acceptable for the short term, but its long-term prospect for the survival of the Kim Jong Il regime appears to be very gloomy.

The second option the North Korea may take is fundamental reform (political, social and economic) in an attempt to reverse the economic decline. Since politics takes precedence over economic in North, political and social reforms are essential for effective economic reform. In this option North Korea could improve its economic conditions considerably and lessen its economic and diplomatic isolation. Tensions in the Korean peninsula could be significantly reduced. The international community, including South Korea would welcome and support North Korea's reform policy. But when North Korea loosens its

social and political control and opens up the society, nationwide protests and violence and massive southward migration are likely to occur. Facing the unprecedented challenges of exploding voice and massive exit, the Pyongyang regime could become very fragile. Because of political risks, the North Korean leadership will be reluctant to adopt a strategy of fundamental reform and full openness. If the North Korean regime is able to overcome short-term social and political instability and prevent massive exit, it may succeed in achieving a soft landing. Such a development may lead the two Koreas to peaceful coexistence and a gradual process of unification in the long term.

According to the third option in order not only to improve economic conditions but also to minimize political risks, North Korea may have to adopt a reform program entailing very limited opening and liberalization. This would likely take the form of some economic reform, but very little social and political reform. Every reform policy would be administered under strict party control. In this option North Korean government could slow down its economic deterioration while minimizing political risks, at least for a while. With a flexible foreign policy, the government could alleviate its diplomatic isolation and extract more foreign assistance. The international community would grudgingly accept Pyongyang's policy of limited reform.

From North Korea's stand point , the status quo option must seem politically desirable but economically undesirable. The fundamental reform option is undesirable because it is politically dangerous. Therefore, it should prefer the limited reform strategy, because it can improve its economy without losing control over the country. For the short term, such a strategy appears to be reasonable for Pyongyang, but it is unlikely to lead to a soft landing in the long term.

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I-Introduction

With the end of the Cold War and the disappearance of East-West confrontation, new challenges demand political management in order that the emergence of new aggravations and tensions be avoided. Divided countries such as Yemen, Germany and Korea were the epitome of the cold war era with its acute ideological division. Yemen and Germany achieved unification in 1990; Korea is still waiting. The Korean peninsula, for one, is still mired in a Conflict, which reflects the harsh ideological divide, uneven economic development and the built-up of menacing military forces, including nuclear capabilities.

In this dissertation my puzzle question is what will happen for future Korean peninsula unification?

Although some scenarios such as integration and peaceful unification, collapse and absorption, unification through conflict, and finally potential external intervention are predicted for Korean peninsula unification. But my hypothesis in this paper is south and north Koreas will unified through first aforementioned scenarios. In this regard I'm going to discuss through causal theory and approve it by some evidence.

Today North Korea's situation is worsening. It has mired in a systematic economic crisis; flood- driven food crisis, Hard currency shortages and system failures. It should reform their economic system successfully before the current crisis causes total collapse, and now has launched its own reforms. But its reform in a variant with the so- called East Asian growth model, has focused an open door policy without much import liberalization and partial domestic liberalization limited to the consumer sector.

Although the basic directions of such a model are understandable, the intensity of the reform measures is not radical and strong enough in North Korea , and the economy has exhausted domestic resources to rely on in her research for solution and is having difficulty in getting access to external resources.

The dilemma which North Korea leadership is facing now, is that they want to do something to deal with the situation but do not want it to lead into a regime collapse as happened in the former Soviet Union. Preservation of the regime is the top priority of the Kim Jung-il leadership, and at the same time, they want to keep their socialist identity to a certain extent.

However, depending on the success or failure of the North Korea open door policy, some scenarios such as “Soft landing” and “Hard landing” are possible;

First, according to an optimistic “Soft landing” scenario, the open door policy leads to economic success via help from the US and South Korea, which will bring in subsequent international cooperation. This will be followed by radical domestic reforms, which will set the ground for a peaceful economic integration with South Korea. During the course of this scenario, however, if the success were obtained without much South Korean help, it could lead North Korean leadership to take a somewhat hostile position toward South Korea, and then progress of North and South unification will be slow or continuing division will prevail.

Second, according to a pessimistic “hard landing” or soft crash scenario, the open door policy end up a failure with no international help. In this case, the current crisis will have deepened in to a collapse, which will bring in political leadership change internally or

have South Korean take over. In either case, simultaneous and radical reform of domestic system and external economic relations initiated by either new North Korean leadership or South Koreans will be a natural course. In this case, reforms will proceed simultaneously with rapid economic integration with South Korea, and the German big bang will be relevant in this transition.

Third, a sudden internal coup is also predicted. This scenario can be considered as a variant of the above- mentioned hard landing scenario in that it will also lead to a radical reform and open door policy.

I believe that a better and less costly option is to move along the soft landing scenario with a view to hasten unification. The general international perception has been that the cost of the hard landing scenario taking place and the uncertainties that will emerge from it are too big for the concerned neighboring countries to pay for. Although given the ever worsening situation in North Korea has grown up concern that it's too late to expect the soft landing scenario to realize, and we are running out of time to implement the soft landing, but this does not mean that the sudden collapse is the best. I believe that hastening unification is beneficial for every country involved, but it does not necessarily mean to go along the hard landing scenario.

It should be mention that soft landing scenario does not mean “ act slowly”, we should to act as quickly as possible. at this conjuncture, what should we do is to act quickly to improve the situation in North Korea by taking unilateral initiatives and to urge North Korean to opt for more radical policies. The soft landing scenario is based on the judgment that we still have time to try this option. It is still worthwhile to attempt it since

a soft landing is less costly for every country concerned, including both Koreas. International coordination and effort, especially South Korea's initiatives, should be taken to move things on this track rather than just watching North Korea die.

On the other hand, as is now clear, an important element in the soft landing scenario is a more radical reform package from the North Korean part, including de facto privatization of agricultural production system and more encouragement of non-state and market-oriented activities in consumer goods as well as border trade with China and Russia. Then the question is whether we can expect the current leadership take such policy lines. The ever-aggravating situation, on one hand, pushes for such option, however on the other hand, it has been recently leading to the hard-liners including the military taking more power inside the top leadership. Given that North Korea's military leaders can be assumed to be even more narrow-minded than the Pyongyang norm, such changes lead one to be skeptical about the possible policy changes.

The question of the nature of the North Korean leadership is thus a very critical element in the future of North Korea, especially in the soft landing scenario. A big assumption in the soft landing scenario is that a success with open door policy will lead to further reform of domestic economic system with "reform dividends" materializing as a political force supporting more reform. If the leadership intervene in this process to check such tendency, an emerging pattern would be a typical stop-go type reform cycle, as have been observed in the past reform waves in the former East European planned economies in the

previous decades and currently in Romania and Cuba. This type of “muddling through” can be considered as a fourth scenario or a variant of the first soft landing scenario¹.

Why unification is so necessary for Korean peninsula?

Today, the world has entered the age of unlimited competition centered around economics instead of ideology. Therefore, the economy of a country is closely related with those of other countries to make the whole earth a village bound into one community with a strong trend of globalization due to the demands for mutual interdependence and complementarity among nations.

At present, the Korean Peninsula is under bad conditions in terms of international competition for survival due to various restraints and the yoke of an ideological conflict caused by the division of the country. Yet a unified Korea will surely be able to win a victory over coldhearted survival competition in the international community and seek greater progress.

What should be the blueprint for a unified Korean Peninsula?

