North Korea: 2005 and Beyond

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INTRODUCTION

Philip W. Yun
Gi-Wook Shin

History may show the year 2005 as a noteworthy one in East Asia. This is not because 2005 marks the 60th anniversary of the end of World War II, or because it is the first year of the traditional Chinese 60-year calendar cycle, symbolizing a new beginning. Instead, 2005 could be deemed significant because it may be a critical inflection point—the year the United States was able to establish a foundation to resolve, peacefully and once and for all, the intractable problem of North Korea’s nuclear weapons activity. It could also be the year that North Korea (DPRK) committed itself to becoming a nuclear weapons state without compromise. Either way, 2005 may be remembered as a year with crucial implications for the Korean peninsula and beyond.

With the distraction of a contentious U.S. presidential election no longer a factor in decision making, there was an expectation that a second Bush administration would have no choice but to address the shortcomings of its first-term North Korea policy—a policy that has failed to prevent the following: an increased amount of fissile material in the possession of North Korea’s Kim Jong-Il regime, the North’s expulsion of international inspectors and removal of monitoring equipment from nuclear-related sites, the restarting and operation of the Yongbyon 5MW(e) research reactor, and Pyongyang’s withdrawal from the Nuclear Nonproliferation Treaty (NPT). Indeed, as a new team at the U.S. Department of State—led by Secretary Condoleezza Rice and Assistant Secretary Christopher Hill—came on board, it was clear that reinvigorated diplomatic efforts to get the North Koreans back to the six-party talks were being shaped by a subtle shift in approach.

At the time of this writing, this new approach has produced measured progress. Following a 13-month hiatus, the North entered into another round of talks that lasted several weeks and at the end of that round accepted a statement of general principles to guide future discussions. In this statement, the DPRK again committed to abandoning all nuclear weapons and existing nuclear programs and to do so at an early, though undefined, date. Some greeted this outcome as a breakthrough, but many less sanguine observers argued that true success would depend on implementation. While the statement of general principles indicates
the negotiating parties share assumptions as to what the pieces of an eventual implementation agreement would likely be (e.g., the removal of nuclear weapons from North Korea, security assurances, political normalization and economic assistance, among other things), it does little else. It fails to coherently link any of these stated elements to each other, and it fails to provide the operational framework needed to turn the general principles into a final deal. This will be the task of subsequent talks. It is a huge undertaking and will likely take years.

Notwithstanding questions about the sequencing of obligations and their definition and scope set forth in the general principles, more fundamental uncertainties appear to exist. For example, it is clear that the United States on one hand and South Korea and China on the other have divergent positions over the very nature of the North Korean nuclear problem. The United States sees the nuclear issue as a regional and global challenge (prevention of nuclear proliferation in the region is the priority, underpinned by a linkage of the North’s nuclear program to international terrorism), while China and South Korea are more narrowly concerned with instability on the Korean peninsula. This gap makes it difficult to exact a price for North Korean intransigence. Another uncertainty relates to differing views of North Korea within the Bush administration—critics assert that the policy differences plaguing the formulation and execution of North Korea policy during President Bush’s first term still remain, making long-term coordination with the other parties problematic at best.

Nonetheless, the United States’ renewed focus on North Korea comes none too soon and is most welcome. In addition to the setbacks suffered by the United States during the past two years, concern is mounting about future North Korean activities. Justifiably, the United States continues to be wary of the North’s Highly Enriched Uranium (HEU) program, though many in Asia question both the status of the program and the quality of U.S. intelligence analysis. More troublesome is the fact that the Yongbyon 5 MW(E) nuclear facility is currently producing weapons-grade plutonium at a rate of one weapon’s worth of material per year. There is also the possibility, though farther into the future, that the North may seek to reconstruct its 50 MW(E) reactor at Yongbyon and its 200 MW(E) reactor at Taechon, which would significantly increase its plutonium production capability.

While the risk of a North Korean attack on South Korea, Japan, or the United States is remote, the greater U.S. worry in this post-9/11 world is that third parties come into possession of fissile material, which could eventually find its way to the United States in the form of a terrorist nuclear device. In addition, many observers of Korean affairs are concerned with obvious strains in the U.S.-ROK alliance.
They attribute the situation to divergent perceptions and policy toward the North. Clearly, the need to deal with North Korean nukes is an urgent one.

