

# Changes in U.S.-North Korea Relations and the Prospect of North-South Korean Relations in 1999

Sung-han Kim / Institute of Foreign Affairs and National Security

## Introduction

The U.S. government, which has as one of its most important foreign policy objectives preventing the spread of weapons for massive destruction, is nowadays being troubled by North Korea's development of missiles and possibly underground nuclear sites. North Korea's launching of missiles on August 31, 1998, has triggered U.S. and international concern over the communist country's development and export of missiles. In addition, with suspicions that North Korea's Kumchang-ri underground facilities might be nuclear-related, the U.S. policy of preventing the country's nuclear development through the Geneva Agreement now faces a direct challenge.

With the suspicion regarding Kumchang-ri nuclear facilities becoming a salient issue, the U.S. Congress has not only asked the administration to make a comprehensive review of the U.S. policy toward North Korea, but also provisionally appropriated 35 million dollars for heavy oil assistance on the condition that the administration reconfirms the North's intention to stick to the Geneva Agreement and resolves the missile development problem. Faced with enormous difficulties in domestic politics, President Clinton has quickly responded to Congress's call by directing

---

William Perry to start a comprehensive review of the U.S. policy toward North Korea.

Under this situation, the South Korean government, which is pursuing a conciliatory North Korea policy on the principle of separating politics from economy, cannot help being worried about U.S.-North Korea relations. While the South fully understands the U.S. position, it nevertheless is making efforts to make sure that U.S.-North Korea relations do not get out of control. Especially considering the current economic difficulties, the South Korean government would not want to see tensions rise on the peninsula because of any abrupt changes in the U.S.-North Korea relations.

Nearing the presidential election in 2000, President Clinton is trying to persuade North Korea to maintain the Geneva framework, which has been often cited as one of his diplomatic accomplishments. Recognizing the hawkish mood within the U.S. Congress, North Korea would not want to make things difficult by taking a tough position in talks with the U.S. administration. It seems likely that the North would rather strike a deal with the U.S. in return for some acceptable rewards and assurance from the U.S. It is questionable, however, whether the Republican party, which is trying hard to find an explosive issue to be used for the 2000 election, would willingly cooperate with the current administration in dealings with North Korea. Therefore, the North-South Korean relations in 1999 will have to be affected, directly or indirectly, by changes in the U.S.-North Korea relations.

### **Scenario for Changes in U.S.-North Korea Relations and North-South Korea Relations**

In resolving the North Korean problems, the U.S. seems to have at least three policy alternatives. They are a "piecemeal approach," a "package deal," and a "military response." In actual

implementation, however, the three alternatives cannot be mutually exclusive.

With the piecemeal approach, the U.S. would first secure diplomatic support from neighboring countries, and then use this international support for calling for North Korea's cooperation in resolving various issues including that of underground nuclear facilities. If the North responds to this call, the U.S. would expand its food aid to the North, gradually lift its economic sanctions on the North, and accelerate the process of normalizing the relationship with the North. The current administration seems to think that this is probably the most realistic approach.

With the package deal approach, the U.S. would lift the economic sanctions and normalize the relationship with North Korea at once, in return for the North's abandoning of its nuclear facilities and missile development. This approach, furthermore, would fundamentally resolve the structural dilemma entailed in the trilateral relations among South and North Korea, and the U.S. This would be feasible, however, only in the long term, but not in the short term, since it would require the consent of Congress and the North's reliability in pursuing reform and opening. The normalization presupposes the lifting of economic sanctions, which in turn requires the consent of Congress. Given the current political mood within Congress, however, obtaining such consent would be highly unlikely.

With the military response approach, the U.S. would pose a military threat, strongly implying that it will have to use its military forces if the North refuses to accept the U.S. proposals. Moreover, the approach includes the possibility of returning back to the old containment policy should the Geneva Agreement be abandoned because of the North's uncooperative behavior. Considering the geopolitical peculiarities of the Korean peninsula, however, it is unlikely for the U.S. to actually take a military mea-

---

sure on the North such as a surgical air strike, unless the North initiates a massive military move.

The North-South Korean relations in 1999 will be largely determined by several scenarios for prospective changes in the U.S.-North Korea relations. These scenarios, of course, are closely related to the U.S. government's three policy alternatives just mentioned.

First, we can think of a scenario where North Korea and the U.S. strike a compromise, sticking to the piecemeal approach. North Korea would allow periodic inspections of the Kumchang-ri nuclear-suspected facilities, and maintain freezing of Yongbyon nuclear facilities, while the U.S. would increase the amount of food aid to the North and partially lift its economic sanctions against the North. For this scenario to be realized, North Korea's intention to keep the Geneva Agreement must be confirmed, which has been requested by the U.S. Congress as a precondition for improving its relations with the North.