Politically, "the dignity of an individual human being" will be the highest value of human society, all rights regarding the right of vote, suffrage, right to choose a government, etc. will be ensured, and a free democracy will take a firm root on the basis of a market economy system ensuring free economic activities, thereby assuring national prosperity and development as well as the happiness of all citizens.

For the same reasons, the south Korean government made it clear, in explaining the vision of a unified Korea within the context of the, national community unification formula, that Korea will become an advanced democratic nation, where all 70 million

¹ Keun Lee, “ Between Collapse and Survival in North Korea : An Economic Assessment of the Dilemma”,

citizens become the masters of the country and every individual's freedom, welfare and human dignity are ensured."

Economically, Korea will grow into a world economic power, playing an important role in the economic bloc of Northeast Asia. Supported by such economic potentialities, the revitalization of the North Korean economy, which has recorded consecutive minus growth since 1990, will be possible.²

With upgraded economic power, the people's living standards and the quality of life will be drastically improved, finally to construct a welfare state. Many futurologists and economists predict that the Pacific-rim regions and the Northeast Asian region will become the economic center of the world in the 21st century.

Therefore, it is easy to say that a unified Korea will become a country at the economic center in the Asia-Pacific era, on the basis of the geographical benefits the Korean Peninsula enjoys in Northeast Asia as well as its high level of science and technology.

Culturally, Korea will become a culturally advanced nation by generalizing and disseminating its traditional Korean culture to a world level. In a unified Korea, the recovery of national identity, which has been divided into the South and the North, will be attained soon so as to achieve a reorientation and development of a unified national culture.

Internationally, on the other hand, with the removal of the conditions of confrontation

Division of the Economics Seoul National University -draft paper, Seoul, 1997, pp25-26.

² - The most serious economic problem facing the DPRK by the mid-1990s was simply producing enough food to adequately feed its people. Both natural and man-made factors contributed to the food crisis, including natural soil depletion, the inability to import fertilizer owing to a lack of foreign exchange, a deteriorating distribution infrastructure, and reduction of food imports from the former socialist bloc. Even before the 1995 floods, North Korea had requested food assistance from a number of countries. Source: Food and Agriculture Organization of the United Nations/ world Food Program, special Alert No. 267, May 13, 1996, p. 2.

threatening peace in the Northeast Asian area, a foothold for prosperity and the development of Northeast Asia will be constructed. In addition, after the unification of Korea, the linkage of traffic in Northeast Asia, which has been severed thus far, will be reinstated so that the economic competitiveness of Northeast Asian countries will be naturally enhanced.

In other words, a unified Korea will become the axis of traffic to link China in the north, Russia in the northeast, Japan and the United States in the southeast, and Southeast Asia and Oceania in the south, thereby contributing to the regional development of Northeast Asia and acting as a veritable central nation in the Asia-Pacific era.

II-Korean peninsula historic process of division

As with Germany, the division of Korea was caused by the rivalry between the United States and the Soviet Union after World War II. The Yi Dynasty³ was the last kingdom in Korea before Korea was occupied by Japanese forces in 1905 and annexed by Japan in 1910. The surrender of the Japanese troops in August 1945 was received separately by the United States and the Soviet Union, and Korea became divided at the 38th parallel into two military occupation zones, with the Soviet forces in the north and the American forces in the South. At the Moscow conference in December 1945, the US and the USSR agreed to a four-power trusteeship to last five years.⁴ However, the Soviet Union refused to take concrete measures to carry out the agreement.

The US presented the question of Korean independence before the United Nations General Assembly, which adopted a favorable resolution on November 14, 1947, establishing a nine-nation United Nations Temporary Commission on Korea (UNTCOK). The UNTCOK arrived in Seoul but was refused admission to North Korea by the Soviet Commander. Elections were held in South Korea in May 1948 and the Republic of Korea was inaugurated on August 15.⁵

In the North, a Provisional People's Committee, led by Kim II Sung of the Korea Communist Party, was established in February 1946. In July, the North Korean Worker's

³- The Yi dynasty, which Yi Song-gye established in 1392, lasted until 1910. Yi Song-gye became known by his posthumous title of Taejo of the new dynasty. Korea was renamed Choson or the land of Morning Calm and Seoul was built as a capital of Korea.

Source: Andrew C. Nahm, "A panorama of 5000 years - Korean history" second revised Edition, 1989.

P. 50.

⁴- Weiqun GU, "Conflicts of Divided Nations- The case of China and Korea" USA library of Congress ISBN, 1995, p. 160

⁵- B.K.Gills, "Korea versus Korea- A case of contested legitimacy" new York, 1996, P.42

Party was formed from the merger of Kim's Communist Party and the New People's Party led by Koreans returning from Yanan. In 1947, a Supreme People's Assembly was established and Kim Il Sung became premier. A new assembly was elected in August 1948 and the Democratic People's Republic of Korea (DPRK) was proclaimed on September 9, 1948. Soviet forces withdrew from North Korea in December 1948. The Workers' Parties of North and South Korea were merged into one party, the Korean Workers' Party in June 1949 with headquarters in Pyongyang. On June 25, 1950, North Korean troops invaded the Republic of Korea. In the absence of the Soviet Union, the United Nations Security Council called for a cessation of hostilities and for military assistance from all members to South Korea. After 25 months of war and negotiation, an armistice was signed on June 27, 1953, along a demilitarized zone, which passes around the 38th parallel. This armistice continues today.

III-History of Reconciliation process between south and North Korea

Official peaceful contacts between South and North Korea began in the early 1970's. The Nixon Doctrine of 1970 signaled the lessening of the Cold War and the advent of détente in the international system and the Korean Peninsula. On August 12, 1971, the president of the South Korean National Red Cross proposed direct South-North negotiations to arrange for the reunion of family members separated by the division of the country. His proposal was accepted by the president of the Red Cross of North Korea. North Korea sought peaceful coexistence with the West and proposed a North-South Korean dialogue. On July 4, 1972, a joint communiqué was published simultaneously by Seoul and Pyongyang agreeing that unification should be peaceful and through independent Korean efforts not subject to external imposition or interference and that it should transcend differences in ideas, ideologies, and systems; a South-North coordinating committee was established.⁶

South Korea has been a permanent observer at the United Nations since 1951, and North Korea obtained observer status in 1973. South Korea President Park Chung Hee announced on June 23, 1973 that South Korea would not object to entering the United Nation together with North Korea, provided that this would not hinder national unification. President Park made it clear that this policy was to be considered as an interim measure before national unification and did not signify recognition of North Korea as a state. The South Korean government preferred a gradual approach to a unified state.

⁶- Young whan Kihl, "politics and policies in Divided Korea: regime in Contest", 1984,p. 55.

North Korea put forward a five-point "Peaceful Unification Program" in response to the June 23 statement, proposing joint entrance into the United Nations under the single name of "Confederal Republic of Koryo" along with the creation of a great national assembly. North Korea argued that the concurrent admission to the United Nations would lead to the permanent division of the country and preferred a rapid step to unification. Unification talks were suspended in 1973 and a series of clashes between North and South Korean vessels occurred in disputed waters in 1974. In October 1978 the United Nations Command accused North Korea of threatening the 1953 armistice after discovering an underground tunnel beneath the demilitarized zone.