The Stanford Conference

Understanding that 2005 had the potential to be a watershed, the Walter H. Shorenstein Asia-Pacific Research Center (Shorenstein APARC) at Stanford’s Freeman Spogli Institute for International Studies (FSI) hosted a conference on North Korea on May 26 and 27, 2005. The purpose of the conference was to take a snapshot of what is happening in North Korea now, to learn how Americans and South Koreans view these current developments, and to offer policy suggestions about what can and should be done. The papers presented at the conference or prepared in anticipation of this conference are contained in this volume.

This gathering of specialists adopted a decidedly different approach from past conferences held at Shorenstein APARC. First, we kept the number of participants small—around 25 in total—to encourage a more frank, in depth exchange of ideas. Formal presentations were kept to a minimum, with a number of hours devoted to comments and questions and debate. No media were present to cover the event.

Second, we invited “younger generation” academics and experts from South Korea. Given the generational change in Korean politics and especially the considerable political influence wielded by the so-called “386ers”—when the term was coined in the 1990s, it referred to Koreans who were in their thirties, attended college in the eighties, and born in the sixties—it was essential for U.S. counterparts to hear from this group of thinkers. The center of power in South Korea has been shifting over the years, but Americans are slow to recognize it. Any inquiry into circumstances and events on the Korean peninsula must reflect this new reality, which was one of the conference goals.

Finally, we brought together in one room people specializing in politics, economics, human rights, and security. While American policymakers tend to focus on security areas, the North Korean issue is multidimensional and thus demands a similar approach. For instance, despite the nuclear stand-off, inter-Korean relations, especially in the arena of economic affairs, have been moving along. Such a gathering of experts from different areas not only encourages a broad-based inquiry, but also facilitates a sharing of ideas among those who do not normally come into contact. In such an environment, potentially helpful connections often come into focus. Often, issues related to nonproliferation are binary—either one complies or one does not—which makes compromise difficult. However, in situations where
solutions are seemingly nowhere to be found, it may help to widen the frame of reference. Indeed, this last point served as a touchstone for the discussions that took place.

Papers in This Volume

This volume includes ten articles of varying length and style; the articles were finalized at the end of October 2005. The volume’s structure broadly reflects the format of the conference, which consisted of four substantive panels—two papers for each panel. U.S. participants wrote what is in essence a survey paper/thought piece, whose purpose was to give a “general lay of the land” in the areas of politics, economics, human rights, and security. Their South Korean counterparts contributed more research-oriented articles that delve into one area of current interest—the external and internal political pressures facing the North Korean regime, the status of the Kaesong Project, the problem of North Korean migrants in China, and an assessment of North Korean military capabilities. These pieces touch upon the nuclear issue, but do not focus on it exclusively. Still, recognizing that any book on North Korea, particularly now, would be of limited relevance if it ignored the current nuclear crisis, this volume ends with two papers that specifically address current U.S. efforts and their prospects for success. Again, the former in this final set of papers adopts the essay approach; the latter is a research piece.

Robert Carlin is the author of the volume’s first paper, titled “Talk to Me, Later.” Carlin is considered a leading authority on North Korean leadership and diplomatic issues. He has been an intelligence analyst and policy advisor to a number of U.S. negotiators and has visited North Korea countless times. Using the current nuclear stand-off as his reference point, Carlin begins his piece with general observations about the timing of diplomatic initiatives and the need to take advantage of opportunities when present. As a former U.S. State Department official, Carlin was intimately involved in virtually every significant U.S. negotiation with North Korea from 1993 to 2000. He is therefore well positioned to give insight into the political motivations, constraints, and miscalculations behind the policies and actions emanating from Pyongyang, Washington, Tokyo, Seoul, Beijing, and Moscow. To make his points, Carlin offers personal observations and anecdotes about behind-the-scenes events. He concludes with a final observation that the timing for the six-party talks is wrong, that the United States has lost ground—not gained it—and that, as a result, the prospects for success in the short term are slim.

