Peace Review 11:3 (1999), 415–422

North Korea and the Politics of Engagement

John Feffer

In its policy toward North Korea, the U.S. government has vacillated between extremes. During the early 1990s, the U.S nearly went to war with North Korea over its nuclear program. Then, after stepping away from the brink in 1994, U.S. policy swung to the side of engagement. As a result of the 1994 Agreed Framework, the Clinton administration embarked on the unprecedented program, partnered by Japan and South Korea, of building two nuclear energy plants in North Korea. In other words, the United States agreed to help rebuild the energy capabilities of a declared adversary.

In 1998, U.S.–North-Korean relations again began to deteriorate. As of March 1999, the two sides had made some headway on resolving the key disagreements, but relations remain cool. The Clinton administration has yet to take a firm position along a policy spectrum that ranges from carrots to sticks. The current peace is tentative; war remains a possibility.

It should be emphasized that this is not a minor disagreement between a small power and the world's largest military power. Geopolitics has made the Korean peninsula one of the most highly militarized areas of the world. The great powers in the region—China, Japan, and Russia—take a keen interest in the Korean situation. The De-Militarized Zone separating the two Koreas is the last remaining Cold War tripwire.

For better or worse, U.S.–North-Korean relations lie at the heart of resolving the tense situation on the Korean peninsula. The leadership in Pyongyang believes that normalization of relations with the United States is the first step toward North Korea's greater integration into the regional economy and toward the eventual reunification of the Korean peninsula. For the U.S. government, North Korea is a major justification for high levels of Pentagon spending and the primary security concern of allies South Korea and Japan.

Governments are not the only concerned parties. International civic movements and non-governmental organizations (NGOs) are increasingly active in North Korea providing humanitarian aid, helping in reconstruction projects, and facilitating technical exchanges. Moreover, NGOs are active throughout the region promoting alternative security and sustainable development, both of which depend a great deal on peace and stability on the Korean peninsula. NGOs promote engagement either parallel to or in contradiction to changing U.S. government policy.

For much of the Cold War period, there was little debate in the United States on engagement with North Korea. The U.S. fought against North Korea

1040-2659/99/030415-08

from 1950 to 1953. Thereafter, the U.S. maintained comprehensive economic sanctions against North Korea, accused the government of terrorism and missile proliferation, and spent billions of dollars to surround the country militarily.

Nor, until recently, did the North Korean government express much interest in improving relations with the United States. The North Korean government traditionally regarded the United States as the principal imperialist power in the world, which manipulated its "flunkies" in South Korea and elsewhere in the region. Kim Il Sung, who led North Korea from its liberation in 1945 until his death in 1994, focused much of his foreign policy attention on the Soviet Union and China. Both communist superpowers played a role in shaping North Korean society; both eventually moved in directions deemed antithetical to North Korea. Dissatisfied with these large neighbors, Kim Il Sung largely abandoned Marxism–Leninism and adopted instead a form of nationalist autarky known as *jucheism.*

Jucheism emphasized economic self-sufficiency and self-reliance. North Korea was proud to be independent of both capitalist and communist blocs. It was not, however, the entirely isolated "hermit kingdom" of press reports. North Korea maintained considerable economic relations with the Soviet Union, Eastern Europe, and China. Many North Korean students studied in these countries. North Korea also developed a wide range of contacts with the developing world, gaining diplomatic recognition from 110 countries at the high point of activism in the Non-Aligned Movement. In the 1970s, as its economy began to show signs of cooling down, North Korea approached Western countries for loans and investments. A number of factors, including rising energy costs and declining economic output, made debt repayment difficult, and North Korea eventually defaulted on its loans.

After the 1989 collapse of communism, North Korea began to seem a great deal more isolated. No longer could it rely on subsidized energy from the Soviet Union (trade went to a hard-currency basis with the Soviet Union in 1991 and with China in 1992). China, ten years into its market reforms, was diverging economically from its erstwhile ally. To the degree that it had ever attracted interest in the Third World, *jucheism* was no longer a popular alternative to either capitalism or communism.