In the 1980s, some international changes promoted cooperation between South and North Korea. The emergence of Gorbachev in the USSR weakened the Cold War system; North Korea needed to improve its relations with the United States. It therefore suggested tripartite talks on unification in June 1984, involving North and South Korea and the United States. The offer meant a significant change in the North Korean position as it included South Korea for the first time. The North Korean proposal was rejected by South Korea, which favored direct bilateral talks between South and North Korea.

After the explosion of a South Korean airplane over Southeast Asia in November 1987 with the loss of many lives, South Korea accused North Korea of sabotage; North Korea denied the accusation but indicated that unless North and South Korea resolved their differences, a military confrontation was likely and so proposed a joint conference. In August 1988 a series of talks were held at Panmunjom between North and South Korean legislators. The negotiations produced no constructive results. From 1988 to 1992 government representatives of two Koreas met at least 160 times.⁷⁰ meeting related to

the high level talks, 25 to the nuclear issue, and 23 to sports exchanges, and at least 18 meeting of Red Cross representatives were convened to discuss visits of separated family members ⁷.

IV-Negotiating the national unification disputes of Korea

The dramatic end of Cold war era presented a new occasion for resuming inter- Korean dialogue and negotiation. As in other divided states, the new international environment of post-cold war era changed some of the attitudes involved in the Korean division. South and North Korea agreed to build a new relationship through their Prime ministers' meetings in the early 1990s. In September 1990, North Korean Premier Yon Hyong Muk visited Seoul for discussions with South Korean Prime Minister Kang Young-Hoon. The meeting represented the highest-level contact between North and South Korea for the first time since the end of the Korean War. Subsequent talks between the two premiers were held in October and December 1990 and, after a hostile delay, a year later in October, 1991.⁸

An agreement on Reconciliation, Non-Aggression, Exchanges and Cooperation between South and North Korea was signed at the conclusion of the fifth round of prime ministerial talks in Seoul in December. Under the agreement, South and North Korea pledged to discontinue mutual slander, to promote economic cooperation and reunion of family members and to work toward a full peace treaty to replace the 1953 armistice agreement. The agreement became effective in February 1992 during the sixth round of negotiations, held in Pyongyang, when the two parties accepted each other for the first time as legitimate partners in negotiation.

South and North Korea realized that peace and unification are inter-related and that peaceful coexistence between the two parties must precede the national unification. The Basic Agreement provided a framework for cooperation and exchanges between South and North Korea to build a foundation for the unification.

⁷ Togil paekso “unification white paper 1995” Seoul, national unification Board, 1995, p.183.

North Korea applied for UN membership in May 1991, in a change from its earlier insistence that the two Koreas should occupy a single UN seat. Both Koreas became members of the UN separately in September 1991.

Despite the 1991 Basic Agreement, North and South Korea face important political issues, which complicate the stakes involved in unification. These issues are the nuclear issue of North Korea and the transformation of the Korean Armistice Regime.

North Korea officially joined the IAEA in September 1974. It joined the NPT in December 1985 and signed the nuclear safeguard agreement with the IAEA in January 1992. The North Korean Supreme People's Assembly ratified the agreement in April 1992. Meanwhile, the Bush (former U.S. president) Administration declared it would withdraw nuclear weapons from South Korea in September 1991. The prime ministers of South and North Korea signed a Joint Declaration of the Denuclearization of the Korean Peninsula on January 20, 1992, designed to eliminate the danger of nuclear war through the denuclearization of the Korean Peninsula and to create an environment and conditions for peaceful unification of Korea.⁹

According to the declaration, South and North Korea shall not test, manufacture, produce, receive, possess, store, deploy or use nuclear weapons and nuclear reprocessing and uranium enrichment facilities, and shall use nuclear energy only for peaceful purposes.

In order to verify the denuclearization of the Korean Peninsula, the parties agreed to conduct inspection of the objects selected by the other side and agreed upon between the

⁸ - Young Whan Kihl, "the politics of inter Korean Relations: Co- existence or Reunification?" 1994,p. 133.

⁹ - Andrew Mack, " The Nuclear Crisis on the Korean Peninsula", Asian survey, 1993 vol. XXXIII, pp. 339-40.

Two sides in accordance with the procedures and methods to be determined by the South-North Joint Nuclear Control Commission. After the ratification of the nuclear safeguard agreement of North Korea, the first international inspection team arrived at its nuclear facilities at Yongbyon. The inspection team found evidence of North Korea's non-compliance with its NPT obligations. Eventually, the confrontation between North Korea and the IAEA came to a deadlock, leading to North Korean decision to pull out of the NPT altogether in March 1993. At this point, the US felt compelled to open a direct dialogue with North Korea on nuclear matters.

The first result was a statement in June 1993 in Geneva, which suspended the North Korean withdrawal from the NPT. In return, the US pledged not to use or threaten to use nuclear weapons against North Korea.

After subsequent negotiations which benefited from a roadblock-breaking intervention by former President Jimmy Carter, the US and North Korea signed the Agreed Framework on the Nuclear Issue in Geneva on October 21, 1994.¹⁰

With this agreement, North Korea promised to dismantle its potential military application of the nuclear program. In accordance with this nuclear agreement, North Korea froze its nuclear program on November 1, 1994, and pledged to dismantle its graphite-moderated reactors by 1998.

A North Korean submarine landed on the eastern coast of South Korea in September 1996 and 26-armed infiltrators came ashore. Later, North Korea apologized to South Korea for the incident and promised to make efforts to ensure that such an incident will not recur. The apology opened the way to a resumed dialogue between North and South

Korea and contributed to the reduction of tensions on the Korean Peninsula. The next day, North Korea agreed to talk with South Korea and the United States about negotiating a formal end to the Korean War. North Korea also agreed at the same time, December 30, 1996, to store spent nuclear fuel rods safely rather than reprocessing them for plutonium in keeping with a 1994 agreement. North Korea and an US-led consortium called the Korea Energy Development Organization (KEDO) signed the protocols on January 8, 1997 for the construction of two light-water nuclear reactors. KEDO was formed in 1995 after the 1994 US-North Korean agreement to freeze its suspected nuclear weapons program in exchange for the two light-water reactors. The first round of DPRK-KEDO talks took place from 11 to 12 September 1995 in Kuala Lumpur.¹¹

In return for the nuclear agreement, North Korea gained economic, political, and military benefits. Economically, North Korea exchanged the nuclear freeze for US \$ 4.5 billion worth of economic assistance, the Western pledge to transfer some advanced technologies to North Korea, a ten-year supply of oil, and an easing of economic sanctions.¹² As in the case of Germany but several steps away from unification, stakes were redefined and the formula for agreement became "removal of obstacle in exchange for payment." Politically, the nuclear deal with the US allowed North Korea to break out of international isolation, including the improvement of its relations with major Western Countries and the application for membership in international organizations such as the

¹⁰ - B.K.Gills, "Korea versus Korea- A case of contested legitimacy" New York,1996, P. 245.

¹¹ - The people's Korea, paper, 7 October 1995.

¹² - The formula adopted by the Geneva Agreement Framework between the US and DPRK of October 21, 1994. According to this agreement North Korea will be given two light water reactors by the 2004 and 50,000 tons of heavy oil in 1995 and 500,000 tons annually thereafter as compensation for its project energy losses under the agreement. In exchange North Korea has agreed to freeze and terminate, in due course, its nuclear facilities subject to verification by the IAEA. It has also agreed that 8,000 fuel rods separated from the spent fuel and removed from the 5- megawatt reactor at Yongbyon will be stored and eventually

IMF, World Bank, APEC, WTO, etc. Militarily, North Korea obtained the US guarantee that the US would not use or threaten to use nuclear weapons against North Korea, as long as North Korea remained in the NPT.

