



Progress on the Korean Peninsula?

by John Feffer, American Friends Service Committee

It was a striking juxtaposition, U.S. Secretary of State Madeleine Albright and North Korean leader Kim Jong Il sitting side by side at a display of mass gymnastics in Pyongyang this last October. "Spectacular and amazing," Albright called the coordinated movements of the 100,000 performers. When a picture of the August 1998 Taepodong rocket launch was displayed, Kim Jong Il confided that it would be his country's first and last such launch. The North Korean leader was a man with whom she could do business, Albright concluded at the end of her visit. The U.S. and North Korea, technically at war for over fifty years, had never before been on quite such cordial speaking terms.

North Korea has recently stepped up its efforts to normalize relations with the United States. In September, North Korea's second-in-command Jo Myong Ro traveled to Washington to meet with top U.S. officials, including President Clinton. When Albright followed up on this initiative, Kim Jong Il kept a top-ranking Chinese delegation waiting in order to spend additional time with the U.S. delegation. Both Jo and Kim indicated that North Korea would be willing to negotiate away its long-range missile capacity. With Albright and Kim toasting each other's health and with Clinton planning a visit to Pyongyang, the two countries seemed poised to end mutual hostilities.

Key Points

- Relations between North and South Korea have improved considerably since the June summit between the two Korean leaders, although obstacles to *détente* remain.
- North Korea is pushing hard to improve relations with the United States.
- As a result of Secretary of State Albright's visit to Pyongyang in October 2000, the U.S. now has a window of opportunity to advance rapprochement, if Washington acts soon.

But then the Clinton administration squandered the momentum. The pool of U.S. journalists came away from Pyongyang with their worst prejudices confirmed, Albright scrambled to defend her reticence on human rights issues during her trip, pundits lambasted Clinton for overreaching himself in Korea to save his foreign policy legacy from the flames engulfing the Middle East, and follow-up bilateral talks in Malaysia failed to yield an agreement on the missile issue. With the U.S. presidential elections in a procedural cul-de-sac and Clinton's visit to Pyongyang postponed, U.S.-North Korea relations remain stalemated.

Albright's visit to Pyongyang, while a step forward for U.S. policy, demonstrates how out of step the U.S. is in relation to many of its allies. Since the summer Britain,

Germany, Canada, Belgium, and the Netherlands have all extended diplomatic recognition to Pyongyang, following earlier moves by Italy, Australia, and the Philippines.

But the true path breakers have been the Koreans themselves. Since the June summit between the two Korean leaders, events seem to be moving rapidly on the Korean peninsula. In August and December, family members divided by the Korean War had tearful reunions in Seoul and Pyongyang. At the opening ceremony of the Sydney Olympics in September, the audience applauded wildly as North and South Korean athletes marched together. Economic agreements between the two countries have led to South Korea's provision of 500,000 tons of grain to North Korea and the launching of a new currency to facilitate inter-Korean trade. The two countries have begun clearing mines in one part of the Demilitarized Zone (DMZ) to prepare for a rail link. The South Korean firm Hyundai is backing a major industrial complex near the North Korean city of Kaesong that will eventually be home to over a thousand firms. South Korean President Kim Dae Jung's "engagement policy," coupled with his overall human rights record, in September even received the world's highest honor, the Nobel Peace Prize.

North-South reconciliation has certainly encountered speed bumps and setbacks. In September, South Korea repatriated 63 former North Korean spies, but North Korea has made no reciprocal move. Despite the new legal and political foundation for inter-Korean trade and investment, there has been no rush to invest in the North. The major *chaebols* (business conglomerates) are in trouble, with Daewoo bankrupt and Hyundai just barely holding on. The awarding of Kim Dae Jung's Nobel prize led to a brief honeymoon period between the major South Korean political parties. But now the honeymoon is over, and the opposition has even accused the president of delivering the country into the hands of Kim Jong Il. The peace prize itself may impede rather than hasten reunification, since it was awarded to only one side, and, as Kim Dae Jung readily admits, the "summit was not just my own work."

The U.S., South Korea, and Japan continue to coordinate their strategies toward North Korea. But as Kim Dae Jung has demonstrated, there is still considerable room for distinctive approaches. In its waning days, the Clinton administration can still improve on its policy of engaging North Korea.

Problems with Current U.S. Policy

There is an air of hesitancy to U.S. policy regarding North Korea. The U.S. president plans a trip to Pyongyang, then he cancels it. The U.S. promises to lift economic sanctions against North Korea, then it insists that North Korea jump through one more hoop to get off the "terrorism list" by expelling a handful of Japanese Red Army members. The U.S. clears the way for North Korean diplomats to participate in the Millennium Forum at the United Nations, but Washington doesn't make the extra effort to prevent an embarrassing body search of the diplomats at the Frankfurt airport. And the U.S.-negotiated project to build two light-water nuclear reactors in North Korea is hamstrung by numerous delays and, more recently, the announced withdrawal of a key supplier, General Electric.

