

Normalization of Pyongyang-Tokyo Relations: Its Prospects and Seoul's Role

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Introduction: Meaning of Normalization of Pyongyang-Tokyo Relations from a Historical and Realistic View

Pyongyang-Tokyo relations in a post-cold war era demand that we adopt a new viewpoint, that is, to see them from the viewpoint of whole Korean Peninsula. Seoul-Tokyo relations normalized in 1965 are only half of the relations Tokyo has with the whole Peninsula. From Japan's point of view, normalizing relations with Pyongyang is an unfinished task in finalizing its defeat in the second world war together with disputes with Russia on northern territory. North Korea is the only country with which Japan does not have a diplomatic tie among 183 member countries of UN.

Pyongyang-Tokyo relations should also be seen from a historical viewpoint. Normalization implies that two articles in Korea-Japan Basic Treaty concluded in 1965 are actually being revised: that is, the 2nd article on nullification of Korea-Japan Annexation Treaty and the 3rd article on the only legitimate government on the Korean Peninsula. In October summit of 1998, Seoul and Tokyo agreed to resolve differences on the past history, which affect Japan's persistent position on the Annexation Treaty that this treaty was effective. If Japan recognize Pyongyang regime, the article that Seoul is the only legitimate government on the Peninsula will be actually nullified.¹

On the other hand, normalization between Pyongyang and

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Tokyo should also be seen from an international order of East Asia. From Pyongyang's position, it has been a diplomatic goal to change hostile relations with Tokyo to friendly ones in order to escape diplomatic isolation. In addition, compensation money that Pyongyang will receive from Tokyo with the normalization is one of the limited sources of huge financial resources that can be achieved as a result of "legitimate demand." Diplomatic tie with Japan, which is the second largest economy in the world, is a necessary structural condition for Pyongyang to transform its internal system in that normalization guarantees the security of Pyongyang regime. Ties with Washington and Tokyo mean that Pyongyang is accepted as a normal member of the East Asian international order. The tie with Tokyo will be a decisive occasion for the overall transformation of the East Asian international order as well as for the Seoul-Tokyo relations. Confrontation of Pyongyang with Washington and Tokyo has been a part of cold war structure on the Peninsula. The resolving of confrontational structure over 50 years can lead to a qualitative change of international order in Northeast Asia.

Negotiations to improve Pyongyang-Washington and Pyongyang-Tokyo relations are in progress. A new turn from confrontation to negotiation was facilitated by Seoul's "sunshine policy." Perry process² based on the comprehensive approach is entering an initial phase. Accompanying it is a reopening of Pyongyang-Tokyo talks for normalization which is expected at around April. The talks will experience a lot of difficulties until completion.

This article tries to examine various issues related to the Pyongyang-Tokyo talk and provide prospects for its development. Since Seoul's consistent policy toward Pyongyang will be a key to the success of the talk, I will analyse the measures to be taken by Seoul in political and economic terms.

¹ About relations between Korea-Japan Basic Treaty and normalization talk between Pyongyang and Tokyo, see Dong-man Suh, "Relations between Korea-Japan Basic Treaty and normalization talk between Pyongyang and Tokyo," *Asea Youngu* [Asia Study], vol.42, no.2.

² About Perry Report, see "Review of United States Policy Toward North Korea : Findings and Recommendations." www.usia.gov/regional/ea, Albright, Perry, Sept. 17 Briefing on North Korea, www.usia.gov/regional/ea

Improved Pyongyang-Tokyo Relations Accompanying Progress in Pyongyang-Washington Relations

Locus of Pyongyang-Tokyo Relations within "Comprehensive Approach"

