

## ANALYSIS OF NORTH KOREA'S NEW YEAR'S MESSAGE AND PROSPECTS FOR SOUTH-NORTH RELATIONS IN 1998

by Soon-Jick Hong

North Korea announced its 1998 New Year Message through the Central News Agency in the form of a joint editorial in the *Rodong Sinmun*, the Party newspaper, and the *People's Army Daily*, the military newspaper.

### *Domestic Policy: Emphasizing Stabilization of the Internal Structure under Kim Jong-il*

North Korea did not show any particular shift or future visions for its domestic and international policies, only emphasizing rule by the teachings of the late Kim Il-Sung, the solidarity under the Party's General Secretary Kim Jong-il and the stability of the internal structure.

In the joint editorial, they put an emphasis on sticking to the North Korea's own socialist structure, saying, "Our party and people should not step backward even a little bit from the socialist principles enlightened by our Great Leader Kim Il-sung."

In addition, by writing, "When the entire party and the entire people are filled with the 'Red Flag Ideology,' there will be no fortress to occupy," it repeatedly emphasized "Being flooded with Red Flag Ideology". This ideology was first mentioned in editorial of the *Rodong Sinmun* in August, 1995 after the death of Kim Il-sung. The main themes of the ideology are summarized as absolute loyalty and protection of the structure.

There are two distinct characteristics found in the New Year message. The first is that the year 1998 is the first "historic year" since Kim

Jong-il was appointed as the Labor Party's General Secretary. The second is that this year will mark the 50th anniversary (September 9) of the founding of North Korea's government. These passages suggest that Kim may take office as chairman on September 9 in a large-scale ceremony.

However, the New Year message ironically underscored the continued rule by the teachings of the late Kim Il-sung rather than the independent rule by his son Jong-il, even though this year opens up the Kim Jong-il era. This is noticeably observable in the joint editorial: "Firmly gripping the teachings of the late Kim Il-sung as a life line, we have to realize them in every area of revolution and construction."

The army is expected to play a leading role in maintaining international and domestic national security and building up the national economy. This is proved in the joint editorial, which encourages party members and workers to exert their revolutionary military spirit, with the statement, "Our People's Army is the pillar of our own style of socialism."

### *Economic Policy: Solving the Food Shortage Is the Top Priority*

In terms of economic policy, the message revealed in the address is that solving the food shortage is the highest priority task. The North did not provide any particular prescription for the economic crisis while it urged people to concentrate on relieving the "food" problem through a "Green Revolution."

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In the joint editorial, North Korea urged, "we have to revolutionarily increase agricultural production for a complete solution of the food shortage" and for this purpose, it proposed concrete solutions such as solution of the seed problem, earliest possible enforcement of a double cropping agricultural system, and farming by "Juche" (self-reliance) agricultural techniques, among others.

However, it failed to provide any active reformation or door-opening measures for the food crisis or economic crisis. This proves that they are giving more priority to maintenance of the national system than to solving the economic crisis.

#### *International Policy: Refraining from Usual Criticism, Stating Only General Principles*

This year's address refrains from mentioning pending issues such as its relation with the U.S. or Japan and only emphasizes maintaining its independent anti-imperialism and maintaining consistent international policies, based on independence, peace and friendship.

Such an attitudinal change by the North Koreans seems to be an effort to eliminate possible elements which might cause unnecessary problems in its negotiation talks with its neighboring countries, such as the ongoing four-way talks, establishment of a liaison office between the North and the U.S., and friendship negotiation talks between the North and Japan.

#### *Policy Toward the South and Unification Policy: Urging Change of the South Rather Than That of the North*

Repeating its current federal unification tactics, dubbed as "Three Great Charters

for National Unification," the North urges the South's authorities to change its policies. This suggests that there will not be any North Korean policy change toward the South.

In addition, the North argues that "There should be a ground-breaking change in the South to achieve unification as soon as possible," urging a policy change in the South before the North does so.

For this purpose, the North says that it will watch the responses of the South Korean authorities, laying down providing four pre-conditions. The four preconditions are: ① a policy shift from the anti-North policy to a reconciliation policy toward the North, ② removal of the concrete wall, ③ abolishment of the National Security Law and ④ dismantlement of the Agency for National Security Planning. The North argues that the South must show its will toward unification by having satisfied those four pre-conditions.

However, some political progress more or less between the South and North is expected, as the North said that it would pay attention to the responses of the South Korean authorities, and the North has also held back from direct accusations against President-elect Kim Dae-jung, an attitude which is in sharp contrast with the past acute accusations against current President Kim Young-sam.

