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Editor's Note

Although South Korea has recently been primarily preoccupied with its recent request for an IMF bailout loan as a desperate attempt to salvage its staggering economy, the upcoming Presidential election has also been in the limelight. The results of this year's Presidential elections could have far-reaching effects and implications for the future of North-South Korea relations. The three major front runners of this year's election all agree that the ultimate goal is peaceful reunification, but the means and pace in which this objective is sought is likely to differ with each candidate. Regardless of the next administration's policy stance on North Korea, efforts will prove futile if North Korea refuses to cooperate or make compromises.

It is no secret that North Korea suffers from an acute food shortage, and its inadequate medical supply has also recently been a focus of much attention. However, despite these bleak circumstances, the future does look promising for all parties concerned. For the first time since the end of the Korean War the two Koreas held their first peace conference, along with the United States and China, in Geneva recently. It marks the first multilateral attempt to discuss the establishment of a peace structure on the Korean peninsula since 1954. The North's mere agreement to partake in such peace talks was a encouraging sign of progress.

This issue commences with Professor Byung-joon Ahn's **Perspective** on the future alliance between Korea and the U.S. in Northeast Asian regional security. Even after reunification is realized, Professor Ahn believes that a U.S. military presence should be retained in order to safeguard the region's security and stability. We then present a special written interview between Professor

Anthony Lake, the former National Security Advisor to President Clinton, and Dr. Joong-Woong Kim, President and CEO of HRI. Professor Lake states his views on various aspects of North-South Korea relations, including an explanation of the U.S. “soft landing” policy. He also shares his thoughts as a former U.S. policy maker on South Korea’s handling of the unification policy which the U.S. has criticized previously.

Professor Aidan Foster-Carter of Leeds University in England starts off our **Current Issues** section with his account of Kim Jong-il’s official appointment as General Secretary of the ruling Korean Worker’s Party. He explores the possible internal and external implications this will have on North Korea and the rest of the world.

Mr. Nigel R.J. Cowie, the General Manager of the Peregrine Daesong Development Bank in Pyongyang, discusses the recent changes in the Rajin-Sonbong region. Specifically, he draws attention to how these changes have effected the development of North Korea in general, and what these changes may indicate for the North’s future.

The significance of the light-water reactor project in North Korea was examined by Ambassador Sun-Sup Chang, a member of the KEDO Executive Board. Ambassador Chang explains the nature of the project and challenges that need to be overcome, while also highlighting the progress that has been made and is likely to come about with the successful and complete implementation of this project.

This section concludes with Dr. Marcus Noland’s views on Korean unification. According to Dr. Noland, the North has uti-

lized "extortionist's" tactics to obtain badly needed food aid. Therefore, he suggests entering into a "grand bargain" as a means of eliminating the DPRK's security threat. The biggest challenge that remains is convincing the North Korean elite to accept the "grand bargain", rather than attempting to sustain its status quo.

In the **Articles** section of this issue, international viewpoints concerning a diverse array of prevalent North Korean issues is provided by scholars and academics from around the world. An estimate of the DPRK's armed forces fuel use was illustrated by David F. Von Hippel and Peter Hayes of the Nautilus Institute for Security and Sustainable Development, further emphasizing the magnitude of North Korea's government expenditures that have been devoted solely to the armed forces, estimated at 12%.

On a different note, Professor Chung Hoon Lee of the University of Hawaii, draws analogies of Korea's unification to the German case of unification. Taking on an economic perspective, Professor Lee stresses the fundamental differences between the two countries, while pointing out the various lessons that can be learned in order to avoid damaging mistakes previously made by Germany.

Professor Adrian Buzo takes an in-depth look at the North Korean Workers' Party Secretariat. Professor Buzo examines how the Secretariat, while known as a powerful and influential body, has mainly served a symbolic function where its incumbents have derived little or no power. A comparison to the former Soviet Union's Communist Party Secretariat is also provided.

Japan's role in helping to reform North Korea's economy is analyzed in Ms. Hisako Tsuji's paper. Ms. Tsuji asserts that Japan,

along with the ROK, will play key roles in arriving at a multilateral cooperation with the DPRK. She also emphasizes the need to improve North-South Korea relations before any progress can be made in Japan-North Korea relations.

Dr. Jung Dong Park of the Korea Development Institute concludes the section with his discussion of how the Rajin-Sonbong Free Economic and Trade Zone will effect the rest of the North Korean economic structure, drawing a comparison to China's experiences with free economic trade zones. The Rajin-Sonbong region will result in changes in the ownership structure and economic management system. If these changes yield positive results for the region, it is likely to lead to further economic structural reforms in other areas of North Korea.

No one knows what the future may hold, especially since we are unsure of the nature of the North Korean policy in South Korea's next Presidential administration. Nevertheless, the ongoing developments concerning North-South relations are clear indications of improvements and progress. North Korea's willingness to step out of its shell and engage in projects with South Korea and other countries, such as the light water reactor project, the Rajin-Sonbong region, and most recently the peace settlement talks, all provide outlets for exchange with the outside world. Hopefully, these exchanges will lead to positive results for both Koreas, but North Korea in particular. It is only then that it can serve to encourage North Korea to open up further to the world, which can eventually result in a peaceful reunification of the two Koreas. ■■■