Pyongyang-Tokyo relations are bilateral in nature, but they are located and approached within the frame of Washington's global strategy, that is, deterrence of weapons of mass destruction. Since the collapse of the first attempt at normalization between Pyongyang and Tokyo during 1991-92, Pyongyang adopted Washington-first strategy and gave up separate talks for normalization with Tokyo. Washington has no intention to pay for the cost that will be incurred to Pyongyang by giving up the export of missiles, and is expected to transfer the cost to Seoul or Tokyo. Since Tokyo considers North Korea missiles as serious threat to its security, it will try to link the compensation money accompanying the normalization to the payment for the halt of missile program. Washington might approve of the normalization between Pyongyang and Tokyo even before its normalization with Pyongyang, which is progress compared to 1991-92 period when suspicion on the nuclear development by Pyongyang caused such an uproar in the U.S. Tokyo, on the other hand, views that it is not desirable to put its relations with Pyongyang subject to Pyongyang-Washington relations. Tokyo is likely to secure room to deal with normalization with Pyongyang according to its own decision.

Washington-Beijing relations were normalized in 1979 after the historic reconciliation of the early 1970s. Japan who was behind the U.S. in improving relations with China, however, managed to normalize relations with China in 1973, which is much faster than the U.S. Washington, which is under restriction due to the presidential election and the hardliners within the Congress, would approve of the normalization of diplomatic relations between Pyongyang and Tokyo in so far as Washington records a certain level of improvement with Pyongyang such as establishment of liaison office in Pyongyang. On Japan's side, resolution of the missile question is, of course, a necessary condition for the normalization with Pyongyang and favourable public opinion for the tie is also needed.

Favourable Environment for and the Obstacles to the Progress in the Pyongyang-Tokyo Relations

Japan sought lift of sanctions against North Korea after the Washington-Pyongyang high level talk in September 1999 announced that Pyongyang would withhold additional firing-test of missiles and that Washington would lift part of economic sanctions against Pyongyang. Japan put its relations with Pyongyang back before North Korea's missile firing-test by allowing direct flights to and from North Korea. Congressional delegation headed by former prime minister Murayama visited Pyongyang in December 1999 and agreed to reopen normalization talks.³ This agreement was followed by Red Cross talks and government talks at the working level at the end of December 1999 which agreed that normalization talks would be held in early 2000. Japan tried to create a favourable environment for the normalization talks when it decided that abduction issue would be discussed through the Red Cross talks rather than making it a condition for reopening normalization talks. Japan and North Korea agreed that the term abduction case would be changed to missing case. Japan then lifted sanctions against North Korea by providing food aid.

Japan is likely to hold sports or cultural events together with North Korea to alleviate anti-Pyongyang mood. Antonio Inoqui, who is a pro-wrestler and former congressman, visited Pyongyang in July 1999 and agreed to have a large scale performance events including pro-sports games. Japan also agreed to make a joint effort to designate old tombs of Koguryo dynasty as UNESCO world cultural legacy when former prime minister Murayama visited Pyongyang in December 1999.

Japan's food aid to North Korea is likely to restart in accordance with the reopening of the normalization talks. Since Pyongyang-Tokyo normalization talk is supposed to proceed as a part of the comprehensive deal being negotiated among Seoul,

³ About Pyongyang-Tokyo relations after the visit of Japanese congressional delegation headed by former prime minister Murayama to the North Korea, see Dong-man Suh, "Prospect for the Pyongyang-Tokyo relations after the Murayama visit to the North Korea," *Jooyo Kukje Munje Bunseok* [Analysis on Major International Issues], Institute of Foreign Affairs and National Security

Washington, and Tokyo, Pyongyang-Tokyo negotiation including normalization talk will proceed keeping abreast with the result of Washington-Pyongyang negotiations. Japan is known to have tried to avoid what happened during 1991-91 talks, that is, halt of the talk itself resulting from the worsening of a certain issue such as nuclear question in 1992 negotiation, by establishing several committees that deal with a separate agenda.

However, the Pyongyang-Tokyo normalization talk can be a very complicated process involving domestic politics of Japan. Political competition between the forces for and against the revision of the Japanese constitution and the making of security related laws will proceed with conflicts between the hardliners and softliners toward Pyongyang. Since the revision of the Japanese constitution and the making of security related laws are now on the agenda, it is not clear whether the North Korean threat would affect the decision. Japan completed legal measures in one stroke that had been required to carry out the revised U.S.-Japan security guidelines on the pretext of threat from North Korean missiles.