Despite the 1994 accord, however, North Korea was suspected of developing nuclear weapons at the Kumchangri underground site near Yangbyon. The US had been pressing since August 1998 for access to the site. The Clinton Administration was obliged by the US Congress to clear up all suspicions by the end of the following May; if not, Congress was set to suspend the use of federal funds to supply North Korea with heavy oil as an alternative energy source, thus damaging the 1994 Agreed Framework.

In a major breakthrough, North Korea agreed on 16 March 1999 to provide the US satisfactory access to the Kumchangri site by allowing an initial visit by a US delegation in May 1999 and additional visits later on to remove any concern about the site's future use. The US in turn agree to take steps to improve political and economic relations, and also offered 600,000 tons of grain to North Korea through the World Food Program.

In relation to the nuclear issue, North Korea missile development has raised tensions in the peninsula and more broadly in the region. Since 1985, North Korea has been conducting missile tests, including the Scud B in 1985, Scud C in 1990, and Rodong I in 1993. The US held negotiations with North Korea since 1996 in order to freeze the North Korean ballistic missile program and halt the export of its missiles to countries in the Middle East and South Asia. In August 1998, North Korea test fired a newly developed Taepodong I ballistic missile into the open seas off the coast of Japan; it also developed

shipped out of the country. Source: David R. McCann, "Korea Briefing Toward Reunification" USA library of Congress ISSN, 1997, p. 60

Taepodong II, capable of reaching the West Coast of the US. The Taepodong I missile test was intended as a show of force by North Korea in its dealings with the US.

During his visit to North Korea in May 1999, former U.S. Secretary of Defense William Perry, appointed by President Clinton to prepare a report on US policy toward North Korea, offered economic and political incentives in return for an end to missile development. In August, North Korea expressed its willingness to negotiate over its missile development. There is a possibility that North Korea has undertaken its missile program as a bargaining chip, in order to trade it off against economic and political benefits being considered by the US, although the foreign missile sales are economically rewarding. If the benefits offered are sufficient, North Korea in difficult economic straits may have no alternative but to accept the deal offered by the US.

The transformation of the Korean armistice regime into a peace treaty is seen as the way to change the stakes from security between hostile neighbors to joint security and prosperity through unification. The 1953 armistice has come under serious threat as North Korea has raised its demand for United States-North Korean peace treaty. Since 1974, North Korea has been proposing negotiations with the US to replace the Armistice Agreement with a peace treaty.¹³

Until recently, South Korea held the position that issues related to replacing the current armistice regime with a new peace structure were to be discussed through a dialogue between South and North Korea. South Korea wants to be actively involved in the resolution of the armistice issue. At a summit meeting between President Clinton and South Korean former President Kim Yong-Sam in April, 1996, the two leaders proposed

the convening of a four-party meeting of the representatives of South and North Korea, the United States and China "as soon as possible and without preconditions" to "initiate a process aimed at achieving a permanent peace agreement." They agreed that this process should also address a wide range of tension-reduction measures.

The Chinese initial response to the proposal was positive, saying that it was willing to play a constructive role as a signatory to the Armistice Agreement. However, as time went on, China made it clear that the four-party talk can only be realized when the parties directly concerned, South and North Korea, settle their differences. China would not press North Korea to accept the proposal. The South Korea-US Joint Announcement also made it clear that the two Koreas should take the lead in a renewed search for a permanent peace agreement and that ""separate negotiations between the US and North Korea on peace-related issues on the Korean Peninsula cannot be considered".

The two rounds of preliminary talks in New York failed to produce agreement on the agenda for negotiations at the four-party talks. In the first round in August 1997, the United States and South Korea insisted that North Korea should join the talks unconditionally. North Korea demanded massive food aid, a lifting of economic sanctions and formal relations with the US as preconditions for the talks. The second round in September also failed to produce any results as North Korea continued to demand food aid as a prerequisite for entering four-party talks and insisted that the issue of US troop withdrawal from South Korea should be included on the agenda.

¹³ - Kim Han Gil, "Modern History of Korea" 1979, p. 529.

V - Four party talks and Kim Dae Jung's sun shine policy

The four party talks, which include the United States and China as well as the two Koreas, appeared to be an innovative way to engage China with the United States in a joint endeavor that could benefit Korea. While helping the two Koreas to accelerate their dialogue and establish a peace process, the United States and China also could use this venue as a mechanism of US-PRC policy consultations. At least on the surface, the

United States and China's roles in the inter-Korean peace process appear constructive, almost being, even though American-Chinese relations are complex in both history and politics.¹⁴

The first round of 4-party talks was held in Geneva in December 1997. The meeting discussed the future direction of 4-party talks, but could not produce any agreement, even on the composition of committees. Even without any results, the first round was significant in that the four-party talks actually came into operation. The four parties agreed to hold the second meeting in March 1998.

While the first two rounds of talks focussed mainly on how to proceed, the third round in October 1998 produced an agreement to set up two subcommittees on the establishment of a peace regime in the Korean peninsula and on tension reduction there. The subsequent meetings of the subcommittees began to handle substantive, concrete issues, but the sixth

Round in August 1999 ground to an impasse on the same old issues. North Korea insisted that the agenda include its demand for US troop withdrawal from South Korea and a peace treaty between North Korea and the US.

South Korean policy favors a gradual approach to unification: first, confidence-building and peaceful coexistence between the two Koreas, and later, nation unification. South Korean President Kim Dae-jung suggested a sunshine policy toward North Korea, asking North Korea to open its door to South Korea and the outside world and indicating that South Korea would not seek to absorb the North.

¹⁴ - Edward A. Olsen, "US. & China: Conflicting Korean Agendas" Korea and world Affairs, vol. XXI, No.2, summer 1997, p. 256.

He recites three principles and three stages. The principles are peaceful coexistence, peaceful exchange and peaceful unification. The three stages are (1) a confederation of states, (2) then a federation “like the USA” and (3) complete unification. In this large context, he has examined and taken positions on issues such as a peace agreement, arms control, arms reduction, military confidence building measures, verification, international guarantees and multilateral security arrangements in the region.¹⁵

But the response was very defensive. North Korea said that it would pursue its own policy of opening the door in its own way to the outside world and criticized South Korea's attempt to liberalize the North through its sunshine policy. North Korea's main concern at this stage is to maintain its own political system amidst the changes occurring in the rest of the former Communist area, especially Eastern Europe. North Korea used nuclear and missile threats to obtain aid from the United States and other countries in order to overcome its tremendous economic difficulties. Experiencing its own economic difficulties at the end of the 1990s, South Korea has also worried about maintaining its system. Both South and North Korea seek to maintain the status quo. However, both Koreas need a more stable international environment to maintain their systems. Thus both may need to establish a peace regime in the peninsula.

The four-party meeting can be utilized as an opportunity to enhance the peace and stability and facilitate unification of the Korean Peninsula. But on the question of transforming the current Korean armistice regime into a peace regime,

¹⁵ - Kim Kyung-Won & Han Sung-Joo, “ Managing Change on the Korean peninsula” South Korea Seoul press, 1998, p. 157.

South and North Korea differ as to the tactical issues such as the parties to the negotiation and the role of the current armistice regime. South Korea has maintained that the transformation of the armistice regime should be discussed between the two parties concerned, as stated in the 1991 Agreement on Reconciliation, Non-Aggression, Exchange and Cooperation between South and North Korea.

