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**CONTINUITY AND CHANGE IN KOREA:
CHALLENGES FOR REGIONAL POLICY AND
U.S.-RUSSIA RELATIONS**

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For more than six decades, the divided Korean peninsula has been a source of tension and a constant challenge for the major global powers—including the United States, China, Japan, and Russia—and the rest of the international community. There is still no internationally agreed formula for the status quo on the Korean peninsula, nor for the “Korean game” —relations between North and South. Furthermore, North Korea’s legitimacy and status are yet to be recognized by the West. The animosity associated with the Korean issue has a spillover effect on regional and international affairs, including non-proliferation and WMD issues. No matter how one regards the North Korean regime, its existence is a fact of life, and should be recognized, at the least, for pragmatic purposes.

Internationally, there is a tradition of seeing North Korea as a “rogue state” and a member of the “axis of evil.” Eventual regime change still seems to be the basic underlying objective of ruling elites in many powerful countries. At the same time, there is more or less unanimous agreement that regime change is now beyond reasonable possibility. It is difficult to expect that the DPRK will, in such a situation, trust its opponents and believe in the possibility of “peaceful coexistence.”

Despite internal and external pressures, North Korea remains resilient and its leadership resists change for fear of endangering the political regime. The recent turn toward hardline policies and increased coordination with Washington by Seoul’s new administration has deepened Pyongyang’s concerns. In January 2009 it went so far as to abrogate all agreements that it has concluded with South Korea. Inside the country this increase in tensions has led to a reversal of the reforms and achievements of the last decade, and has actually prompted attempts to reinvigorate the repressive system.

Unless Pyongyang’s leaders are presented with a real alternative to regime change – that is, a vision in the West of a real future for the DPRK that is described in no uncertain terms – it is difficult to expect any changes in the substance of Pyongyang’s policies vis-à-vis the West. The simple pattern that external animosity ignites reciprocal animosity (verging on paranoia) in Pyongyang has become standard in the outside world’s dealing with the DPRK throughout the six decades of its existence.

Is it not time to formulate a realistic concept for the DPRK’s future status that makes the options clear? It took the previous Republican administration five years to change its fruitless confrontational policies, based on the “stick,” to a constructive approach. It is presumed that the Obama administration will be more pragmatic and forthcoming, and hopes for a breakthrough in Korea are at an all-time high. But overly high expectations could lead to disappointment. The reality is that the U.S. establishment’s final goals vis-à-vis the DPRK are still unclear, causing distrust not only in Pyongyang, but in other capitals as well. Many see the U.S.’s 2007-2008 conciliatory approach as merely tactical, not long-term and not irreversible.

On the other hand, uncritical and ill-coordinated aid to Pyongyang by previous administrations in Seoul, within the framework of the Sunshine Policy, may have changed the paradigm of inter-Korean relations, but has done little for the modernization

of North Korea and thus has compromised the “carrot” approach. Chinese assistance to North Korea has also aimed at keeping the country stable, not encouraging its progress. Pyongyang is now used to getting what it asks for, and finds it difficult to digest conditional assistance, especially when the donors’ real goals and long-term agenda are unclear.

Russian experience and expertise could be useful in this regard. The need to preserve stability and create prerequisites for development on the Korean peninsula are widely seen in Russia as the only rational way for managing its problems. This approach presupposes forging mutual understanding and coordination with all the countries that are involved, especially the U.S. and China. In the framework of the Six-Party Talks over the last several years, Russia-China consultation has progressed considerably, but can we say the same about Russia-U.S. coordination? In Washington, Russia’s goals and capabilities are not fully understood, and its policies are viewed with suspicion. However, the North Korea problem is one of the few international problems in which Russia and the U.S. see things similarly and can fruitfully cooperate.

Coordination should probably start from a conceptual level, and a common understanding should be reached. I believe engagement and “conventionalization” of the DPRK— with continuity of its political elite – would best serve the interests of the North Korean people, South Korea and the broader international community, including Russia and the U.S.. Based on past Korean and international experience, a realistic long-term concept for the transformation and continuity of North Korea’s political elite and step-by-step modernization of the country should be worked out and agreed upon between the main international “actors.” Such a concept should ideally become a base for guidelines for policy coordination and actions in both bilateral and multilateral formats.

1. TRADITION VERSUS MODERNITY AS A FACTOR IN KOREAN POLICY

Diverging Evolution of North and South, In Retrospect

Although the two Korean states followed diametrically opposed models for post-liberation development (capitalism versus socialism, democracy versus totalitarianism, internationalization versus isolation), there were nevertheless many striking similarities. This is understandable when the common ethnic and civilization background of this uniquely mono-ethnic country, stretching back for thousands of years, is taken into account. Confucian traditions in managing state affairs, hierarchism, authoritarian practices and subsequent behavior models of a person within society inevitably induced certain parallels in the statehood models of North and South.¹

Although authoritarian regimes, as a rule, rarely survive their founders, the DPRK model proved to be quite resilient because it was different from the traditional Communist system. The Stalinist model was “Koreanized” very soon after its imposition.