Issues of Normalization Talk

Issues of normalization talk are very complicated. Some issues go beyond boundary of the two countries, which include missile question and congruence with the South Korea-Japan Treaty. Some issues are bilateral in nature, which include apology and compensation for the colonial rule, abduction case, and status of Korean residents in Japan. These issues are hard to resolve and demand persistence and compromise for the successful completion of the talks. Pyongyang and Tokyo know very well each other's position on these issues based on their experiences in normalization talks during 1991-91 and in occasional moves to reopen the talks in 1994 and 1995. Other than the impacts coming from Washington and Seoul, success of negotiation is up to the political will of the leaders of Pyongyang and Tokyo. The idea¹ that comprehensive deal is the only way to solve the entanglement between the two countries comes from this background.

Separating Normalization Talks from Compensation Issue

Since the making of security related laws and revision of the constitution are on the political agenda, the threat from North Korea is likely to be used for political purposes, which might work against the normalization talks. It is not clear yet whether normalization of ties with Pyongyang will work for or against the vision of making Japan into a big political and military power given the political situation of Japan.

During 1991-92 talks, Pyongyang proposed a method of normalization-first and issue-resolution-later. This was proposed to separate normalization from economic compensation. If the talks do not proceed smoothly both sides might try this method. For Pyongyang, this can be a pragmatic approach in that it ensures economic benefits resulting from the normalization of ties while complicated issues are put aside for the moment. However, it is also true that some progress was made between South Korea and Japan on the issue of apology for colonial rule, which contributed to removing one of the major obstacles to the talks.

Method of Apology and Compensation for the Colonial Rule⁴

The issue of apology for colonial rule can be easily resolved if both sides agree to adopt the same level of apology Japan made to South Korea in the Seoul-Tokyo Joint Declaration of October 1998. One major remaining question is the legitimacy of the Annexation Treaty about which Japan's position is not clear. It is also possible to reach an agreement without resolving hard issues such as jurisdiction of North and South Korea on the Korean Peninsula.

On the issue of compensation for colonial rule, Pyongyang will insist on humanitarian reparation for the damages inflicted on North Korean people, while Tokyo is expected to stick to the form

⁴ Okonogi Masao, *The Sunshine Policy and Its Impact on Japan's North Korean Policy*, presented at the international conference on "North-South Korean relations and dissolution of Cold War structure", held by Asia-Pacific Peace Foundation (2000. 2.25).

⁵ See on this issue, Wada Haruki, "Thinking of Pyongyang-Tokyo relations after the Murayama visit to the North Korea.", *Tongilsiron* [Current Issues on Unification], Winter, 1999

of friendly economic cooperation rather than a form of direct reparation. The amount of compensation, based on the money paid to South Korea in 1965, will be somewhere between five to ten billion dollars in current value. Since neither side will concede on this difficult issue, a compromise will be worked out in a way that both sides have space for their own interpretations. Japan offered economic cooperation as a compensation for the South Korean claims against Japan in 1965. However, since Japan already apologized for the colonial rule, this claims approach will not work and North Korean would not accept it.

Abduction Case

Japan formally excluded abduction cases from the preconditions for the normalization talks, but will continue to discuss them through Red Cross. Japan is likely to use this issue as a leverage for the talks while trying to resolve it during or after the normalization negotiation. North Korea promised to investigate the abduction case as a case of missing person, but it is not clear whether North Korea has the will to resolve the issue completely.

North Korea is likely to create a favourable mood to alleviate public opinion critical of North Korea by taking a partially cooperative stance to solve abduction cases. First of all, Pyongyang might allow one kidnapped person, whose identity was publicized, to return to Japan or send back leaders of Red Army who kidnapped Japanese airliner in the 1970s. Japanese wives of Korean residents in Japan who left Japan to live in the North Korea might be able to visit their hometown in Japan. The abduction case is an issue that requires Japan's determination to solve, since it is an issue that can be used to prevent the progress of the talks. If Japan does not change its position from "entrance approach", in which the case is resolved before the normalization talk, to "exit approach" that envisions the resolution of the case with the conclusion of the talks, the abduction cases will remain the biggest hindrance to the establishment of ties.