The companion piece to Robert Carlin’s essay is Haksoon Paik’s thoughtful article titled “North Korea Today: Politics Overloaded.” Where Carlin provides a sweeping political analysis of the six-party talks
participants, Paik focuses on the internal and external motivations—and constraints—of the North Korean leadership. Currently the director of the Inter-Korean Relations Studies Program and the Center for North Korean Studies at the Sejong Institute in Korea, as well as a policy advisor to South Korea’s Ministry of Unification, Paik describes the South Korean perspective on the Kim Jong-Il regime. Paik’s paper begins with an analysis of Pyongyang’s policy priorities and an explanation of the domestic and international political conditions that constrain the North Korean leadership’s ability to achieve these priorities. Within this context, he points out that the attitudes of everyday North Koreans is changing as a result of recent economic reforms and observes that North Korea’s ideology of self-reliance (juche) may soon be replaced by a focus on “making money.” Paik later addresses the sustainability of the Kim Jong-Il regime, and touches upon issues related to Kim’s succession. He moves on to a discussion about the state of inter-Korean relations and concludes with the observation that the North-South channel could be a source of crucial support for U.S. nonproliferation objectives.

In 2002, North Korea initiated a number of well-publicized reforms to get its ravaged economic system moving in the right direction. Many were initially skeptical that such reforms were in fact real. However, there is a consensus that something is happening in the North. To provide a better sense of these developments and their potential impact, William Brown’s paper, “North Korea: How to Reform a Broken Economy,” tackles key economics-related issues. Brown has considerable experience as an economist and economic analyst in the U.S. government, having worked as in the Chief Economist’s Office of the Commerce Department, as Deputy National Intelligence Officer for Economics with the National Intelligence Council, and as an economic analyst in the CIA’s Office of Economic Research. Drawing on this impressive background, he argues that significant changes in North Korea are under way, but that the force and motivation behind them are not clear. He believes that it is critical to understand whether the reforms result from a “top-down” decision or a “bottom-up” unleashing of market forces that the regime is unable to control. Brown discusses the implications of both possibilities and presents a list of potential winners and losers during this time of transition. In assessing the current state of affairs, Brown declares that North Korea “appears to be stuck, unable or unwilling to proceed further.” Of great use to policymakers and North Korea watchers alike is a checklist of things to look for if economic reform is unfolding as it should. Brown has been a longtime critic of current efforts to engage with North Korea and lays out sensible alternatives from a distinctly economic perspective.
Balancing Brown’s macro-level economic inquiry is Yong Sueng Dong’s piece, “The Present and Future of the Kaesong Industrial Complex.” As the title suggests, Dong takes a detailed, micro-level look at the Kaesong Inter-Korean Business Project, located in North Korea about 40 kilometers from the North-South border. Kaesong is not the first case of economic collaboration between North and South Korea. It is, however, the most recent example of increasing inter-Korean cooperation, and it received a great deal of attention in spring 2005, when the products manufactured there (pots, pans, and other kitchenware) found their way to market in Seoul for the first time. A senior researcher at the Samsung Economic Research Institute, a major private think tank in Korea, Dong has visited Kaesong a number of times and is thus well situated to describe what Kaesong is, and why. He recounts the history of the Kaesong project, lays out its objectives, and dissects the project’s operational aspects. He explains the economic rationale for the North-South cooperation upon which the Kaesong project is based—a business model that combines the South’s comparative advantage in capital and technology with the North’s relatively cheap labor and land. Dong also analyzes what he sees as the project’s problems and opportunities, including the always-present political and military constraints. These shortcomings notwithstanding, he concludes that the Kaesong project is moving forward, despite substantial hurdles, and asserts that the Kaesong environment will likely enhance the competitiveness of factories based there.

The next set of papers deals with the difficult matter of human rights in North Korea. David Hawk, a prominent human rights investigator and advocate, takes on the controversial subject in his piece, “Human Rights Issues and the Crisis in North Korea.” In light of the Bush administration’s clarion call for greater freedom and democracy throughout the world, a better grasp of the human rights issues in North Korea—and how the human rights community views the DPRK—is appropriate and necessary. Hawk uses his extensive experiences in Latin America, Southeast Asia, and Africa and relates it to what is occurring in North Korea. In so doing, he furnishes a frame of reference for confronting this problem. When discussing human rights, Hawk acknowledges that having a clear understanding of the standards by which actions are judged must be the starting point—and his paper begins with an analysis of the relevant standards. Hawk is quick to point out that North Korea has been an exceptionally problematic country for human rights watchers because of the lack of information. This past barrier notwithstanding, he argues that evidence of abuse in North Korea, predominantly testimonial in nature, is abundant. After identifying the nature of the abuses, Hawk devotes the remainder of his essay to the policies of South Korea, the
United States, and the international community. Hawk questions the approaches of the South Korean government and of nongovernmental groups (NGOs) in the South, while commenting on the recently enacted U.S. Human Rights Act. He concludes his piece with a perspective on the policy implications that human rights have on the nuclear issue. U.S. government officials recently linked human rights in North Korea to security assurances in the context of a nuclear deal, a clear indication that Hawk’s consideration of this issue is both timely and urgent.