North Korea's accommodation to the global market was a strategic response to the gradual reforms in the communist world. Rather than going the Chinese route of first decollectivizing agriculture or the Vietnamese route of enlisting the support of the World Bank, North Korea decided to go after direct foreign investment. In 1984, it enacted a new and quite liberal law on joint ventures. Then, in 1991, it established a free trade zone in Rajin-Sonbong, the northeast corner of the country. The North Korean government also invited the heads of two of South Korea's largest conglomerates—Hyundai in 1989 and Daewoo in 1992—to consider major investment projects.

North Korea also shifted its foreign policy attentions away from the Third World and toward the largest capitalist countries. In 1990 high-level talks between North Korean officials and Japanese politicians paved the way for two years of unsuccessful negotiations on normalizing ties between the two countries.

The stakes were high for North Korea: normalization might have resulted not only in investments but also in a substantial one-time compensatory payment for Japan's role in colonizing Korea (in 1965, Japan provided South Korea a direct grant of U.S.$300 million dollars and a loan of U.S.$200 million). Détente with the United States could have translated into the lifting of sanctions and a possible drawing down of U.S. military presence in the region. *Juche* ideology might dictate self-reliance and perpetual opposition to the imperialist powers that had waged war against North Korea, but this new foreign policy approach stressed pragmatic means and goals (though not so pragmatic as to rationalize any and all deals with the United States and Japan).

At the same time that it was finding an accommodation with the capitalist world, North Korea also challenged the great powers. In the late 1980s, in response to its growing energy and hard-currency needs, North Korea began to build up its nuclear program. Tensions with the United States and Japan escalated to just short of military confrontation, until Jimmy Carter's visit to Pyongyang in 1994. Viewed in a certain light, North Korea's nuclear program was more a way to engage the outside world than to hold it at arm's length. North Korea was interested in the potential of nuclear weapons as bargaining chips rather than as military devices (North Korean officials are well aware of the overkill capacity of the U.S. nuclear arsenal). In other words, North Korea's nuclear program was a desperate gambit to get a better deal with the outside world.

Given the results of the 1994 Agreed Framework, North Korea's gambit was successful. In exchange for ending its nuclear program, North Korea received heavy fuel oil, two light-water reactors, and a promise from the United States to begin lifting economic sanctions. History, however, did not stand still after 1994. Kim Il Sung died just weeks after meeting Jimmy Carter in Pyongyang. A food crisis hit North Korea; a new president took over in South Korea; and the United States began to alter its security relationship with its allies in the region. As a result, the terms of engagement altered irrevocably.

North Korea's agriculture was heavily mechanized and dependent on oil imports. It began to decline in the early 1990s. Floods hit the country in 1995 and 1996, followed by a drought in 1997, and a full-blown food crisis then gripped the country. The extent of the famine is unclear, as is the number of famine-related deaths, but beginning in 1995, North Korea appealed to the world community for assistance. In marked contrast to its search for aid and investment in the 1970s, in the 1990s North Korea was operating from a position of considerable weakness. By engaging the world community under such desperate circumstances, the government ran the risk of undermining the legitimizing norm of *juche* ideology; namely that North Korean society had attained self-sufficiency.

The food crisis brought North Korea to a new level of engagement with the United States, the United Nations, and international NGOs. Until the 1990s, the United Nations was largely known in North Korea for its adversarial role during the Korean War. Today the United Nations is the lead organization for food relief and agricultural reconstruction in North Korea. It is also coordinating regional cooperation in the Tumen River area, which brings North Korean

officials into positive contact with China, Russia, Mongolia, and South Korea. The Clinton administration, in a laudable policy of separating humanitarian aid from political considerations, has provided millions of dollars in food aid (more than U.S.$170 million in 1998), largely in response to the United Nations appeal.

