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# The Unification Course of the New South and North Korean Governments and the Future of the Korean Peninsula

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## Introduction

This year is a year that both the South and the North have a lot to celebrate about. August 15 this year will mark exactly 50 years since the Republic of Korea government was founded and September 9 will also be the 50th year the Democratic Peoples' Republic of Korea was founded. It was wonderful for the South and the North to have founded independent nations in 1948, though a divided system, after 38 years of colonized rule by the Japanese and the divided occupation by the United States and the Soviet Union.

If five decades have passed since then, it should be an atmosphere worth celebration in both the South and the North. To our regret, both the South and the North are in serious national crises. The North Korean crisis, which started at the end of 80's, is very serious beyond description. On the occasion of South Korea having received an IMF bailout package last year, people got mad and upset and are in the state of being worried about the forthcoming days without having any hope in the future. Ironically this year, which should have been a year of celebrating 50 years since the

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foundation of this nation, became a year in which the psychology of worry and anxiety rather than celebration dominate.

At this moment of time, we are approaching the 21st century. We told a lot of rosy stories that if the 21st century comes, the period of the Pacific will open and the period of the unification on Korean Peninsula will come and that the Unified Korean Peninsula will play a central role in the period of the Pacific in the 21st century. But if we consider the situations in which the South and the North are located today, we must examine ourselves on whether the past outlook didn't come from optimism without any basis.

Under this unclear and unsure situation, new governments started officially both in the South and the North. In the South, the 15th presidential election held on December 18, 1997, was won by the presidential candidate, Mr. Kim Dae-jung, who was inaugurated officially as the new president on February 25, 1998. Also in the North on 8th of October last year, the Kim Chong-il regime officially started with Kim Chong-il officially succeeding his father as the General Secretary of the Party, which was delayed for 3 years.

Since we saw the start of new regimes at a similar period both in the South and the North, we should pay attention to how both the South and the North are managing the crises they are facing and how they are setting up their new relationships. From this point of view, I will summarize the positions the South and the North are taking in regard to the problem of the Korean people, mainly concentrating on the recent conference of the South-North authorities.

## **Positions of South and North Korea**

### *1) Separation Principle of the Economy and Politics: Still Gap in Viewpoints between South and North Korea.*

South Korea made it clear that the new government will go ahead more positively on North Korea issues under the principle of separation of the economy and politics. As we already know very well, President Kim Dae-jung was the one who proposed the so-called "theory of sunshine" in quoting the Aesop's fables from the

beginning. As it is sunshine not storm that takes off one's protective clothing, the framework of the sunshine theory is that it is not a strong conflict policy but soft cooperation that will let North Korea take off the clothes of closure and "revolutionizing South Korea." Extending this logic, President Kim made himself clear that from the long-term point of view it is desirable to change the attitudes of North Korea by yielding in whatever can be yielded and supporting whatever support can be given and improve the South-North relations by doing so. The sunshine theory appeared as the principle of separation of the economy and politics more specifically and became the backbone of the policy toward North Korea.

Here we should think very hard about what the principle of the separation of the economy is all about. More simply it means the economy should be separated from politics. It is a fact that in this separation principle lies an expectation that there will be an improvement in South-North relations naturally with the political arena being affected by the so-called repercussion effects in the integration theory if we increase economic cooperation by promoting it regardless of politics.

While explaining about this separation principle, Mr. Kang In-duck, the Minister of Unification, said, "We won't stop the economic cooperation if it is within a limited range, even if there is any military infiltration from North Korea." More specifically he added, "We will have the intention to continue the South-North exchange and economic cooperation even though there was a submarine infiltration incident on the East Coast and doing so will positively improve the South-North relations."

This position of the Kim Dae-jung government is worth evaluation. I basically stand at the same position. Because if we take the Tit for Tat theory for the South-North relations in negotiations theory—i.e., if the opposition party hits me once, I hit him back, or teeth for teeth, eye for an eye—there won't be any way out. We should take the GRIT theory, which is a Gradual Reduction in Tension.