¹ Reading descriptions of the centralized governance system in Yi dynasty Korea one cannot but see many similarities with the governance systems of both North and South Korea. See Gregory Henderson, *Korea: The Politics of the Vortex*, Harvard University Press, Cambridge, 1968, pp.23-26.

Kim Il Sung, who distanced himself from both the USSR and China in 1950s and 1960s, started to create his own model of command and administration under the banner of “Juche,” or “self-reliance.” With independence set as the cornerstone of this Korean philosophical concept, the focus was put on “the personification of the ... leader together with the concept of the basic ‘scientific’ doctrine of Dialectical Materialism.”² The DPRK, even in Soviet-sponsored “world socialist system,” was not a “regular” socialist country and this was more clearly recognized within the socialist camp than it was by outsiders. Basing their views on an understanding the nature of the regime, for example, in the early 1990s Russian diplomats and experts argued against widespread expectations of a collapse of what outsiders called the “North Korean Communist regime,” but their logic was dismissed by ROK President Kim Young-sam and the early Clinton administration.

The North Korean state today is unique – while on the surface it appears to be a Stalinist totalitarian state, it is based on Sino-Confucianism, feudal Korean statehood, and traditional mythology. The founders of North and South Korea did not cast aside traditional notions of statehood following liberation. Rather, the modern Korean states inherited strong centralization, “roots [of which]... were ancient and strong”; the king “expressed Heaven’s will on behalf of the people.” The DPRK is a direct descendant of a traditional political system of old Korea, which has been characterized as follows: “no other nation is likely to possess all the qualities that appear to attach a vortex of quite this form and strength.” The Kim Il Sung state and its clan system of governance and citizen classification developed, in fact, directly from the traditions of old Korea, where “the administration was unitary and centralized, a pyramid atop the state, the kings its apex,” and “society... was structured on lineage groups known as “bone ranks,” in which different classes had to carry tags with class name (*hop’ae*).”³

In addition to this centralized and conservative definition of political class, North Korea inherited the traditional xenophobia which extends from the peasant (and extended family) psychology, which is suspicious of strangers, puts the community’s (i.e. the nation’s) interests above alien morals, and which leads to closeness and adherence to stereotypical behavior. Korean nationalism is also an important source of the regime’s identity in the eyes of not only North Koreans, but even some of their Southern brethren. In the early 1990s, the leadership of North Korea started to appeal more and more to national cultural-historical traditions for the regime legitimization.⁴

Collectivism accumulated through thousands of years of rice growing, which was necessary for survival, made it easier for the country’s leaders to impose communist ideals on the people. Japanese “colonial totalitarianism” and “army autocracy” also left a legacy of rigid control over the population which was, in fact, used and further developed by Communist authorities. (For example, the contemporary system of *inminban* or “People’s Units” in which several households are grouped under one responsible controller, is inherited from the Japanese-installed system).

² M.P.Srivastava, *The Korean Conflict*, Prentice Hall, New Delhi, 1982, p.7.

³ Gregory Henderson. Op.cit, pp 195. 21, 29, 72-73, 362.

⁴ G.B. Bulychev, “Political systems of the Korean peninsula states,” Moscow, 2002, p. 129.

The Korean War that broke out soon after the liberation led to further militarization and securitization of society. Kim Il Sung designed the North Korean system with the chief aims of crushing internal resistance and withstanding external pressure. The “state-first” traditional Korean world outlook, intensified by Stalinist and Maoist ideas, gave birth to one of the most repressive and rigid systems in history. The unique system included a personality cult that deified the late Kim Il Sung, and a clan-based elite with dominance by Kim Il Sung’s relatives and friends.

After centuries of self-imposed isolation and decades of cruel Japanese rule, the impoverished and poorly educated Korean population, who lacked access to outside information, had become ideal subjects for these sorts of experiments. Modest growth in living standards during the industrialization periods of the 1950s and 1960s and egalitarian populist rhetoric helped consolidate the support of the leaders, (whose power by Confucian tradition was seen as sacred). Furthermore, dissent was severely persecuted and isolation inhibited the possibilities to make comparisons with other nations. Thus a totalitarian regime paradoxically enjoyed popular support despite repression, lack of personal freedom, and sometimes intolerable living conditions. Unrest, which was sometimes reported, arose as a response to worsening living conditions, not as protests against the regime.

But the priority of the North Korean regime is survival, not development, and economic and humanitarian crises do not always weaken such systems (see Stalin’s and Mao’s examples). Assuming power in 1994, Kim Jong Il replaced the party-based governance system with a military-based one (the “military first” or *songun* policy), which, in essence, was an ideology of nationalism-based military dictatorship relying on semi-slave labor. This system, which started to emerge even before the death of Kim Il Sung in 1994, helped the country avoid collapse in the critical years of the 1990s, when the economic and humanitarian crisis was deepened by external isolation and pressure.