Missile Issue

Japan has insisted, like the U.S., that North Korea should halt its whole missile program including development, test, export, and production of missiles in order to establish a diplomatic relationship. North Korea has refuted that decision on the production and development of missile is a matter of national sovereignty, and therefore, is not subject to negotiation, though the export of missile can be negotiated in exchange for economic compensation. Whatever the official position of the two countries may be, the economic approach to the missile question is linked to the idea that economic compensation to Pyongyang is inevitable in the process of establishing ties, which is tacitly shared by both Tokyo and Pyongyang. In this regard, whether there will be an economic compensation depends on the result of Washington-Pyongyang talk on missile as much as it is a bilateral issue between Tokyo and Pyongyang.

However, it is not clear whether Japan wants to deal with the missile issue in the normalization talk. Japan's position seems to be that missile issue can be dealt with in Washington-Pyongyang talk through the coordination of Washington-Seoul-Tokyo. But Japan need to get some guarantee from North Korea as long as the North Korean missile is considered a threat to Japan. At the same time, Japan does not want to repeat the experience of 1991-92 normalization talk where negotiation was broken down by the nuclear disputes between Washington and Pyongyang. Tokyo seems to have an intention to avoid the situation where Tokyo-Pyongyang normalization talk is subject to Washington-Pyongyang relations.

Issue of Korean Residents in Japan

The issue of legal status of Korean residents who are close to Jochongryun (the leftist Korean association in Japan linked to the North Korea) will be resolved in a way similar to that of Korean residents who are close to Mindan (the rightist Korean association in Japan linked to South Korea). Korean residents close to Jochongryun are expected to be given a status of North Korean citizen residing in Japan. Jochongryun-line Koreans will have to make

a choice whether they want to be North Korean citizens. Jochongryun will be a legitimate entity enjoying the same legal status as Mindan. Depending on Jochongryun's policy toward Pyongyang, Korean society in Japan linked to Jochongryun might experience internal disturbances.

Political Posture toward Pyongyang-Tokyo Normalization

As an Environment to Bring Change in North Korea and in the Northeast Asian Political Order

Improved Pyongyang-Tokyo relations might cause sense of rejection in the South Korea, which compels us to examine our attitude toward Pyongyang-Tokyo relations. The starting point will be that friendly relations between Seoul and Tokyo is deep-rooted and we should be confident that improved relations between Pyongyang and Tokyo cannot work against Seoul-Tokyo relations. Seoul and Tokyo have maintained 35 years of friendly relationship since the normalization in 1965 and exchanges between citizens are also widespread. Political economic systems of the two countries are the most similar in East Asian region.

Improved relations of Pyongyang with Washington and Tokyo is a channel through which Pyongyang opens its border, and it will make a favourable condition for the changes within North Korea. Pyongyang-Tokyo tie is an important part of the dissolution of the cold war structure on the Peninsula. Cold war structure on the Peninsula is composed of dual hostility between Pyongyang and Washington-Tokyo, and between Pyongyang and Seoul. These two fronts of confrontation are deeply interrelated while they have their own dynamics. Normalization of Pyongyang-Tokyo relation is a road impossible to skip to dissolve the cold war structure on the Peninsula. Especially, normalization of Pyongyang-Tokyo relationship is more than a bilateral issue, and important in that it will influence Japan's move toward dominant military power of the region as well as the overall international order of Northeast Asia. In that rightist or conservative turn of Japanese politics has to do with the tension on the Peninsula, improved Pyongyang-Tokyo

relation can contribute to checking or restraining Japan's move toward regional power.

Self-Confidence on the Inter-Korean Dialogue

Most of the views on the normalization of Pyongyang-Tokyo relation were concerned about negative impacts it might have on the North-South dialogue. However, holding on to this kind negative view is not realistic in that Pyongyang's fear of Seoul's intention is not groundless. Seoul and Tokyo should make it clear that diplomatic tie of Pyongyang and Tokyo is a condition for Pyongyang's positive attitude toward the dialogue with Seoul by making it a normal member of the Northeast Asian international order. With the normalization with Japan, North Korea will be in more balanced position in international relations, and will be more confident in coming out to the dialogue table with Seoul.