Complementing David Hawk’s paper is an article by Ki-Sik Kim, titled “Perspectives on North Korean ‘Displaced Persons.’” Kim analyzes the plight of North Korean refugees, but for reasons explained in his paper, he terms them “displaced persons.” Kim begins his analysis by attempting to gauge the number of refugees, with the bulk recognized to be in China. He makes the case that the majority of displaced persons leave North Korea not to escape persecution from North Korean authorities, but for economic reasons. Kim disapproves of U.S. policies toward North Korean refugees, which he believes are too political. He scorns the U.S. Humans Rights Act and argues that, despite its good intentions, it has actually made conditions worse for those whom it seeks to help. In this regard, Kim criticizes as exploitive groups that organize “planned border crossings”—the systematic gathering of refugees for entry into foreign diplomatic offices, often to gain publicity for the activities of the organizing group. In this regard, he cautions the South Korean government to make sure its policies do not encourage this activity. In terms of policy prescriptions, Kim calls on China to grant “displaced persons” temporary residence and to end its current policy of forced repatriation. Kim is the Secretary General of the People’s Solidarity for Participatory Democracy (PSPD), South Korea’s leading NGO, which exerts considerable influence on policy issues. His perspective represents the new generation of South Koreans coming into power.

The two security-related papers in this volume address critical issues—the U.S.-South Korea alliance and North Korea’s military capability. Great attention has been paid to perceived differences in North Korea policy between the United States and South Korea and to the challenges such differences pose for the alliance. In “A Comparison of U.S. and South Korean National Security Strategies: Implications for Alliance Coordination toward North Korea,” Scott Snyder takes an unconventional approach to analyzing the problem. Snyder, a senior associate at the Asia Foundation/Pacific Forum CSIS, compares and contrasts the National Security Strategies (NSS) of the United States and the ROK: the United States markedly revised its NSS in 2002, while the ROK issued its first NSS last year. Because an NSS document distills a country’s basic approach and philosophy to foreign affairs worldwide,
Snyder believes the exercise is a way to pinpoint areas of potential friction. Using this method of inquiry, he concludes that the U.S.-ROK alliance will be subject to extensive, and possibly irreparable, stresses and strains due to 1) a shift in North Korea military doctrine from a reliance on conventional forces to nuclear threat; 2) emerging political and philosophical differences between South Korea and the United States; and 3) uncertainty over the regional security environment once the North Korean nuclear crisis is resolved. More troublesome to Snyder is the existence of fissures in how each country views existing threats and the method of dealing with them. The United States sees North Korea as a weapon to be neutralized, while South Korea focuses on the North’s gradual transformation and integration with the outside world.

Completing the general security section is Taik-young Hamm’s piece, “North Korea: Economic Foundations of Military Capability and the Inter-Korean Balance.” Hamm is a professor at Korea’s Kyungnam University and a recognized authority on North Korean military issues. His information-rich paper presents an excellent assessment of the current North Korean military. Overall, Hamm maintains that North Korea’s military prowess is overrated and that the South’s capability far outstrips the North. Hamm regards “bean-counts” or firepower scores as inadequate; rather, he views the use of military capital stock as most representative. Hamm concludes that an arms race on the Korean peninsula will not buy more security for either North or South; he observes that there is a “‘balance of threat’ or asymmetric balance” between North and South. Despite what he sees as the ROK’s vast superiority, he believes North Korea’s conventional weapons and purported WMD capability are enough to hold Seoul hostage.

The last two papers of this volume specifically discuss the North Korean nuclear issue and the prospects for resolving it. Henry S. Rowen, director-emeritus of Shorenstein APARC and former Assistant Secretary of Defense for International Security Affairs from 1989–91, wrote the first paper on this subject, “On Dealing with a Hard Case: North Korea.” Rowen argues that there is little chance North Korea will give up its nuclear weapons or accept extensive inspection rights. Because the United States is constrained from initiating a preventive attack and because South Korea (and probably China) are likely to continue supporting Kim Jong-Il’s regime, Rowen asserts that the United States is forced to accept the status quo. However, he cautions that the United States must remain vigilant and guard against the danger that North Korea might sell nuclear weapons or critical components. Most interestingly, Rowen—once an outspoken critic of engagement with North Korea—concludes that the “best worst approach” is to foster conditions for political change in North Korea through “pro-
commerce” policies, rather than following an agenda that pressures eventual collapse, or that extends unconditional economic aid.