Because of that reason, I consistently said in the past that we shouldn't view each set of intermediate talks as a win or loss in

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relation to the South-North conference but should consider each of the intermediate talks as a part of a certain longer conference. From the viewpoint of a fundamental theory, don't get too mad or hurt if we give whatever has to be given even though we get nothing back at some talks. If we accumulate givings, eventually North Korea will give responding measures. This strategy of "prior concessions" can be a fundamental solution for the South-North relations from a long-term point of view.

To arrive at this position, I got a hint from the relationship between East and West Germany before the German Unification. I studied the unification problems of Germany and Austria for 10 months from 1988 to 1989 in Germany and Austria and realized I could learn a lot of lessons from the policies West Germany took regarding East Germany.

When I had conversations with West German experts, they told me the following. They said they tried to give as much as possible, even though they didn't get any reward from East Germany. Because if they left East Germany economically poor, East Germany would depend more on the Soviet Union. More dependency on the Soviet Union would make the East-West German relations remote, which would make the German unification more difficult for East Germany since it was so dependent on the Soviet Union. They thought it very important to keep on giving something to East Germany so that West Germany kept a good relationship with East Germany.

For example, during the 1950s, when the Cold War was at its worst, the United States asked the European Allied countries receiving aid from the U.S. not to buy any merchandise from the communist countries as part of its policy to block the communist world. At the time, West Germany was said to be in much agony. If the U.S. policy of blocking the communist world was done perfectly, East German merchandise couldn't come out to the western world, which would make the East German economic situation more difficult. If this happened, wouldn't East Germany depend more and more on the Soviet Union without a doubt? The deeper the dependency on the Soviet Union, the more remote the relations of East-West Germany would get. West Germany decided to pre-

vent this. So West Germany secretly let East Germany know, "Alright, we will overlook it. Why don't you sell your merchandise with our trade marks to the western world?" East Germany couldn't help but do so and was able to survive those difficult years. It was a very impressive story.

West Germany also took the following policy. When one went from West Germany to West Berlin, one could fly but had to go through the land of East Germany if driving. At this time, the West German government recommended to the East German government that they collect a lot of tolls from West Germans. If they did that, West Germans would drop more West German marks when West Germans passed through the land of East Germany. Even though East Germany increased tolls to more than the international level, West Germans didn't resist much since they believed that helping East Germany or keeping East Germany under the economic influence of West Germany would help the unification of East-West Germany, a belief that spread from mind to mind.

Application of these stories to the South-North relations is like a dream. Even during the Cold War East and West Germany were able to make it work, but South and North Korea haven't shown the ability to accomplish those steps even in the post-Cold War period of reconciliation and cooperation. In that sense, I submit that we are a lagging divided country. If Germany was an advanced divided country, we are a lagging divided country.

Of course there is much difference between the situation of Germany and that of the Korean peninsula. But I think we can learn a lot from what happened between East and West Germany. My basic position is as follows: If we don't try to solve problems for each event but, in the spirit of the Korean people, repeat actions which look like one-way concessions in the spirit that all the separate events constitute one chain, it will eventually help peaceful unification. Because of this reason I tell you once more that I support the principle of separating the economy and politics.

And how does this principle of separation of the economy and politics appear in the real world? Right now the Kim Dae-jung government is participating in a conference of the South-North authorities at the vice-ministerial level in Beijing, China, based on the sep-

aration principle. After North Korea asked for fertilizers from us, we responded by saying that we would take up the issue of giving fertilizers together with the problem of setting up a meeting place for the reunion of separated families. North Korea suggested that the fertilizer problem and "mutual interests" be dealt with together and as you all know very well, the conference was made possible as we accepted their offer.

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Dealing with the fertilizer problem along with the problem of reuniting separated families fits into the principle of separating the economy and politics. This is because the reunion of separated families is neither a political nor a military problem but a problem in humanitarian dimension. I think we should insist that we handle the reunion problem of separated families and the fertilizer problem together, which is not only a humanitarian but also an economic problem. But from the viewpoint of North Korea the reunion problem of the separated families is a political problem. Since separated families were attributed to the Korean War and South and North Korea made use of the problem of separated families politically, there is sense to the argument that this problem is not a problem of the humanitarian dimension but a political problem.