Hence, the North is expected to take a more flexible attitude on its strategies toward the South, depending on the political situation and changes in the South.

#### *Prospects for South-North Relations: No Big Progress Expected*

As long as long active policy change or concession is made by either side, no big progress in South-North relations in general is

expected in 1998, since both the South and North are urging the other side to change. We will consider the prospects of South-North relations in 1998 with respect to main issues as follows:

**Multilateral negotiations:** It is expected that multilateral talks such as negotiations on the light water reactors and the proposed four-way talks will continue. The Light water reactor project could be suspended if the North violates the North-U.S. Geneva Agreed Framework or if an unexpected accident breaks out in Kumho area. Or the project may have to be postponed more or less if South Korea's negotiation talks with the U.S. and Japan over its share of the cost burden, stemming its problems because of the foreign exchange crisis, do not work out smoothly. South-North preparation contacts for the 4-way main talks will be observed more frequently this year than last year since the North's main objective of participating in the 4-way talks aims at more food aid and improvement of its relationship with the U.S. through more frequent contacts with the U.S. rather than talks with the South. However, South Korea's "carrot" tactics and its negotiation strength by means of financial aid is expected to be weakened due to South Korea's financial difficulties under the IMF program while the U.S. role will become much reinforced as a mediator. As a result, North Korea's external policy, "indirect talks with the South via the U.S.", will be reinforced.


**South-North Summit:** The opening-up of the summit talks by means of food and financial aid is highly improbable in 1998 due to the South's financial difficulties. This has been already mentioned in an interview with IMF Managing Director Michel Camdessus on Jan. 12, who said, "We will not be in a hurry on the unification issue since we will be putting more priority on domestic economy recovery."

**South-North Economic Cooperation:** Despite

the plans of President-Elect Kim Dae-jung, who will facilitate economic exchanges between the South and North under the principle of separation between the economy and politics, economic exchanges this year are expected to be less frequent in general than those last year due to foreign exchange crisis in the South. South Korea's business restructuring, shrinking investment sentiment, lack of foreign exchange and lowered interest in economic exchanges because of the lessened advantage of lower labor costs in the North are the general reasons for this sentiment. In investment sectors in particular, the investment attitude toward the North Korean market is expected to shift from the previous long-term attitude of investment, which focuses on securing an early lock or foothold in the North Korean market, to a shorter-term profit-oriented attitude of investment, and hence negative changes may result.

#### *Conclusion: No Real Possibility of Improvement until 2nd Half*

In conclusion, the prospects for the South-North relationship in 1998 are not so bright as those of the second half of 1997 due to the new variable, the South's foreign exchange crisis, despite the extended dialogue possibilities arising from the advent of the new leadership on both sides. Therefore, without the North making a policy change toward the South and a sharp uplift in the Southern economy, the relationship this year is expected to be not any better than last year.

However, President-Elect Kim Dae-jung, who dubbed himself as the "Economic President" and "Unification President", may be able to carry out measures at a speedy pace for the betterment of the South-North relationship after the second half of 1998 when the foreign exchange crisis has been somewhat relieved. 

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<Table 1> Comparison of North Korea's New Year Messages  
Since Kim Il-sung's Death

	1995	1996	1997	1998
Title	Let's support the great leadership of the Party and march out the new year energetically	Poise the red flag high and march out the new year energetically	Following the great leadership of the Party, construct our country to be stronger and more affluent	Following the great leadership of the Party, let's urge the general march in the new year
Politics	Uniting under Kim, Jong-il	Constructing an ideological fortress, and carrying out construction of socialism	By means of spr- eaing Red Flag Ideology, general socialist marching	The decisive victory of the our own style of socialism
Military	Reinforcement of revolutionary power	Military fortress construction	Establishment of the revolution-orient- ed military spirit	The Army as the pillar of socialism
Economy	Fulfillment of economic strategies in agriculture, light industry and foreign trade	Economic fortress construction	Overcoming food crisis first	Overcoming food crisis completely
Unification	Stressing three unification principles	Federalism as the nation's common unification principle	Unification as an international issue, which countries involved are responsible for.	Paying attention to the attitude change of the South
Foreign Affairs	Establishment of peace securement system with the US	Establishment of peace securement system with the US	Requesting abolishment of anti-North policies	None
Format	Party newspaper, Military newspaper, Youth newspaper	Party newspaper, Military newspaper, Youth newspaper	Party newspaper, Military newspaper, Youth newspaper	Party newspaper, Military newspaper
Length	33 min.	40 min.	37 min.	25 min.