A sizeable number of non-governmental organizations coordinate with and work alongside the United Nations to distribute and monitor food aid, help farms and agricultural officials, and provide medical assistance. The food crisis has brought hundreds of foreigners to the country on a short-term basis. Before 1995, North Korea's contacts with NGOs were largely limited to communist parties and other solidarity organizations (the notable exception being religious organizations like the World Council of Churches and religious-based NGOs such as the American Friends Service Committee). After 1996, North Korean officials met with a much more heterogeneous set of interlocutors and were offered a greater variety of mechanisms available for engaging the outside world. North Korea did not plan to engage the world community in this way, and it remains unclear how this engagement has influenced North Korean perceptions of specific countries and international actors.

The other unexpected change pushing North Korea toward engagement was the election of Kim Dae Jung to the presidency of South Korea at the end of 1997. Reviving Roh Tae Woo's "Nordpolitik" of the 1980s, Kim Dae Jung unveiled his "sunshine policy." According to this policy, South Korea would no longer strive to reunify the peninsula by absorbing North Korea. Instead of using aggressive rhetoric and bellicose gestures, the South would promote all kinds of contacts with the North, from economic to cultural to social. Translating this policy into action, Kim released hundreds of political prisoners who had been jailed for supporting or allegedly supporting the North. The Kim administration encouraged business ventures such as Hyundai's tourism deal in which boatloads of South Koreans visit the famous Kumgang Mountains in the North. Today discussion of North Korea and peaceful reunification is much freer in the South. Kim has also called on the United States to begin lifting U.S. sanctions against North Korea.

The U.S. once used South Korea as the primary excuse for not pushing ahead to improve relations with the North. Now South Korea has reversed the relationship—instead of being the partner counseling caution, the Kim Dae Jung administration has leapfrogged ahead on engagement with the North.

After the Agreed Framework was hammered out in 1994, the U.S.–North-Korean relationship stagnated, then went downhill. The death of Kim Il Sung—and the subsequent three years of official mourning in North Korea—made progress toward normalization difficult. North Korea charged that the United States had violated the Agreed Framework by not delivering the heavy fuel oil according to schedule and by not pushing forward as planned with the construction of the light-water reactors. Most importantly, it accused the Clinton administration of lifting only the most token of the economic sanctions.

At the end of August 1998 North Korea launched what it called a satellite and what Japan continues to insist was a missile (terminology aside, both the intermediate-range missile and the satellite require similar three-stage rocket technology). At roughly the same time, U.S. and South Korean intelligence

agencies leaked information about an underground facility at Kumchangri that might house a renewed nuclear weapons program. Japan was particularly dismayed at the August launch because it indicated a North Korean capacity to strike at targets in Japan. The Clinton administration, though reluctant at first to give much credence to the underground nuclear facility, eventually insisted on access to the facility to determine if North Korea had departed from the terms of the Agreed Framework.

Hard-line critics of the Clinton administration used the Kumchangri allegations to vehemently characterize the Agreed Framework as appeasement of North Korea. Hardline critics in Congress called for linking food aid to political negotiations with North Korea and for making economic sanctions part of the law rather than subject only to presidential decision. The Clinton administration heeded the advice of such hawks by pressing for more U.S. military engagement in Asia, strengthening the hand of Japanese politicians bent on remilitarizing their country, and increasing funding for the Theater Missile Defense program that would establish a protective umbrella over U.S. allies in the region.

These hardliners in both the U.S. and Japan have maintained a consistent containment approach drawn from the Cold War era. Borrowing from Jeanne Kirkpatrick's distinction between totalitarian and authoritarian regimes, they believe that the North Korean system cannot be reformed from within. Engagement, analysts such as Nicholas Eberstadt have argued, has not improved the situation in the North and only prolongs the inevitable—a collapse similar to what happened throughout Eastern Europe in 1989. For the most part, such analysts do not consider the potential consequences of such a collapse—regional chaos, an immense refugee problem, a desperate military successor state, and so forth.