North Korea insists that a peace treaty should be negotiated between North Korea and the US, excluding South Korea. The Armistice Agreement was signed by the Supreme Commander of the Korean People's Army and the Commander of the Chinese People's Volunteers, on the one hand, and the UN Commander, on the other; since the Chinese People's Volunteers have withdrawn from Korea and the UN forces in South Korea are in fact US troops, the real parties to the Armistice Agreement are the DPRK and the US and these would be the parties to conclude a peace treaty, according to North Korea. Since South Korea did not sign the armistice agreement, it cannot become a signatory to the peace treaty. Thus, South and North Korea differ as to who should negotiate on the transformation of the armistice agreement regime into a peace regime.

North Korea has tried to nullify the Armistice Agreement since 1994. It has taken a series of unilateral means to undermine the current armistice regime. It has paralyzed the Military Armistice Commission (MAC) by withdrawing its own delegation and pressing China to recall its delegation from the Commission, and has closed down the Neutral Nations Supervisory Commission (NNSC) by expelling its Polish members from North Korea. Also, the North Korean infiltration of armed agents aboard a submarine in 1996 flagrantly violated the Korean armistice agreement.

The four-party meeting was motivated to harmonize the US-North Korean talks and the inter-Korean dialogue. The US was in a dilemma to meet North Korea's demand for direct talks and simultaneously to allay South Korean concerns. The four-party meeting proposal was presented as a practical solution to the dilemma. As North Korea continues its pro-US / anti-South Korean policy approach, the meeting is a supplementary device to encourage North Korea to restart the South-North Korean dialogue on the establishment of a peace arrangement

VI- South Korea Unification Formula: Confederation Formula

1. Background and History

In September 1989, Republic of Korea put forward its official unification formula called national community unification formula in which the two Koreas create a unified country after a stage of confederation. This formula proposes the three- stage unification process

of reconciliation and cooperation, a North-South confederation, and the unified state. This framework means a voluntary unification process on the part of both Koreas, based on active dialogue, and the roles of the neighboring countries are to concentrate upon assistance in the stage of reconciliation and cooperation.¹⁶

This formula is based on a recognition that immediate reunification of the two Koreas, integration of their diplomatic and military rights and consolidated management of their internal affairs are impossible due to their sharply different systems.

The national community unification formula as mentioned comprised of 3 stages (reconciliation and cooperation, inter-Korean confederation and ultimate unification) is deeply rooted in free democracy that is the best way to ensure humane life of individuals and achieve human values. The gist of the reunification formula consists of autonomy, peace and democracy, which are principles consistently espoused by the South Korean government.

The existing government of the people has been seeking to institutionalize the inter-Korean confederation initiative by pursuing peace, rapprochement and cooperation, keeping the national community unification formula intact.

2. Concept

The unification formula is intended to initiate and expedite reunification procedures by creating a partnership between the two governments, maintaining the existing two systems and two governments on the peninsula.

¹⁶ - Weon sik Kang, "KINU Research Abstracts 97", Korean institute for national unification, Seoul, 1998, P.18

In other words, the key points of the formula include peaceful management of the divided Korean peninsula (war prevention, tension reduction and disarmament), development of reunification-oriented cooperative relations (confidence building and co-prosperity) and promotion of inter-Korean integration (improvement of a standoff and creation of a cooperation and reunification system).

3. Confederation Mechanism

To institutionalize cooperative relations between the two governments, it is proposed to organize a consultative body including an inter-Korean summit, cabinet meeting, and joint committee by area and combined legislative conference.

4. Role of the Inter-Korean Confederation

At the stage of confederation, the two Koreas are to take the following preparatory steps for unification based on mutual consultation.

- Preparation for political integration: political confidence building through reconciliation and cooperation
- Preparation for economic integration: creation and development of a national economic community through economic cooperation
- Preparation for people's unity: recovery of national homogeneity through social and cultural exchanges
- Preparation for military integration: disarmament based on military confidence building

- Preparation for institutional consolidation: improvement of laws injurious to unification and preparation for establishment of a unification constitution
- Guarantee of international cooperation: creation of an international environment favorable for unification through international cooperation

VII- North Korea; Formula of Loose Form of Federation

1. Background and History

On August 14, 1960, the eve of the fifteenth anniversary of the end of Japanese colonial rule in Korea, Kim IL Sung first formally proposed to the republic of Korea the establishment of a confederation consisting of representatives from the DPRK and the ROK governments. While keeping the different political systems in North and South

Korea, the proposed confederation would mainly regulate economic and cultural development in North and South Korea to promote understanding and cooperation between two sides.

But Since the 1980s, North Korea has proposed more seriously Koryo Federation System as its unification formula. Under the formula, the two Koreas create a federation while maintaining two systems and two governments. With the federal government exercising diplomatic and military sovereignty, the two countries immediately implement a federation system with no transition period. However, a string is attached to the federation formula: abolition of the National Security Act and withdrawal of American forces from the Korean peninsula.¹⁷

In the 1990s, North Korea came to worry about possible unification by absorption by the South. The communist country also realized finally that unification was far from likely under the current inter-Korean relations.

Loose form of federation is a unification formula that North Korea put forward for the first time in Prime minister summit talk. In his New Year's address in 1991, Kim IL Sung proposed a similar conceptual approach, saying more power shall be given to local autonomous governments on a temporary basis.

2. Concept

¹⁷- Kim IL Sung, "for the independent peaceful Reunification of Korea" New York international publishers, 1975, p. 30.

Under the formula, the two Koreas create a federation while keeping the existing two systems and governments intact. In addition, both the countries have diplomatic and military sovereignty.

The fundamental difference between the formula and the Koryo Federation System lies in that the formula proposes maintenance of the situation above for a long time for phased development of inter-Korean relations and their ultimate unification. The formula also calls for permanent peace and co-prosperity through mutual cooperation.

VIII- Common Ground in Unification Formulas between South and North Korea

First, they envision an interim stage of unification in recognition that it would be difficult to immediately realize unification with a phased and gradual unification formula (close to the South Korean formula of inter-Korean confederation).

Second, the two Koreas retain and exercise their right to manage internal, diplomatic and military affairs, while maintaining the current two systems and governments at an interim stage (close to the South Korean formula of inter-Korean confederation).

Third, systematic unification is preceded by national and social integration (close to the South Korean formula of inter-Korean confederation). This is aimed at gearing up for unification through peaceful coexistence, exchanges, cooperation and recovery of national homogeneity unification.

Fourth, the two Koreas can pursue unification based on mutual consultation at any time (close to the South Korean formula of inter-Korean confederation). Though its intention is not crystal-clear, the country does not seem to attach any preconditions to its unification formula.

Fifth, the two Koreas organize an inter-Korean council dubbed as an inter-Korean confederation by the South and a loose form of federation by the North. A federation without the authority to manage internal, diplomatic and military matters is virtually a standing council, which is equivalent to an inter-Korean confederation in substance.

VIII - Historic South and North Korean Summit

Kim Dae-Jung President of the Republic of Korea and Kim Jung-IL Chairman of the national Defense Commission of the Democratic people's Republic of Korea had a historic meeting and summit in Pyongyang from June 13 to 15, 2000.