Therefore from the viewpoint of North Korea, it is possible to protest that the South Korean government is proposing the separation of economy and politics in words but goes ahead with the conformity of economy and politics in reality. At the Beijing conference, North Korea protested that the problem of separated families is a political problem and stuck to its opinion that the talks be limited to the fertilizer problem. This tells us that the separation principle of the Kim Dae-jung government is challenged and can be challenged in the future.

Here we should think of why North Korea asked for fertilizer. It is a very interesting object of observation, depending on how we see it. There seems to be a lot of things they could ask for but why are they asking for fertilizers?

It comes from the following appropriate calculation. If North Korea uses 1 ton of fertilizers, it will get 3 tons of crops at worst

and 5 tons of crops at best. And they have calculated that asking for fertilizers rather than crops will give them more profit. What is interesting is the fact that North Korea has asked for 20 tons minimum and 50 tons maximum. When we told them that we intended to give 20 tons, North Korea said that we should give them 35 tons, the average of the 20 tons we wanted to give and the 50 tons they ask for at maximum. Therefore if we translate this into crops and give them 20 tons, they will get 60 tons of crops at least and 100 tons of crops at best.

For your reference, this year's total demand for crops in North Korea is approximately 4,760,000 tons. If we calculate specifically, last year's production was 3,490,000 tons and the amount of aid we promised to give but didn't give last year and the amount we gave this year was 240,000 tons. If we add up these two numbers, it will be 3,730,000 tons. This amount is what North Korea is guaranteed to have. Hence if we subtract the guaranteed amount of 3,730,000 tons from the total demand of 4,760,000 tons, they are 1,030,000 tons are short. The amount of fertilizer they are asking for coincides with the amount of crops they are short by according to the prior calculation methods. This is probably why they asked for fertilizers rather than the crops.

But they don't have any intention to answer our suggestion to set up a meeting place for the reunion of separated families. This is because they are worried about the possibility that if the reunion of separated families is officialized and expanded, the news that South Korea enjoys a higher standard of living than North Korea will spread out through North Korea, which will shake up North Korean society from the bottom. However, North Korea is hiding what they have in mind and showing their unjustifiable argument that they can't talk about the problem of separated families since it is a political problem.

Looking at matters this way, one of the most important things the Kim Dae Jung government has to do in relation to the South-North conference is to check out how the separation principle appears in reality and set up appropriate measures. This is because quite often things have occurred that are separation of economy and politics on our side but are not separation of economy and pol-

itics on the North Korean side. For this matter, it is possible to interpret it as that even for the materialistic, monetary and technical exchanges and cooperation between South and North Korea, movement of these from private to private is economical and not political, but political if authorities get involved. In any case, because the difference of viewpoints on the world itself, the separation of economy and politics between South and North Korea will continue to be quite evident in the future. I stress again that how to interpret and apply this separation principle will remain as an important problem realistically.

On this occasion, I want to add a word about the sunshine theory which is the framework of the principle of separating the economy and politics. I already wrote at the beginning that the sunshine theory is right fundamentally. However, since the real world not at an ideal world, there can be occasions that the storm theory is more appropriate than the sunshine theory. Because of this, I hope that the Kim Dae-jung government does not stick too much to the sunshine theory and the principle of separating the economy and politics. Also the attitude of flexible thought and management is important.

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2) *The Carrying Out of the South-North Basic Agreement; The Transformation of the Korean Problem from Koreanization to Internationalization*

President Kim Dae-jung has consistently insisted that carrying out the South-North Basic Agreement is the core subject to open the South-North relations, so with the inauguration as a president, he urged North Korea to carry out the South-North Basic Agreement. The South-North Basic Agreement is the most shining example of progress in the history of the South-North relations since the separation. The South-North Basic Agreement signed in December 1991 has more meaning than the South-North Joint Communiqué announced on July 4, 1971.