It would be premature, however, to conclude that this scenario would have positive effects on North-South Korean relations, since North Korea has been taking the policy of "allying with the U.S. and containing the South," when its relationship with the U.S. is good. In other words, North Korea would find little reason to speed up the process of improving its relations with the South, after having already succeeded in achieving a compromise with the U.S. Therefore, the possibility of official dialogue between North and South Korea would be low, but the good news is that we could avoid a situation of increasing tension due to the worsening of the U.S.-North Korea relations.

Second, we can think of a scenario where all the problems would be resolved at once, following a grand, package deal between the U.S. and North Korea. In return for the North's abandoning of nuclear and missile development, the U.S. would lift the

economic sanctions and normalize its relationship with the North. With this structural obstacle removed, the North-South Korean relations would enter a new period, in which the two sides could cooperate with each other in economic, military, and political terms on the basis of the Basic Agreement signed by both.

There is a possibility, however, that such a grand compromise could not last long. Even if North Korea promised to halt nuclear and missile development, it would not be easy to monitor if the promise is being implemented. Especially considering the fact that the international society has such a low level of trust for North Korea, the actual implementation would not be easy.

In addition, a complete lifting of the existing economic sanctions as a pre-step for the normalization process would not be a simple matter. North Korea has been focusing its efforts on the lifting of economic sanctions, as they believe that it will bring direct economic benefits. The core of the current economic sanctions is the prohibition of trade, investment, and aid, but that cannot be removed without going through a complicated process of revising several related acts. With the Republican party controlling Congress, the process might take a long time as well as extraordinary efforts on the part of the current administration.

Finally, we can think of a situation where the negotiations between the U.S. and North Korea would break down, and President Clinton would fail to certify to Congress the North's will to keep the Geneva Agreement by May 31, 1999. This failure would lead to a halt in the U.S aid of heavy oil to the North, thus putting the Geneva Agreed Framework in jeopardy. Given the current mood within Congress and the recent confrontation between the President and Congress regarding the issue of Presidential impeachment, one cannot exclude the possibility of this scenario.

If North Korea continues to insist on the brinkmanship strategy, the current Clinton administration might take an aggressive

---

approach, as in the case of Iraq, by threatening to break down the Geneva Agreement. It would be an American-style brinkmanship policy. With tension rising between the U.S. and North Korea, the North is likely to show some conciliatory gesture to the South. By proposing an official dialogue or a summit meeting between the two sides, the North would try to use the South as a shield against the U.S. threat. This situation would put South Korea in a difficult position, as the country needs to prevent tensions on the peninsula from rising in order to overcome the current economic crisis. Moreover, pursuing reconciliation with the North at the expense of the relationship with the U.S. would be against the intention of the current South Korean government.

## **Conclusion**

The above-mentioned scenarios will be affected in part by North Korea's attitude, but in most part by the power structure of U.S. domestic politics. How will the President-Congress relationship evolve in 1999? Will they be able to make a compromise on the impeachment issue, and thus build a more cooperative relationship?

Considering the enormous political and economic costs that North Korea has to pay by destroying the Geneva Agreement, the North is not likely to insist upon the brinkmanship strategy. Meanwhile, the U.S. will be severely criticized for its short-sightedness if it goes on to destroy the Geneva Agreement to save 35 million dollars. If the impeachment issue in the U.S. domestic politics is resolved without much fuss and North Korea takes a more cooperative stance on the issue of Kumchang-ri nuclear-suspected facilities, the Clinton administration might find itself in a better position to start improving its relations with the North by increasing the amount of food aid, weakening the economic sanctions, and setting

the schedule for the normalization process.

In sum, North-South Korean relations in 1999 will be most directly affected by changes in U.S.-North Korea relations. From the perspective of South Korea, what must be avoided is a situation where tension rises on the peninsula due to the worsening of U.S.-North Korea relations. It is necessary, therefore, that South Korea plays the role of inducing both the U.S. and North Korea to come up with a reasonable compromise.

Regarding North Korea, we must make efforts to make the North realize that it would suffer most from the breakdown of the Geneva Agreed Framework. Regarding U.S. Congress, we must make a persuasive argument that an engagement policy toward the North would be beneficial in the end both to the U.S. and South Korea. We also need to make sure that the U.S. and South Korea maintain a close cooperative relationship by having sufficient pre-discussion on major issues before they are actually negotiated by the U.S. and North Korea. Finally, the North Korean problem cannot be satisfactorily resolved without obtaining positive contributions from China and Russia. Therefore, the three allied countries of South Korea, the U.S. and Japan should make diplomatic efforts so that China and Russia could participate in the KEDO project even without making financial contributions. ■

---

## CURRENT ISSUES

---

▼  
*Pros and Cons of the Sunshine Policy*

14 / Sunshine Policy is the Best Policy  
Available Realistically

... Do-tae Kim

20 / Engagement Policy Laying Foundation  
for New North-South Korean Relations

... Hak-soon Paik

24 / Understanding North Korea's Political  
Situation and the Sunshine Policy

... Min-woong Kwon

30 / The Danger of the Sunshine Policy

... Man-won Ji