More pragmatic conservatives have called for a re-evaluation of the Agreed Framework and the application of a more nuanced approach, using sticks as well as carrots. Former Assistant Secretary of Defense Richard Armitage issued a report in March 1999 outlining a "one last chance" policy in which the U.S. government issues an ultimatum to North Korea: cease the nuclear program and missile exports or face sterner measures. There is, however, a third alternative that contrasts with both the containment and the conservative-pragmatic approaches.

According to the hardline containment position, North Korea is incapable of substantial reform. Yet as the above discussion should indicate, North Korea has shown a great deal more flexibility in domestic economic policy and its relations with the outside world than has generally been recognized. It is true that North Korea has sought out certain countries for specific business deals—Cuba, Russia, Iraq, Pakistan—but the main thrust of current North Korean foreign policy lies with engaging the United States, Japan, and South Korea.

Since the 1980s, North Korea has gradually adjusted its economic structures, such as introducing the joint venture law and the free trade zone. It has negotiated directly with South Korean *chaebols* (large firms). In September 1998, it opened a business school in the Rajin-Sonbong free trade zone.

Some may question whether these are substantial changes or not. Suffice it to say that the North Korea of the late 1990s is quite a different place from the

North Korea of the 1980s or earlier. In some cases these changes have been more an acknowledgement of changes on the ground than a matter of design, but they are very real changes in a system deemed by the totalitarian school to be incapable of any change. Naturally, North Korea is wary; it knows that it holds a weak hand, but it is trying to engage.

A principal tenet of the conservative-pragmatic position is that North Korea must be goaded, alternately given the stick and the carrot, until it eventually responds in the proper Pavlovian manner. As former *New York Times* editorial board member, Leon Sigal, argues persuasively in his book *Disarming Strangers*, the North Korean government has sensibly bristled at being manipulated rather than treated as a proper negotiating partner. North Korea has responded to sticks with sticks and to carrots with carrots of its own. As a country surrounded by hostile powers, with the rather lukewarm exception of China, North Korea fears foreign invasion à la Panama and bombings à la Iraq. It has also seen that, in the developing world, weak countries languish in poverty despite decades of so-called development. The North Korean leadership will not willingly lose face by accepting humiliating compromises (few government leaders do). It will, as it has in the past, accept compromises that are mutual and fair.

The third alternative, proactive engagement, follows Kim Dae Jung's lead. As the South Korean president has pointed out, containment has done little over the past 50 years to improve North–South relations or the security of the Korean peninsula. Engagement, on the other hand, has already yielded positive results. Humanitarian assistance has not only alleviated the current food crisis; it has built unprecedented connections between North Koreans and NGOs. The Korean Energy Development Organization (KEDO), in charge of the construction of the light-water nuclear facilities in North Korea, has brought together North Korean and South Korean workers to work for a common goal. This prefigures the kind of projects that will eventually knit together the broken halves of the Korean peninsula. The Berkeley-based Nautilus Institute has established a wind-power project in North Korea that concretely demonstrates the benefits of engagement with the United States, the impact NGOs can have, and the virtues of alternative energy sources. The Kumgang Mountains tourism project is a tentative first step in bringing ordinary South Koreans to North Korea.

As can be seen through these examples, engagement has distinct advantages over either containment or the conservative-pragmatic approach. Nonetheless, it is important to examine the drawbacks of an engagement policy as well, especially in light of the historical record. For instance, how does the situation in North Korea compare to the case of apartheid South Africa? In the 1980s, the Reagan administration pursued "constructive engagement" towards South Africa, encouraging economic investment and continued diplomatic relations. The stated purpose of this policy was to slowly erode apartheid, but many critics saw it as a cover to promote U.S. economic and geopolitical interests in the region. Is an engagement policy with North Korea a form of "constructive engagement" that promotes Western interests at the expense of ordinary North Koreans?

How does the example of "Nordpolitik" compare to the "Ostpolitik" pursued by both Social Democrats and Christian Democrats in West Germany to build

contact with East? The West German authorities placed government-to-government relations above all else and considered the dissident movements in the East largely a destabilizing factor. Does an engagement policy toward the North Korean government similarly ignore popular movements in North Korea?