South Korea needs to take a more active approach, that is, to take advantage of Pyongyang-Tokyo normalization as a favourable environment to improve Seoul-Pyongyang relations, rather than simply take it as sign of isolation of Seoul. We need to overcome passive attitude of considering Pyongyang-Tokyo tie as a Japan's equal distance diplomacy toward the Peninsula and worrying about it. In longer terms, Inter-Korean dialogue without improvement in Pyongyang-Tokyo relations has its own limits. Seoul-Pyongyang dialogue should be promoted in the process of "normalizing" East Asian international relations which includes Pyongyang's establishing ties with Washington and Tokyo. This does not mean, of course, that Seoul's coordination with Washington and Tokyo is not necessary. Close collaboration with the U.S. and Japan aimed at removing those elements that are negative to the North-South dialogue is necessary to utilize the normalization talk between Pyongyang and Tokyo as an opportunity for improved relation with Pyongyang.

Preparation for the Congruity with Korea-Japan Basic Treaty

Seoul need to establish a firm guideline on the interpretation of

article 2 (on the legitimacy of treaties and agreements concluded before August 22, 1910), and 3 (jurisdiction of government) in the Korea-Japan Basic Treaty. About Article 2, we need to make sure that old treaties including Annexation Treaty is null and void from the start based on Japan's apology for past colonial rule announced in the Korea-Japan Joint Declaration of 1998. The issue of jurisdiction (Article 3 that denies the legitimacy of the North Korean government) can be temporarily settled by placing North and South Korean relations within the frame of special relation in the process of unification as was agreed in the North-South Basic Agreement, which also allows Seoul to get around the territorial jurisdiction written in the South Korean constitution. However, since Seoul's principle on these issues can provide a reference point to the disputes in the normalization talk, official position of Seoul should be issued in a flexible manner in a way to contribute to the smooth proceeding of the negotiation between Pyongyang and Tokyo.

World Cup and Historic Reconciliation between Seoul, Pyongyang, and Tokyo

World Cup 2002 is being considered a symbolic event of the new relationship of mutual understanding and cooperation between South Korea and Japan in the 21st century. In this regard, it can be a historic event symbolizing reconciliation between Seoul, Pyongyang, and Tokyo, if Pyongyang can participate in the World Cup game as a co-host. World Cup is the best chance to send out a message of historic reconciliation among the two Koreas and Japan to the whole world. Co-hosting by North and South Korea is not easy, but Seoul and Tokyo should promote a plan for the co-hosting including organizing a single Korean team comprising both North and South Korean players. Especially worthy of study is how to relate the symbolic visit of the Japanese emperor to South Korea, which is quite feasible, with the historic reconciliation between the Korean peninsula and Japan, as well as the normalization of relations between Pyongyang and Tokyo.

Historic reconciliation of this kind would naturally lead to the peaceful coexistence of Seoul and Pyongyang supported by Tokyo.

Current exchange and cooperation between the two Koreas are led by South Korean civilians' visit to North Korea. Balance is in need through the North Korean people's visit to South Korea. Since the North Korean people are not free to move, Korean residents close to Jochongryun who can visit South Korea at will can play an important role in the coexistence of peoples of two Koreas through contacts. The two Korean associations in Japan, each linked to Pyongyang and Seoul, also can widen contacts and exchanges between them, and thereby practice peaceful coexistence among Korean residents with different ideologies. This will enhance the image and strength of Korean residents in Japan as an ethnic minority, and will contribute to reducing anti-Pyongyang mood in Japan.