South-North Joint Communiqué is fundamentally a statement, and the signers of South and North Korea didn't use the name of the



nation which they belong to. The statement which is more specific and practical than July 4 Communique is the the South-North Basic Agreement. This was officially contracted under the names of Mr. Chung Won Sik, the Prime Minister of the Republic of Korea and Mr. Yeon Hyung Mook, the Prime Minister of Political Bureau of Democratic Peoples' Republic of Korea, which means that they used the official names of their nations and their positions. And on February of 1992 in both South and North Korea, this document came into effect.

I say that there is no need for South and North Korea to make a new document in the future since this document is still effective. This document specifically contains almost all of or more than the contents included in the Basic Relations Agreement of East-West Germany. Therefore even if South and North Korea do three or four items in the South-North Basic Agreement, the South-North relations will start to go through fundamental changes. To that extent, the South-North Basic Agreement is an important and meaningful document nationally and if South and North Korea decide, they can put the document into practice.

Looking this way, it is quite natural for our government to urge North Korea to carry the South-North Basic Agreement fast. But the problems lie in that North Korea doesn't respond to this easily. In the South-North Basic Agreement the armaments reduction in South and North Korea can be discussed about and the organizations that can deal with South-North reduction of armaments were already set up and even the provisions of the South-North inviolability were included. But North Korea has not responded easily to our demand that the provisions of the document be carried out.

The time when the South-North Basic Agreement was adopted was an outstanding period when the trend of Koreanization of the Korean Question was strong. On the occasion of the Berlin Wall's collapse in 1989, it was the period when the Cold War system collapsed and, relatively speaking, the behavior radius of the parties concerned was wider than powerful countries. But between

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1993 and 1994 as the nuclear crisis of North Korea was developing, the conversation on problems of the Korean Question between the U.S. and North Korea went on. And on this occasion North Korea and the U.S. succeeded in signing the Agreed Framework in Geneva 1994. Therefore after this Geneva agreement was done, the problem of the Korean Question changed from the trend of Koreanization to the trend of internationalization. Nevertheless in the early 1990s when there was a trend of Koreanization of the Korean Question, there were eight talks between the prime ministers from South and North Korea and finally the South-North Basic Agreement was accepted. But on the occasion of the North Korean nuclear crisis, there occurred direct mutual conversations between North Korea and the U.S., excluding South Korea and as a result since the Geneva Agreement was contracted, I feel that the problem of the Korean Question went to the trend of internationalization rather than the trend of Koreanization.

Here lies partially the reason why North Korea won't participate in the South-North conversation since the general conference. North Korea has taken the attitude that "as we took the topknot of the U.S., why are we in need of talking to South Korea rather than talking to the U.S. directly? The U.S. tries to keep mutual conversations with North Korea under the judgment that prevention of the North's nuclear development is most important. The U.S. tries to draw a soft landing with the purpose of preventing the sudden collapse of North Korea through direct talks with North Korea and leading North Korea to step by step changes.

Therefore as the width of conversations between North Korea and the U.S. gets wider, we are located in the situation where the South-North conversations have been downgraded as a supportive role. And by using this opportunity appropriately, North Korea is willing to receive rice or fertilizers but not to talk about certain fundamental problems. One representative example is that North Korea consistently insists that the important problem of changing the cease fire system to the peace system on the Korean Peninsula is dealt with only between North Korea and the U.S.

Because of this reason, we are asking ourselves how practical it is in the sense of diplomatic reality to find the starting point for the

solution of the South-North problems or the key to the solution of the South-North problems in the South-North Basic Agreement. Of course when we consider the national pride especially, it is quite natural to put the South-North Basic Agreement before everything else. Only what I want to put for discussion is whether our position continues to keep international practicality even in the future.