The on-again, off-again approach of the Clinton administration is partly a result of entrenched political opposition to U.S. rapprochement with North Korea. For its part, a cautious North Korea has also conducted its own hard bargaining.

Domestic politics and the indeterminacy of North Korean positions, however, did not prevent Kim Dae Jung from crafting and implementing his "engagement policy" with the North. The chief failure of the Clinton administration has been its inability to construct a corollary policy supporting North-South engagement. More specifically, the Clinton administration has failed to adopt two principles of Kim Dae Jung's strategy: tackle the simple things first and separate economics from politics.

For instance, instead of tackling the least complicated issues, the U.S. has placed the most challenging issue—missiles—at the center of its policy toward North Korea. By developing rockets of sufficient range to launch satellites into space, North Korea is pursuing several strategies at once. Satellites are a booming export industry and could prove more lucrative than North Korea's current missile sales. Satellites can improve the country's communications and intelligence-gathering capacities. Finally, long-range rockets capable of putting satellites into space, with considerable tinkering and testing, can also be turned into intercontinental ballistic missiles, the only North Korean product that seems to command attention from the United States.

The missile issue is complex, because 1) no one is quite certain of North Korea's real capability, and 2) North Korea is not likely to give up a major source of revenue and the single most important lever in its negotiations with the United States. Yet Washington insists that rapprochement will not advance without a permanent freeze of North Korea's missile program. Kim Dae Jung, in contrast, did not insist that North Korea pull back its troops from the DMZ or dismantle its purported weapons of mass destruction before meeting with Kim Jong Il in June.

The U.S. has to a certain extent separated politics from economics. It has, for example, sent North Korea an enormous amount of food aid. However, this food aid

has often come only after political agreements have been negotiated—e.g., access to a suspected underground nuclear reactor or a continued moratorium on missile testing. More critically, the Clinton administration has not yet fully lifted economic sanctions against North Korea, despite repeated promises. North Korea remains on the "terrorism list," although Washington admits that the Koreans have not conducted terrorist activities since 1987. As long as it remains on the "terrorism list," North Korea cannot count on U.S. support for assistance from multilateral institutions.

On one issue, of course, U.S. policy is anything but hesitant. In the security arena, Washington continues to press its strategic advantage in East Asia. On the heels of a Pentagon report identifying Asia as the priority for the next two decades, the Clinton administration is moving forward on two fronts—to put greater emphasis on technology rather than troops and to "Asianize" the U.S. presence in the region. Key to this strategy is ensuring that Japan abandons its nonoffensive defense and zaps its 1969 pledge not to militarize space. Meanwhile, with U.S. assistance, South Korea is looking to acquire at least three Aegis-class destroyers and upgrade its air force. At South Korea's urging, the U.S. is on the verge of reversing a 1979 agreement and extending the range of South Korean missiles to 300 km, which would bring them within striking distance of all of North Korea. By proposing various Theater Missile Defense scenarios, whose cost and feasibility seem inversely proportional, the U.S. is implicitly recognizing the declining utility of ground forces, provoking an adversary considered by hard-liners to be the real East Asian threat (China), and encouraging a regional high-tech arms race. Sadly, lucrative contracts for U.S. arms manufacturers continue to outweigh Washington's stated desire for greater peace and security in the region.

The State Department boasts of its trilateral coordination with Japan and South Korea. But the single-minded U.S. focus on North Korea's largely conceptual long-range missile threat ignores Japan's concern with missiles of considerably shorter range and South Korea's worries over biological and chemical warheads on tactical weapons. Albright has called the U.S.-South Korean relationship "wedge-proof," but the U.S. has refused to renegotiate the Status of Forces Agreement to ensure greater equality of the partners—a wedge in the making. Kim Dae Jung's "engagement policy" is two-handed: a hand of friendship and an iron fist of deterrence. By supporting the latter and ignoring the former, the U.S. is not serving as a proper midwife for change on the Korean peninsula.

Key Problems

- Washington's policy toward North Korea puts the most intractable issue—North Korea's missile program—at the core of its engagement strategy.
 - The U.S. still blocks North Korea's access to important economic assistance.
 - The U.S. continues to intensify its military containment policy in East Asia.
-

Visit the Internet Gateway to Global Affairs <http://www.foreignpolicy-infocus.org/>

Toward a New Foreign Policy

Before a new administration is sworn in, the Clinton administration can take an important step to build on the momentum of both the June inter-Korean summit and the October visit of the U.S. secretary of state. Bill Clinton should visit North Korea. The groundwork has been laid by Madeleine Albright, and Kim Dae Jung has encouraged Clinton to go. Considering how much power is vested in the top position in North Korea, a two-day discussion between the U.S. and North Korean

Key Recommendations

- President Clinton should go to Pyongyang to build on the momentum of Albright's visit.
- The U.S. should offer access to satellite technology in exchange for limits on North Korea's missile program.
- Washington should remove North Korea from the "terrorism list."

leaders could make advances that months of lower-level negotiations might not achieve. Clinton need not agree to any package deals that won't pass congressional approval. Even without a deal, the symbolic act—like his recent visit to Vietnam—would greatly enhance chances for peaceful reconciliation in the region.