The inter-Korea summit which held in North Korea marked a key shift in the Cold War relations that have dominated the divided peninsula for more than 50 years. Leaders of North and South Korea (countries still technically at war) met for the first time and signed a five-point accord aimed at the restoration of economic and political ties and the eventual reunification of Korea.

The heads of the North and the South, considering that the recent meeting and summit (the first of their kind in history of division) are events of weighty importance in promoting mutual understanding, developing inter-Korean relations and achieving peaceful reunification, declare as follows:

1. The North and the South agreed to solve the question of the country's reunification independently by the concerted efforts of the Korean nation responsible for it.
2. The North and the South, recognizing that a proposal for federation of lower stage advanced by the North side and a proposal for confederation put forth by the South side for the reunification of the country have elements in common, agreed to work for the reunification in this direction in the future.
3. The North and the South agreed to settle humanitarian issues, including exchange of visiting groups of separated families and relatives and the issue of unconverted long-term prisoners, as early as possible on the occasion of August 15 this year.
4. The North and the South agreed to promote the balanced development of the national economy through economic cooperation and build mutual confidence by activating cooperation and exchanges in all fields, social, cultural, sports, public health, environmental and so on.

5. The North and the South agreed to hold dialogues between the authorities as soon as possible to implement the above-mentioned agreed points in the near future.

President Kim Dae-jung cordially invited Chairman Kim Jong-il of the DPRK National Defense Commission to visit Seoul and Chairman Kim Jong-il agreed to visit Seoul at an appropriate time in the future.

This summit has some historic meanings: First, the Joint Declaration is the first agreement signed by the top leaders of South and North Korea in the 55 years since the division of the nation. In view of the Korean political culture, the attitudes and thoughts of the top leaders are critically important. Second, the Joint Declaration confirms the principle that inter-Korean issues should be resolved by North and South Korea. Establishment of peace on the Korean peninsula, inter-Korean cooperation and national unification are issues that the South and the North must play principal roles in resolving through dialogue and negotiations. Third, there is firm agreement on the prevention of war and settlement of peace on the Korean peninsula. In accordance with this spirit, the two Koreas will try to implement measures such as the opening of direct military hotlines, the suspension of mutual denunciation and acts of destruction and insurrection. Fourth, the summit itself creates a good opportunity to put inter-Korean relations on the right track and hold sincere dialogue on the issue of national unification. Fifth, inter-Korean cooperation is needed to realize the reunion of separated families and active promotion of South-North cooperation in all fields is beneficial to both Koreas. The two leaders shared a view that reuniting separated family members should be a humanitarian issue and agreed that the issue should be addressed and worked out gradually in a process that takes into consideration the positions of both sides. The enhancement of exchanges and

cooperation in all areas is compatible with promoting the development and interests of the entire Korean nation. Finally, the first Korean summit can also contribute to stability and peace in Northeast Asia. Inter-Korean cooperation will help solidify mutual trust, expand areas of common interests, and promote peace on and around the Korean peninsula.

Although it is too early to assess whether North Korea's approach to South Korea is strategic, it may be safe to say that the summit represents a certain change in North Korea's attitude toward South Korea. The summit can be a momentum to promote and create the favorable climate for an end to Cold War and rapprochement on the Korean peninsula: First, as the North and South Korean military authorities stopped slandering each other right after the summit, it may help defuse the sense of mutual distrust and confrontation and ideological feuds. Both sides will promote closer economic exchanges and cooperation as well as government-to-government talks. Second, it is expected that more active inter-Korean economic exchanges and cooperation will be developed. While on-going projects such as Mt. Kungang tourism and joint ventures in automobiles and electronics will be accelerated, South Korean firms will enhance their transactions with North Korean counterparts. They will also seek an opportunity to take part in North Korean social overhead capital projects, including the construction of roads, railways and harbors. South and North Korea are expected to work on agreements on investment guarantee, avoidance of double taxation, liquidation of debts and deferred payments and the settlement of disputes. Third, South Korea will enhance its efforts to encourage the North to be responsive to the implementation of the Basic Agreement effectuated in February 1992. Once North and South Korea agree to do it, inter-Korean relations

Can be normalized as time passes. In the course of working out and implementing substantial steps to resolve inter-Korean issues between the two Koreas, inter-Korean relations are expected to be put on the right track. If and when such progress is made, North and South Korea would be able to remove the Cold War structure on the peninsula, realizing permanent peace.

X - Possible Scenario for Korean Peninsula Reunification (integration and peaceful unification)

Peaceful unification posits two fundamental assumptions; 1) that both governments and for a world and especially for South and North Korea and four major powers (China, Japan, America and Russia) in the region peaceful unification through gradual integration, implementation of confidence-building measures and major threat reduction activities, and comprehensive political and social reconciliation between the two Koreas is the preferred unification option.

public opinion in the south will undertake profound changes in attitudes and assumptions about each other, and 2) that a series of interim steps can be instituted that ultimately allow the far larger changes posited under this model. Without meeting these two conditions, it is virtually impossible to imagine how the two sides would get from here to there. But given the major attention that peaceful unification continues to receive in various policy pronouncements and analytic assessment, it warrants careful description and evaluation. Peaceful unification presumes the cessation of military threat, armed hostilities, and ideological antagonism, ultimately enabling the creation unified Korean State. The process of integration between the two Koreas further assumes a political understanding including agreement on a permanent peace mechanism as an interim measure prior to formal unification. Though such an outcome clashes sharply with the realities of the peninsula today, both governments are familiar with its content and logic. The leaders of south and north first subscribed to some of these tents in the July 4 Joint Communiqué of 1972. Subsequent measures paralleling or extending the logic of this accord included the December 12, 1991 basic agreement (the most comprehensive CBS ever concluded between the two Koreas) and the Joint South-North Declaration on the Denuclearization of the Korea peninsula of January 20, 1992¹⁸.

The common political requirement in all such documents is that both sides must agree to and implement comprehensive political arrangements that would supplant the half – century pattern of confrontation and hostility.

¹⁸ - The formal title of the December 1991 accord is the “South-North Agreement on Reconciliation, Non-Aggression, and Exchange and Cooperation”. It officially entered into force on February 19, 1992. The January 1992 denuclearization declaration forbids experimentation, manufacturing, production, acceptance, possession, storage, or use of nuclear weapons. It further states that neither the South nor the North will possess a reprocessing or enrichment plant. Source: white paper on Korean unification, 1996 “peace and cooperation” Ministry of National Unification, Republic of Korea.

Towards these ends, both states would be obligated to agree to far-reaching military CBMs' ultimately enabling creation of an integrated military system between South and North. Peaceful unification also assumes economic integration that would build on presumed complementarities between the two economies. In addition, unification would necessitate a comprehensive redrafting of various international agreements and diplomatic documents.

Assuming that peaceful negotiated occurs, the process would, at a minimum, encompass the following component:

Political, the south and north would have to accept each other as full negotiating partners and as equal legal entities before commencing a series of negotiations that would lead to a mutually binding political settlement. All of the inter-Korea dialogue channels could be used, or an entirely new framework of communications and negotiations could be established. In addition, general and specific principles and procedures would have to be enunciated, including the peace of negotiations, the desirability of gradual integration between the two sides, and specific norms to govern political relations.

Legal, the South and North would have to draft new, regulations, and agreements to enable negotiations on a comprehensive structure that covers all aspects of unified governance.

Security, the 1953 armistice agreement signed between the united state (as a head of the United Nations Forces), china, and North Korea would have to replace by a permanent peace treaty. A mechanism for collaboration between the militaries of both systems would have to be enunciated before any steps toward integration could proceed.