I expect that internalization of the Korea Question will get quicker. In the past days, we had economic power as an incentive method. But right now as we are in the period of management by the IMF, it is hard to use our economic power as an incentive method to lead North Korea. Moreover, as we are in the period of management by the IMF, the influence of the U.S. and the international world in the overall management of the domestic affairs of our country is getting bigger. I think the same is also true in North Korea. A couple of days ago as it appeared in the newspaper, some countries of the Western world including Sweden made it clear through the UNDP their intention to teach North Korea about capitalism and market economy. Their intention was delivered to the IBRD, who delivered the intention to North Korea. North Korea liked the idea that money comes to North Korea from the western world. The research department of IBRD was about to get into North Korea, which I found very interesting. Just as the influence of IMF and the international world on South Korea gets bigger, I think, isn't this an indication that the influence of the international world such as IBRD or the U.S. on North Korea is also getting bigger? Today the economic status of North Korea is in the serious situation where they have to take something from the U.S. or the international world. Looking this way, I think that North Korea will take whatever is given from us but will go in the direction that they expand and develop the economic cooperations with the U.S. Of course the direction can cause big changes in North Korea and can be a detonating fuze causing abrupt change in the North Korean system. But when Kim Chong-il has the belief that the characteristics of the North Korean system, which puts the oppression and the brainwashing as the basic tool for rule, would slow down the speed of such a change, he'll seem to be more aggressive in improving the relations with the U.S.

If this happens, as I told you at the beginning, I expect that the right of speaking on the Korean Question by the western world like the U.S. seems to be getting bigger, as the internationalization of the Korean Question spreads. In this situation, I think of the possibility that the framework of the General Conference applies more effectively than the South-North Basic Agreement. Therefore as we observe the trend of internationalization of the Korean Question, we have to walk the way in which we have enough rights of speaking for our people and our Republic of Korea.

By saying this, I am not insisting that the South-North Basic Agreement and the General Conference are two conflicting documents. On the contrary, two documents are documents complementing each other. But the core of the problem lies in the fact that South Korea doesn't have any special measures, even though North Korea's priority is the mutual conversation with the U.S. by respecting the General Conference, but the South-North Basic Agreement is a secondary concern or can be shut down. We have to find out ways to draw North Korea to South-North dialogue without fail.

The Kim Dae-jung government seems to find this way in the separation principle of the economy and politics, i.e. the sunshine theory. But as I told you before, this will face its limitations. Therefore while keeping it, the Kim Dae-jung government should continue to find out other ways.

### **The South-North Relations from Now On: Centering Around the Possibility of the Conference of Top Leaders from South and North Korea**

Evaluating today's situation this way, we should think about how the South-North relations will proceed from now on. It is quite adventurous to predict the future. The world-wide distinguished scholar, Professor John Kenneth Galbraith left a famous saying that "Time always insulted social scientists." It means that, as time passed, social scientists who made all kinds of predictions got insulted, whatever predictions they made. Even though I keep his teaching in mind, I will write about the future of South-North talks.

First, as the focal point of concern here, if I talk about the a summit between South and North Korea, it won't occur easily. The reason can be conjectured to a certain degree if we see the history of how they proposed a South-North Summit.

As I know, the late President Park Chung Hee hesitated to have the a summit. At that time the opposite party was Kim Il-song so if the summit occurred, it was quite evident that the world-wide mass media would have rushed to the scene. Even though a lot of prior adjustment is made, it would be devastating that if, at the historical scene of the first meeting without the consideration of prior adjustment, Kim Il-song, after the first hand shake, had said, "Oh, Why did you attack us so much at that time? We suffered a lot at that time." Before the end of the World War II, because the late President Park was in the ranks of the Japanese army and Kim Il Sung was in charge of the Communist forces fighting against Japan, the conference wouldn't proceed any further if such conversations come out of the first scene and what it means is known to world mass media.

Later, the past Presidents both Chun Du-hwan and Roh Tae-woo were eager for South-North summits. In the case of the past president Chun, he was itching to have the South-North Summit under the calculation that the way-out to solve the question is a summit, since he felt pressure from the process of obtaining his power. North Korea saw through this. Hence North Korea pretended that they would attend a summit but tried to get something often from us. Especially, what Kim Il-song negotiated at that time was that "don't do the Seoul Olympics if we attend a summit" But because the Seoul Olympics was already fixed, he tried to negotiate with the idea "Let's split the Seoul Olympics. Give us some share to Pyongyang." Also he asked that "Accept the Koryo Confederation system if we have a South-North summit." This way, North Korea tried to gain big since they saw it through that South Korea was eager to have a meeting. The past president Roh wanted to accomplish the summit so that he become the first president to hold the summit in the history of the nation. Psychologically he thought that because it is an achievement producing a great outcome, it will cover things of the past days.