How does an engagement policy toward North Korea compare to both the early U.S. policy in opening relations with China and to the current engagement policy of promoting U.S. investments in China's new economic system? In the early 1970s, the Nixon administration promoted a secret, high-level engagement policy with China to put pressure on the Soviet Union. In the 1990s, U.S. businesses in search of fewer restrictions and low wages have flocked to export-processing zones in China. Does current engagement policy toward North Korea fall victim to the balance-of-power calculations of the big powers? To what degree is an engagement policy the handmaiden, conscious or otherwise, of international capital?

These are difficult questions, and it is important to recognize that there are no perfect policies in international relations. Nevertheless, the North Korean case differs from the above examples in critical respects. An engagement policy is by no means an endorsement of the North Korean government. The North Korean government does not appear to be losing control of the country, and if the government should collapse, the consequences would be dire for its population and for the inhabitants of surrounding countries. In contrast to constructive engagement with South African apartheid, the "sunshine policy" is not an excuse to buttress the status quo but an attempt to find a path toward greater sustainability in the North, peaceful coexistence between North and South, and eventual reunification.

In contrast to Eastern Europe, the Soviet Union, or South Africa, there is no organized opposition in North Korea. Nor, so far as can be determined, are there individual dissidents that have taken public or semipublic positions. Finally, the North Korean defectors living in South Korea and elsewhere have not formed organizations that seek to rival the North Korean government. The North Korean government is the only entity that represents the country and the people. Those who support engagement with North Korea, then, are not forced to make the difficult choice of pursuing intergovernmental dialogue or support for popular movements.

The United States could conceivably use engagement with North Korea for larger regional purposes. Although North Korea is depicted most frequently in administration rhetoric as a "rogue state" and a risk to regional security, some U.S. hawks consider China the greater threat. U.S. specialists in *realpolitik*, taking a page from Henry Kissinger's book, might support engagement to drive a wedge between China and North Korea. However, China currently supports North Korean engagement with the United States, at least to the extent of preventing conflict. Far more challenging are concerns about the hazards of economic investment. At the moment, the North Korean government is willing to use its cheap labor and lack of environmental controls as incentives for foreign investment. The costs to human lives and to the air, land, and water of such a tactic remain externalities in the calculations of the success or failure of market mechanisms in North Korea today.

Activists must remain clear eyed about these risks of engagement. A U.S.–North Korean détente may decrease tensions in the region, perhaps even lead to a decreased U.S. military presence in the region. Yet the U.S. may then share the burden with its allies, and that would increase the military engagement of allied countries, particularly Japan (a problem not only for the Japanese people but for those in Korea and China who have historically suffered at the hands of the Japanese military). Moreover, economic investment in North Korea, although the core of the "sunshine policy," should be carefully scrutinized for its labor and environmental character. What activists support today for the purposes of peace and unification they may have to oppose tomorrow on the basis of ecology and economic justice.

While there are certainly drawbacks to a policy of proactive engagement with North Korea, the positives outweigh the negatives. It makes sense for activists and NGOs to help the U.S. government to better understand the benefits of engagement. Improving relations between the United States and North Korea is the necessary first step in ending the Cold War in Asia.

RECOMMENDED READINGS

Cumings, Bruce. 1997. *Korea's Place in the Sun.* New York: Norton.
Grinker, Roy Richard. 1998. *Korea and Its Futures.* New York: St. Martin's.
Sigal, Leon. 1998. *Disarming Strangers.* Princeton: Princeton University Press.
Suh, Dae-Sook. 1998. *Kim Il Sung.* New York: Columbia University Press.
Wright, David. 1999. "The Case for Engaging North Korea." *Bulletin of Atomic Scientists* (March–April).

John Feffer is the author of *Beyond Détente* (1990) and *Shock Waves* (1992). He is currently working on Korean issues in the Tokyo Office of the American Friends Service Committee. *Correspondence:* AFSC—Tokyo Friends Center, 4-8-19 Mita Minato-ku, Tokyo 108 Japan. Email: johnfeffer@aol.com