Potential indicators of peaceful unification

Many of the indicators of peaceful would be self – evident, including routinized political exchanges and summit meeting; such as 2000 summit adherence to already signed South-North accord such as the 1991 basic agreement; implementation of a mutually verifiable CBM regime; and unhindered construction of the light- water reactors under KEDO; and full compliance by North Korea and the united states with the October 1994 Agreed Framework. Other functional indicators would attest to a fairly high degree of predictability that assumes productive negotiations between the two Koreas. We can outline these below;

Political indicators: Mutual recognition across political institutions, cessation of all political propaganda by both sides, Routinized continuation high-level exchanges including summit meeting, Release of all political prisoners in North and South, Abrogation of national security and espionage laws, Extensive exchanges between political parties and ability to engage political activities in the South and North.

Social and Economic Indicators: More freedom of movement and travel within and between the two Koreas, as well as abroad, Cessation of government censorship, Removal of restrictions on dissemination of print and electronic media, ability to enroll freely in schools and educational institutions, Decoupling of economic exchanges form reciprocal political measures, Constitutional and legislative changes that allow for unconstrained economic activities between the South and North including the flow of people, goods, services, capital, and technologies , Upgrading of joint venture laws in the North , Full convertibility of the currencies of South and North.

Military and security Indicators: Unconditional North Korean participation in the four-party talks, Cessation of diplomatic competition between the two Koreas and establishment of diplomatic ties between the United States and North Korea and Japan and North Korea, Replacement of the Armistice Agreement (1953) with a permanent peace treaty, Maintenance of all KEDO provisions and conditions, Full North Korean compliance with international Atomic Energy Agency and NPT provision, Significant progress in military CBMs including prenotification of military exercises, establishment of a military hotline, mutual observation of military exercises and other command post exercises, and step by step fully verifiable force reductions, Cessation of all military activities constructed as provocative or offensive.

It is difficult to imagine that all of these indicators would appear before peaceful unification, given that many of them imply profound changes for both Korea. The two Koreas not only have to come to terms politically at the highest level, but mutual confidence and agreement must be reached at all other levels before creating a unified government. An additional important requirement for peaceful unification is the generation of strong public support. Various unification proposals such as the “National Common wealth” model of the early 1990s and Kim Dae Jung’s calls for realizing “co-existence and co-prosperity”, presume interim steps that would enable mutual accommodation and integration prior to unification. Thus, peaceful unification would entail a fundamental political and strategic transformation within and between both governments and in the populations of South and North.

Conclusion

For better or worst, for the south and north Korea resolving the state division had become a secondary concern due to the realistic difficulties which raised especially by the cold war era. In this dissertation I have reviewed the historic background of the division and the process of the unification debates from the period after liberation until the present within the situation framework of the changes in the international environment and the South – North relations. The changes in international environment and inter- Korean relations significantly affected the consolidation of division and the development of the unification debates, and these situational variables provide an effective framework for analysis.

As I examined we can indicate four periods for Korean unification process.

First Period: the eight year period from liberation on august 1945 to the end of the Korean war in 1953 can be described as the consolidation period of the division of Korean peninsula. The post- liberation political situation on the Korean peninsula saw the United States and Soviet Union, in conflict over the establishment of a new international order in post-war Northeast Asia, install military government on the Korean peninsula. At the same time, the various domestic political parties were in a state of extreme ideological confrontation, acting not to build a unified nation but instead trying to gain a superior position in the struggle of power and for the interests of their own parties. These two factors, the US and Soviet policies and the ideological and strategic confrontation of domestic political forces, determined the fate of the Korean peninsula in the post-liberation period until the time of the Korean War.

The initial American policy for Korea was wavered between a “Korea international trusteeship plan”¹⁹ through cooperation with the soviet union and a plan to establish a separate government in south Korea even assuming a confrontation with the USSR. Yet with the US-Soviet Cold War framework gradually solidifying and with the US foreign policy makers’ gradually settling on a policy of containment of the Soviet Union, Washington adopted a “defensive minimal strategy” of constructing a strong anti-Communist state in south Korea. The initial Korean peninsula policy of the soviet union,

¹⁹- At the Moscow Conference of December 1945, the Foreign Ministers of the then Soviet Union, Great Britain and the United States on the initiative of the U.S. reached an agreement to create a Joint Soviet- U.S. Commissions to work out the details for the establishment of a four power Trusteeship, consisting Soviet Union, Britain, the U.S. and China, over Korea for five years. When news of this agreement reached Korea, it aroused strong protest. The Korea Communists in the North and South were also initially opposed to this agreement. However the Korean Communists reversed their position on instruction from Moscow. Source : Koo Woo Nam, “ The North Korean Communist Leadership, 1945-1965: A study of factionalism and political consolidation, university of Alabama press, 1974, p. 31

in contrast, was an “ active minimal strategy” to establish first a communist state in north Korea based on Stalin’s “one- country socialism theory”. With Kim IL Sung’s gaining near- complete power in the North Korean region as planned by the Soviet military government, the Soviet interests eventually shifted to cover the entire peninsula, starting from 1946, and they shifted to an “offensive maximal strategy” that pursued the national expansion of the unification front. Nevertheless, the Soviet offensive maximal strategy later reverted to the previous active minimal mode as a result of the national anti-trusteeship movement in South Korea, the breakdown in the First and Second Joint US-Soviet Coordinating Commission, and Washington’s transfer of the Korea issue to the United Nations.

Second period: The period after the Korean War until the 1970s was a vacuum period for unification debates and was characterizes by the continuation of the international Cold War system and the competition between the systems of North and South Korea. North Korea started the war to unify the peninsula through violent means, but the war only brought serious material damage to both North and South to such a degree that afterwards both countries had to devote their entire efforts to the establishment of a material foundation. This consisted not only of economic reconstruction but also the strengthening of the capabilities of the respective system of each through increased military power. In this competition, Pyongyang successfully surpassed the South.

Third period: The period between 1971 to 1987 was a thawing period of the unification debate. Internationally this period began with an environment of détente, yet later US-Soviet tensions increased and the situation surrounding the Korean peninsula developed into a confrontation between soviet expansionism and an “allied system” consisting of the

US, China and Japan. These changes in the international environment transformed in initial atmosphere of dialogue between the two countries into a confrontational and competitive relationship.

The atmosphere of dialogue in the early 1970s was largely influenced by the economic balance between the South and North. Through the success of its economic development plan in the 1960s, Seoul shed its inferiority over the DPRK and, for the first time, showed a willingness to coexist with its Northern counterpart. South Korea's economic success, however, forced Pyongyang, which was experiencing diplomatic difficulties because of ideological conflicts with Beijing and Moscow, to modify its South Korea strategy temporarily. As a result, despite the signing of the July 7 South- North Declaration in 1972, neither South nor North Korea seriously devoted themselves to try to achieve unification through dialogue.

After the middle 1970s, tensions between the North and South returned with the onset of a new Cold War atmosphere internationally and due to fierce military and economic competition domestically. Based on South Korea's continued economic growth and military build-up plans in the 1980s, North Korea's economic inferiority further increased and its superiority considerably diminished.