Tackling simple things first, the U.S. should rapidly conclude a deal that removes North Korea

from the "terrorism list." A deal on the remaining obstacle—several Japanese Red Army hijackers hiding out in North Korea for the last 30 years—is within sight, if both the U.S. and Japan are willing to compromise. The Japanese authorities, who jailed one returning hijacker for only three years, are ready to negotiate. Once this obstacle is removed, the U.S. should separate politics from economics and help broker the significant economic aid that North Korea needs to rebuild its economy.

The missile issue will take more time, but here too the U.S. can make progress. North Korea has indicated on several occasions that it is willing to cut a deal. In 1993, Israel offered \$1 billion in investments and assistance, if North Korea canceled the sale of 150 missiles to Iran. But Washington stepped in to disrupt the deal. Today the U.S. is more willing to entertain the money-for-missiles option. North Korea's opening bid of \$3 billion over three years in exchange for freezing its missile program could be negotiated down, especially in combination with a U.S. offer to send a North Korean satellite into space. Kim Jong Il, who first broached this possibility with Russian President Vladimir Putin in July, seems to take the prospect very seriously. Critics worry that the U.S. might unwittingly provide military secrets to North Korea. But if Washington can determine that Boeing didn't provide sensitive data to Russia and Ukraine for their October 1999 commercial satellite launch, it could do the same with North Korea.

Negotiations on the missile question would proceed more quickly if the U.S. acknowledged the myth of North Korean military strength. North Korea, still struggling with a severe food crisis, is running low on energy, spare parts, and ammunition. It can barely conduct military exercises, train its fighter pilots, or test its weapons. It can afford the illusion of a missile program but not an actual missile program. A rocket launch reportedly costs between \$200 million and \$300 million. The North Korean military budget is approximately \$1.4 billion. When NATO attacked Yugoslavia, the Serbian military dressed up logs to look like missiles in order to fool U.S. bombers. North Korea is practicing this trick on a national scale. Since a strong military is a point of pride with North Korea, the U.S. should not publicly emphasize North Korea's diminished capacities. Instead it must encourage every opportunity for North Korea to transfer precious resources to economic development, a process that will most likely take place in a less threatening environment.

The United States and South Korea need not compete in a zero-sum game in their overtures toward Pyongyang. Nor should they collaborate in a lowest-common-denominator approach by restraining each other's rapprochement policies. Both countries can instead play mutually supportive roles.

To be most helpful, the U.S. should let Koreans themselves take the lead in resolving their own conflicts. Fortunately, this process has already begun. Encouraged by the June summit, various civic actors in South Korea are making contact with their Northern counterparts. Trade unionists met at the end of November; women will gather on the first anniversary of the June summit; scientists are working on a joint project to clone rare Siberian tigers. Washington can best encourage these initiatives by sending President Clinton to Pyongyang to accelerate the process of normalizing relations and formally ending the Korean War. After that, the U.S. should loosen the screws of its containment policy, open up the flow of multilateral assistance to North Korea, and then step back to give Koreans on both sides of the 38th parallel a chance to get to know each other better.

John Feffer <eaqiar@aol.com> works for the American Friends Service Committee in the East Asia Quaker International Affairs Program based in Tokyo. He travels regularly to North and South Korea and China to encourage dialogue on peace and justice issues.

Foreign Policy in Focus is a joint project of the Interhemispheric Resource Center (IRC) and the Institute for Policy Studies (IPS). The project depends on sales and subscription income, individual donors, and grants from foundations and churches. *In Focus* internships are available, and we invite article queries and comments. ISSN 1524-1939

Editors
Tom Barry (IRC)
Martha Honey (IPS)
Asia-Pacific Editor
John Gershman

Communications Directors
Tim McGivern (IRC)
Erik Leaver (IPS)
Project Administrator
Nancy Stockdale (IRC)

Orders and subscription information:

Mall: PO Box 4506
Albuquerque, New Mexico 87196-4506
Voice: (505) 842-8288
Fax: (505) 846-1601
Email: infocus@irc-online.org

Editorial inquiries and information:

IRC Editor **IPS Editor**
Voice: (505) 388-0208 **Voice:** (202) 234-9382/3 ext. 232
Fax: (505) 388-0619 **Fax:** (202) 387-7915
Email: tom@irc-online.org **Email:** ipsps@igc.org

Website: <http://www.foreignpolicy-infocus.org/>