Philip W. Yun is the author of the final paper of this volume. In 2004–05, he was Pantech Scholar in Korean Studies at Shorenstein APARC. Previously, he served in the U.S. Department of State, and participated in all major negotiations with North Korea from 1998 to 2000. In his research piece, Yun argues that any Bush policy with regime change as its objective and the threat of force as the means is highly unlikely to succeed. The implication of such an unchanging Bush policy, Yun concludes, is that the United States will then be faced with the grim choice of either accepting North Korea as a permanent nuclear weapons state that regularly produces fissile material, or risking a terrible war to prevent this from occurring. Unlike other works that reach the same conclusion, Yun’s paper is one of the few that attempts to analyze the U.S. policy on the North Korean nuclear problem using—in a predictive manner—an established theoretical framework on international conflict, namely the pioneering work of Alexander George on coercive diplomacy. Utilizing 15 case studies of past U.S. confrontations, done by George and others, Yun identifies the salient factors needed for coercive diplomacy to succeed and applies them to the North Korean situation.

A Window of Opportunity

In his opening paper, Robert Carlin talks about timing—“Timing may not be everything in diplomacy, but it is surely something.” He adds that “Good timing is important and rare. Something is always out of kilter.”

In his policy review of United States policy toward North Korea, dated October 12, 1999, former U.S. Secretary of Defense William J. Perry offered his own thoughts on timing:

[A] confluence of events this past year has opened what we strongly feel is a unique window of opportunity for the U.S. with respect to North Korea. There is a clear and common understanding among Seoul, Tokyo, and Washington on how to deal with Pyongyang. The PRC’s strategic goals—especially on the issue of North Korean nuclear weapons and related missile delivery systems—overlap with those of the U.S. Pyongyang appears ... convinced of the value of improving relations with the U.S. However, there are always pressures on these positive elements. Underlying tensions and suspicions have led to intermittent armed clashes and incidents and affect the political environment.... Nevertheless, the year 1999 may represent historically, one of our best opportunities to deal with key U.S. security concerns on the Korean peninsula for some time to come.”
Indeed, the pressure of time, or the need for favorable timing, provides a constant backdrop in this book. Negotiating a final agreement to implement the general principles produced at the last round of the talks might take a few years under the six-party format; but it is unclear whether the governments of the key parties will be able to maintain and coordinate polices necessary to permit a final accord. In the case of the United States, events tied to the calendar—such as the 2006 Congressional elections and soon thereafter the U.S. Presidential sweepstakes leading to 2008—are certain to constrain the Bush administration’s ability to sustain major initiatives without incurring significant domestic political costs. Yet, if bold actions are not taken soon and—just as critical—given time to build momentum, the result will be a U.S. policy toward North Korea ensnared in partisan and ideological strife. Meanwhile, North Korea will remain content with the status quo. It will do just enough to keep other parties hopeful, but will nonetheless continue to steadily increase its stockpile of fissile material each year. The problem of North Korea's nuclear weapons will become progressively harder, and more costly, to solve. In this context, the U.S.-ROK alliance will remain strained, and growing tensions will persist throughout the Northeast Asian region.

This volume offers a variety of perspectives, even as it aims to rectify misconceptions and increase collective understanding about North Korea. It is intended to be a “snapshot” of what is going on now, in 2005, in North Korea. This was the rationale for addressing so many topics—that it might prove useful to policymakers now and scholars later. Many who contributed to this volume believe that the Bush administration’s first-term policies toward North Korea have been less than effective, yet these authors were not charged to advance an overall solution. To be sure, one overarching theme connects these pieces: there is much we still do not know. Yet another, more hopeful policy element also emerges from the many viewpoints in this book. To some extent, Henry Rowen speaks for all of the authors collected here when he observes that economics and commerce can be a powerful, positive force for change.

Hope therefore remains. Let us hope that 2005 will indeed mark a rebirth and a new beginning for East Asia.

Notes