What to Do with Pyongyang-Tokyo Economic Cooperation

Historical Lesson of the 1960s

The core element of normalization talk between Pyongyang and Tokyo is the huge amount of compensation money to be paid to Pyongyang. The compensation money will provide Pyongyang with an opportunity to bring a dramatic change in economic fortune of North Korea. Seoul needs to examine the impact the compensation money will bring to North-South economic cooperation. There is a historical lesson to be learned. North Korea was predominant over South Korea just before the Korean War and during the late 1950s and early 1960s when Pyongyang successfully recovered from ashes of the Korean War. Especially during the late 1950s and early 1960s North Korea had been very active in demanding dialogue and exchange as a peace offensive toward South Korea, whose mirror image was South Korea's initiative for dialogue and exchange during after the 1990s.

During late 1950s and early 1960s, North Korea proposed to the South dialogue at diverse levels and broad range of economic cooperation.⁶ South Korea was at that time just about to get out of dark age of dictatorship by Seung-man Lee and its economy had to

⁶ For the documents on North Korean proposal toward the South Korea, see Han Lee ed., (1989), *BukanTongilJeongchaekByunchonsa* [History of North Korean Unification Policy], Onnoori Publishing Co.

rely on U.S. aid. In contrast, the North was confident about its economy after completing a socialist transformation of the economic system and five-year economic plan. The North proposed that Pyongyang and Seoul hold a diverse form of talks such as official talk between the two governments, joint meeting of the two congresses, meeting of the political parties and social organizations, asking Seoul to accept any kind of talk. The North even offered to organize economic committee composed of businessmen to initiate economic exchange between the North and South Korea, if talks of political nature were burdensome to the South. Federation form of unification proposed by Pyongyang was devised as a transitional stage to unification for the purpose of easing the South Korean fear of red unification. Pyongyang's idea of economic exchange contained quite concrete proposals which were designed in nature to help build the South Korean economy according to the ideology of "autonomous national economy."

Of course, it is hard to deny that there were elements in the North Korean proposal that cannot be accepted at its face value given the North Korean strategy of "united front" or propaganda intentions under the cold war structure. It is not even clear that the North Korean economy was strong enough to support South Korean economy. However, the concreteness and flexibility of the North Korean proposal 40 years ago still suggest some important hints. North Korea not only offered to hold political talks but also proposed diverse forms of economic exchange with South Korea, which leads us to compare the current Seoul proposal with that of Pyongyang 40 years ago.

South Korea's strategy for survival 40 years ago was anti-communist policy fortified with Park Chong-hee's ascendancy to power, on the one hand, and rebuilding economy with the fund provided by Japan with the normalization of relation. It is quite interesting to compare the current North Korean situation with the South Korean one 40 years ago. One major difference is that the South Korean economy was not facing crisis of total collapse while current North Korea has suffered total economic crisis in which many people starved to death in the context of collapse of the socialist bloc and diplomatic isolation. Current North Korean strat-

egy is to expand economic cooperation with South Korean businessmen under the principle of separation of economy from politics while giving priority to improving relationships with the U.S. and Japan. North Korean policy is quite similar to the South Korean policy in the 1960s in this regard.

North-South Economic Community and Pyongyang-Tokyo Economic Cooperation

President Kim Dae-jung proposed exchange and cooperation between research institutes of the North and South Korea to devise ways to form North-South economic community in December 1999. Though the North-South dialogue on political and military issues is not within clear view due to the retardation of Pyongyang-Washington and Pyongyang-Tokyo relations, economic exchange and cooperation between the two Koreas are expanding rapidly. Economic cooperation will need talks at the governmental level between the two Koreas, but at the moment, even the prospect for dialogue in economic issues remains unclear. Opening a channel through research institutes, as a way to get around this unsettled conjuncture, is a detour but will have an effect that enhances the level of exchange and cooperation under the principle of separation of economy from politics.

However, the idea of a North-South economic community faces a new challenge with regard to the normalization of Pyongyang-Tokyo relations. Some in Seoul worry that the development of Pyongyang-Tokyo economic relations that will evolve with the establishment of diplomatic ties might create a disturbing situation where economic interests of Seoul and Tokyo crash in advancing into North Korea. If North Korea prefers economic cooperation with Japan which might be thought of less risky to maintain existing system, rather than with South Korea, then North-South economic cooperation which is still in its initial stage may be sluggish, and rebuilding the North Korean economy may be led by the Japanese. The result may be that the economic structure of North Korea is formed in a way to have a strong affinity to the Japanese economy. According to this logic, in terms of national autonomy,

the result is that both the Korean economies come to be doubly dependent on Japan, since the South Korean economy is already heavily relying on Japan.