It almost happened in 1992 if I reveal a secretive history. It was proposed that the summit would end in a day. North Korea didn't even think about going down to South Korea & thought that South Korea should come up to Pyongyang for the conference. Even so if we went up to Pyongyang, it was evaluated that there would be a lot of resistance domestically. So at that time, an idea that they meet each other in Kaesong was proposed. Anyway Kaesong belongs to North Korea so North Korea was satisfied a little bit and the fact that we didn't have to go up to Pyongyang will smooth national opinions. Therefore two sides meet at the same day for lunch and part on that day. But the U.S. administration objected to the summit itself rather than to this case. Their position is that it is impossible before we get something from North Korea as the nuclear problem of North Korea is very serious.

The past president Kim Young-sam was eager for it. Former U.S. President Jimmy Carter took the initiative and it is still fresh in our memory that it was agreed that the conference will be held in late July 1994. But we remember well that it didn't happen as a result of Kim Il-song's death.

In this process North Korea tries to get as much as possible out of a South-North summit. Hence their intention of getting as much as possible was very strong, pretending that they try to respond sometimes.

But this time the case looks a little bit different. It's whether Kim Chong-il is very aggressive in responding. Looking into the records of Kim Chong-il so far, he is not the type of person who shows off like his father at official sites. This man has an aspect of

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hesitating to be exposed externally and has less confidence in dealing with external matters directly by himself. He seems to have an inferiority complex about his low height and looks like ugly according to his expression. Because of this reason, I think Kim Chong-il feels inferiority complex toward President Kim Dae-jung, as the late President Park felt an inferiority complex toward Kim Il-song in the past days. Moreover Kim Chong-il is not in a situation where he prefers the summit, since he continues his confrontation policies toward South Korea

in order to keep his own system. I think it is hard to accomplish the summit for the time-being, considering all these things.

I want to add a word about the summit. We have to calculate reasonably what are the things we can get practically through the summit. And after the dealt of Kim Il-song, we have to calculate reasonably whether it is necessary for us to be eager for the summit, dealing with Kim Chong-il. I think we do not have to show that we are rushing for a summit. If it is accomplished, its symbolism is great and as well as its actual worth. But what may be more important than the symbolism is its practicality.

## Conclusion

I want to summarize as follows: as the government recently proposed the separation of economy and politics, important controversies could happen surrounding the definition problems in the real world of South-North conversations. First, because the thought of the separation of the economy and politics by South Korea may be different from the thought of the separation of the economy and politics by North Korea, it is necessary for us to consider seriously the fruits of it, even though it sounds great. Second, right now even though the government considers the South-North Basic Agreement as the starting point of everything, because the Geneva agreement will apply more importantly and the internationalization trend of the Korean Question is getting stronger, it's not a simple question since there are a lot of bottlenecks to work out. Third, as the government proposed to exchange special envoys for the summit and the accomplishment of the South-North Basic Agreement, it looks difficult to have more improvement than the exchange of special envoys.

However our government will make much effort for the improvement of the South-North relations especially for the economic cooperation. The government will make efforts in the way of the expansion of the visits to North Korea by the leaders of large conglomerates and heads of economic associations and the expansion of processing on commission trade. In relation to the expansion of processing on commission, free carrying out and rental per-

missions of domestic idle equipment will be allowed and the present regulation which sets the limit of \$1 million each time on carrying out domestic production equipments toward North Korea is expected to be abolished. In relation to the size of investment, it is expected that they take the policy of accelerating investment instead of narrowing the range of investment prohibitions by making the list of business types of investment prohibitions. Activation measures of the South-North economic cooperation will be announced after they amend laws which have to be amended and make new regulations which don't need any amendments.<sup>1</sup>

These measures will not easily draw the attention of North Korea at once but we expect that one or two years from now North Korea will respond at last. There is no other alternative for North Korea to get out of economic crisis except to cooperate with South Korea. Maybe it is lucky if during this president's term North Korea will assign the Mt. Kumkang-san area as a special sightseeing zone and South and North Korea can go ahead to develop that area jointly. We should work hard to make it happen.