Forth period: The period after 1988 can be called the blossoming period of the unification debates. During this period, the Cold War system collapsed internationally, the ROK initiated its North politic and North Korea's economic difficulties and diplomatic isolation continued. South Korea's system further stabilized through its economic growth and democratization process. North Korea became increasingly nervous

as a result and, engulfed by fears of South Korea's unification through absorption, North Korea tried its utmost to improve its relations with the US, hoping that this might provide a breakthrough that would allow it to maintain its system.

In 1998 unification debates has entered in a new chapter especially by pursuing Sun Shine policy by South Korea. President Kim Dae-jung suggested its policy (sun shine) toward North Korea, asking North Korea to open its door to South and the outside world and indicating that South Korea would not seek to absorb the North. Although response was very defensive by North Korea which it said that it would pursue its own policy of opening the door in its own way to the outside world and criticized South Korea's attempt to liberalize the North through its sunshine policy.

The Kim Dae-jung Administration hopes to improve intra-Korean relations by promoting peace, reconciliation, and cooperation.

At the present stage, it is more urgent to establish durable peace and assure the peaceful coexistence of the two Koreas than to push for immediate reunification. When there is an assurance of durable peace, the Administration plans to promote reconciliation and cooperation with North Korea. Main Principles of this policy are as follows:1) No armed provocation by North Korea will be tolerated.2) A takeover or absorption of North Korea will not be attempted.3) Reconciliation and cooperation will be expanded

Therefore, It is easy to understand, why the Kim Dae-jung Administration would prefer the two countries to come together gradually. For a while, the two Koreas would have separate governments, different currencies, a closed border and so on. This is not

unimaginable, but it will be hard to pull off. If migrants are determined to come south, they will and short of using force, South Korea cannot stop them.

In essence, the South's approach is contradictory. It aims to prevent collapse(to avoid hard landing scenario) in the North today, because having to rebuild it from scratch would place too great a burden on South Korea. Instead, the idea is to give the North a chance to implement the radical reform it needs. Yet the regime of Kim Jong Il is unstable, and the political and economic liberalisation that would accompany radical reform is likely to lead to the very collapse the South is seeking to avoid.

That would suit America and China. Unification is a threat to America's Asian bases. America is not particularly popular in the South, where nationalists accuse it of using their country as a training ground and a market for weapons. In a united Korea, America would play a diminished role. In time, a chauvinistic Korean government might even seek to remove all foreign troops from its soil. America might also come under pressure from public opinion in Japan to close its base in Okinawa, which is meant to provide rapid support in the event of another North Korean attack. China, for its part, would like to avoid an influx of Korean migrants into the border region with North Korea, where ethnic Koreans already number almost half the population. Besides, it neither wants to have American troops on its border, nor, were they to leave, would it be ready for an arms race with Japan.

Because all of them want the status quo to endure, China, Japan, South Korea and America supply the lion's share of the aid pouring into North Korea. Japan and South Korea are building two nuclear power stations in return for a North Korean promise to

abandon its own nuclear program. China provides a large amount of oil, as well as 250,000 tones of food a year. In addition, the United Nations has pledged to supply 584,000 tones of food in the next 12 months, almost 90% of which will come from America.

Such a narrow base of donors is bound to be unstable, especially when the recipient is as belligerent and unpredictable as North Korea. The country has already caused great international irritation by doing things like forging dollar bills on presses imported from Europe, allowing its diplomats to smuggle drugs and counterfeit goods, and sending frogmen and submarine commandos to spy on the South. But what really worries the donors is the evidence that the North is developing weapons of mass destruction.

It has good reasons for wanting to do so. Despite spending more than it can afford on its armed forces, North Korea simply cannot keep up with America and South Korea. Nuclear, chemical and biological weapons offer the North a line of protection. They are also its only means of attack if it remains bent on its national mission of liberating the South. Moreover, they can turn a tidy profit. The reactor deals that resulted from the desperate diplomacy in 1994 over the North Korean nuclear program in Yongbyon were worth at least \$4.5 billion, more than four times the North's annual exports. Further worries over excavations at Kumchangri, not far from Yongbyon, caused a huge amount of American food aid to be pledged in exchange for an inspection of the excavations.

Yet although South Korea cannot prepare the North for the trauma of unification, it can prepare itself. As a first step, it should define the principles of unification, draft

emergency legislation and, behind the scenes, plot the possible course of unification with its allies. But there are other dimensions to the preparation too.

Finally it should be mentioned that Gradualism has to be balanced against the risk of reversal. A gradual approach should only be pursued if it is certain that the process cannot be reversed. If there is a risk of reversal in political terms, a big bang approach would be preferable. If there is too much gradualism, the process may equally falter unless there is a critical mass of institutional change, which by itself is difficult to determine. The main task would be to prevent military complications during a transitional period that would precede unification. Thereafter would come a period during which both countries would be integrated. Above all, care should be taken that the international competitiveness of the South Korean economy be preserved.

The proposals made by both parties remain very relevant, calling as they did for contacts between North and South Korea, contacts between the North Korean elites and those of the South.

It will be important for North and South to develop good diplomatic relations with its neighbors, especially China and Japan. All countries having political and other interests in the region must be involved in the process (China, Russia, Japan, the United States, the ASEAN countries). It is incumbent upon Korea to foster an international climate conducive to its reunification process, for which it needs the assistance and consent of the world community. One particular issue of concern to the world community at large is the nuclear status of North Korea and how it will affect the status of a reunified Korea.

In sum up among different scenarios, I can say gradualism and soft landing one is more applicable rather than hard landing one²⁰. so that the result of hard landing scenario which North Korean government would collapse or overthrow when a coup take place, it makes a complete breakdown of the North Korean society with all the humanitarian tragedies that accompany the chaos of a society out of control and a North Korean civil war breaks out. In this case North Korean civilians are likely to attempt to cross the Demilitarized Zone and come to south as well as north to China and Russia in search of peace, stability, and a better way of life. But if Kim Chong Il remains in power but recognize that his power base is too weak and that he can no longer effectively govern. In this case he approaches the South and seeks reunification in accordance with South Korea' s long term reunification policy or variation thereof.

In this regard Soft landing scenario is try to provide an evolutionary change for the North Korea that will gradually bring its economy into grater interaction with the market economies of the region, inducing economic reforms and, through that process, building relationships that will eventually result in some political changes. Perhaps the china model is not exactly perfect, but something in the nature of the evolution that has taken place in china. Opinions vary on this prospect. Nobody can guarantee that it will happen. Now the problem for North Korea is that they are really not competitive in the international investment field. They don' t have the infrastructure, they don' t have the legal base. Even though they started this very tentatively way back in 1984 with the first

²⁰ hard landing scenario would be enormously costly to the South Korea. According to CGE models calibrated for 2000 indicate that the cost of unification could be on the order of \$800 to \$1.600 billion in the assumption that capital and not labor flows are the primary channel through which income convergence is achieved. Source: Noland Marcus, Sherman Robinson and Ligang Liu “ the economics of Korean Unification” working paper Series 97-5 Washington , Institute for International Economics, 1997, p.199.

investment act, they can't compete with those countries that are getting foreign investment in East Asia.²¹they don't have competitive capacity.

South Korea for some reasons such as; cultural propinquity and geographical closeness is the only country can move into this situation. In this regard it has recently somewhat relaxed the restriction. It has permitted some companies especially Hyundai to explore investments in several different fields. Daewoo is already involved in a small textile venture in Nampo, which is very close to the capital city of Pyongyang. It seems to me as an outsider that this is a very appropriate rout. It seems to me that further relaxation on this front is highly desirable.

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