On the other hand, there are many who view that Pyongyang-Tokyo ties would work in a positive manner. The compensation money is expected to be huge, about five to ten billion dollars, if the money given to South Korea in 1965 is calculated on current value.⁷ Japanese investment of this amount, which cannot be supplied by South Korea alone, would make it possible to build basic infrastructure of the North Korean economy. Furthermore, Japan's investment to North Korea would work as economic stimulation to the Northeast Asian region, providing an opportunity for revitalization of regional economic cooperation. Depending on the division of work or the degree of joint venture by South Korean and Japanese capital, it can even stimulate North-South economic cooperation.

Whatever the views on this issue, the real task is to make the Pyongyang-Tokyo and the North-South economic cooperation work to the benefit of each other, rather than the other way. Preparatory work is needed for the close cooperation between Seoul and Tokyo with regard to economic advance to North Korea. In this regard, Seoul needs to promote ways to link the North-South and Pyongyang-Tokyo economic cooperation so that they develop on a complementary basis. One starting point is to share experiences of Seoul-Tokyo economic cooperation after their normalization of ties in 1965 among the two Koreas and Japan. International consortium can be organized by the South Korean and Japanese companies to achieve that goal. Another way is to utilize international economic organizations such as the Asian Development Bank.

Regional Economic Cooperation

The idea of North-South economic cooperation might work

⁷ For the current economic relations between Pyongyang and Tokyo, and Pyongyang's intentions, see Ji-ho Shin, "Foreign Relations and Economic Strategy of the North Korea," *HyundaiBukanYongu* [Studies on the Current North Korea], Vol 2, no.2, 1999, Eun-ho Cho, "Recent Pyongyang-Tokyo Economic Relations and Their Characteristics," *Tongilgyongje* [Unified Korean Economy], October, 1998.

against the betterment of Pyongyang's relationship with Washington and Tokyo, if it is conceived according to narrow nationalist concerns. Pyongyang might misunderstand too much focus on nationalist idea of economic cooperation as a device for unification through absorption. The idea of the North-South economic cooperation needs to have a congruity with the Pyongyang's idea and to promote opening of the North Korea's foreign economic relations. In this regard, the idea of North-South economic community needs to be combined with other ideas or programs of regional economic cooperation such as idea of economic cooperation in Northeast Asia, East Sea Rim and Yellow Sea Rim regions, and Tumen River Development Program. so that it contributes to the expansion and deepening of economic cooperations in this region linking bilateral and multilateral economic relations.⁸

Attention should be paid to Japan's move to conclude peace treaty with Russia which would also pave the way for Japanese investment in Far Eastern Siberia. Though the prospect for the resolution of disputes on "Northern Territory" is not bright, some compromise may be worked out depending on the Russian political situation. Betterment of Pyongyang-Tokyo relations is likely to be connected to Tokyo-Moscow relations. Japan's investment in Far Eastern Siberia requires link of Siberian railways with the Japan Islands to carry huge amount of facilities. Restoration of railways disconnected between the two Koreas becomes important. Development of natural gas and oil also requires building of pipelines to transport them. A large amount of labor force is needed and the low cost labor of China and North Korea is essential. Thus, development of Siberia requires regional economic cooperation among the two Koreas, Japan, and Russia. In this regard, North-South economic cooperation should go beyond projects within the Korean Peninsula but needs to include joint program for regional development in Northeast Asia. ■■

⁸ For the Japanese position on East Sea Rim economic cooperation, Dong-man Suh, "Vision of East Sea Rim and Northeast Asia Economic Cooperation," International Political Economy of East Sea Rim Cooperation. Joint Conference held by Institute of Foreign Affairs and National Security and Hallym University. January, 1998