This is based on the prediction that there won't be any collapse in North Korea during the term of President Kim. Even though it is a fact that North Korea is on the extension of one crisis after another, as I told you before, because of the characteristics of North Korean system where they have unprecedented oppression and brainwashing as their major tools of rule in the modern cultural world and systemize the idol worship of the most powerful man, I want to add that experts' common opinion is that North Korea will survive through the term.

In this section, I want to draw your attention to the problem of guaranteeing the support of domestic public opinions. What is more important in relation to the establishment and execution of

<sup>1</sup> The Korean government held "the Promotion Conference of Exchange and Trade between South and North Korea" on April 30 under the auspices of Minister of Unification Kang In-duck and decided on the "Activation Measures of the South-North Economic Cooperation" whose major contents are to abolish completely the size of investment toward North Korea, limited to \$ 5-10 million right now, and allow all business types as investment items toward North Korea, excluding strategic and heavy industries. These measures have meaning in the sense that they complemented insufficient aspects and revised the "Activation Measures of the South-North Economic Cooperation" announced in November 1994 in 3 years and 5 months after the Geneva Conference between North Korea and the U.S. The contents are summarized in the table as follows:



unification policies toward North Korea is national public opinion. This is what Henry Kissinger, often called the genius of diplomacy, stressed all the time. One of Kissinger's famous articles is "the Domestic Structure of American Foreign Policy". Here he stressed that in order for the foreign policy to have practical effect, the domestic structure supporting the diplomatic policy must be firm. I realize more of this statement. Even though people observe quietly at the early start of a new government, there will occur problems in the future. For example, even though red guerrillas infiltrated into the East Coast again, if we continue economic cooperation in light of the separation of the economy and politics, the sunshine theory, will national public opinion remain the same or if the public opinion doesn't stay the same, does the government have any ability to deal with it? Therefore I think that it's difficult to expect any dramatic change.

This doesn't mean that we will be lazy in making efforts to improve fundamentally the South-North relations. We have to work hard ceaselessly in order to solve the nation's problem peacefully. However, we can't depend on extraordinary methods or a short cut in order to show off certain accomplishments and we don't have to show our feelings too quickly when something happens. It is desirable to deal with this matter with patience and with philosophy and principle. But generally the South-North relations will be influenced greatly by the U.S.'s policies toward Korea, the developing stages of the Sino-American relations, the relations of neighboring countries surrounding the Korean Peninsula, and the solution methods of their pursuit for the Korean Peninsula problem. The Korean problem will be influenced by neighboring superpowers still as an international problem. Because of this, I think we should closely watch the developments of situations, while paying attention to these aspects. International diplomacy dealing with superpowers or the international world is still important. ■■■

## Contents of Activation Measures of the South - North Economic Cooperation

Items	Current	Revision
Level of economic cooperation	government-led example economic cooperation	self-regulatory economic cooperation under the responsibility of business enterprises
Visit of North Korea by businessmen	selective permit	permit upon preparation of invitation papers from North Korea
effective period of visit to North Korea by businessmen	1 year	3 years
Period of handling permission for visit to North Korea	contact 20 days visit 30 days	contact 15 days visit 20 days
Procedure of visit to North Korea by businessmen	approval per plan each time	introduction of frequent visit to North Korea
Allowed amount carrying out of production equipments	less than \$ 1 million	no limit
Size of investment in North Korea	\$ 1-5 million	no limit
Investment items	light industry, service sectors	all sectors excluding national defense and strategic industries
Procedure of approval for cooperation businesses	dualization	limited one dimensional-ization
Limited items of South-North trade	205 limited items of overall approval	gradual expansion of overall approval items

Source; Munwha Daily Newspaper, May 1, 1998