It is very instructive to compare how South Korea, starting from the same level of development in the 1940s (if not even lower), used Western theories and assistance for building a new nation. In fact, the secret of the South’s success was not purely the “introduction of democracy” and the unleashing of the people’s creative energy. For many decades after the war, especially during the times of military dictatorship, South Korea was not less authoritarian than, for example, Pakistan or even Myanmar today. And the system of control over the population in the South, although less pervasive than in the North, was still quite comprehensive. Even though South Korea was far from being a liberal country until the early 1990s, it still showed spectacular progress in all areas following World War II.

As a result of economic modernization in the South – which was based not on liberal macroeconomic theories but on strong government regulation of the market and economic activities, the pivotal role of state-sponsored big businesses, introduction of foreign capital and foreign technologies, and export orientation – the social climate changed tremendously. The newly affluent South Korean society accommodated

globalization, while at the same time maintaining recognition of its national roots and values. Although excessive nepotism, lack of social mobility, and the lack of bottom-up discussion of politics and policy still hindered the development of society, after swiftly internationalizing the nation's economy, the South Korean people began acquiring Western societal standards and practices. New generations, both the "386" generation and later ones, are much more flexible and independent than their fathers' generations. The ROK turned into a democratic country, with power shifting from the ruling party to opposition two times already.

Could South Korea's experience offer some hints for North Korea's options and future development?

The Lessons of a Decade of North-South Reconciliation and Future Challenges

North Korea is a "special case" in one more respect – national division determines many aspects of its policies and values. Division of the country is actually not new in Korean history. During the centuries-long Three Kingdoms era, for example, feudal states fought each other continuously. In comparison, a mere 60-year division is just a trifle. Also, regionalism is a long-standing fact of life both in the South (where it is a decisive factor in political life), and in the North.

The ideological gap, however, has never been so profound as it is today, which may lead to a new character of regional division. Decades of separate development and a deepening difference in the ways of life of each side have brought a new quality to the North-South divide. The bulk of North Korean defectors cannot accommodate themselves to the life in the South. Indeed, Northerners and Southerners are now so different that their common language has evolved almost to the verge of mutual incomprehension. Paradoxically, though, both Koreas sincerely harbor the strong mentality of the ideal of "national unity" and appeal to Korean nationalism as an aspect in their policies toward the other side. However it might be possible that the two parts of the country are actually on the way of forming two separate sub-ethnic groups.⁵ President Lee Myung-bak seems to have a vision that the two Koreas should treat each other as separate states as the Korean issue "cannot [be] resolved through exclusive nationalism, so it should be looked at as an international issue as well as an issue internal to the people."⁶ Can these entities set up their relations in a rational way?

By the beginning of the 21st century, South Korean society had mostly overcome its sense of sibling rivalry, dropped its grudges against the North, and began to take a more mature and rational approach toward interaction with the North. The majority of Southerners (especially the younger generation) are not so eager to achieve a burdensome

⁵ Russian historian Leo Gumilyov, a renowned scholar of the ethnos formation theory, pointed out that if, for example, the Huguenots in 16th century France had succeeded in keeping a separate territory under their control, today we would have had two French sub-ethnoses. Leo Gumilyov, *Ethnogenesis and Earth's Biosphere*, Moscow, 1997, p.475.

⁶ Park Kyun Min, "North-South Issue Cannot be Solved through Exclusive Nationalism," *The Daily NK*, March 4, 2008; <http://www.dailynk.com/english/read.php?cataId=nk00100&num=3339> (accessed February 9, 2009).

unification, as it would derail the South Korean economy and society. North Korea is increasingly seen as a liability – even a burden and an object of charity – not as a menace. Both countries have undergone changes. While they are not so noticeable in North Korea, they are in effect greater in scale than in the South. Having left the shell of “client states” whose relations were developing in the framework of global superpower rivalry, North and South Korea received the unique opportunity to use common legacy and ethnic identity for settling many historic problems, which concern not only Korea proper. That does not necessarily mean a swift unification scenario; common ethnic origin, say, between Australia and New Zealand does not imply that should be unified any time soon. Although totally different today, the two societies influence each other on a sub-conscious level, especially as exchange of information is slowly made easier.

The last decade’s Sunshine Policy had a tremendous effect on North Korea which is currently underestimated. There are renewed illusions, harbored in the conservative circles of the ROK, that unification under South Korean rule would solve the North’s problems, when in fact it will only create new ones. In fact the greatest achievement of Seoul’s “liberal decade” is that the concept of regional autonomy in the framework of a confederation or a commonwealth – autonomous North and South Korea with two different political systems, but integrated economically as a long-term prospect (a Taiwan-mainland China model) – was stated for consideration.⁷

The surge of “new conservatism” in South Korea indicates dissatisfaction not with this ideal, but with the manner that policies to this end were carried out. 70 percent of the South’s population, according to polls, disapproves of unconditional assistance to the North and the large margin by which the Lee Myung-bak was elected in 2007 testifies to that. But nobody wants a return to confrontation with Pyongyang. Despite periodic resurgence of tensions both countries tacitly came to a basic understanding on the need to coexist and cooperate for the foreseeable future, hopefully without attempts to impose one side’s values on the other. In the long run, along with generational change and increased ties between North and South, “regional” elites can find a compromise on actual unification – but this is a prospect so far-fetched that it cannot be the guideline for today’s practical policies.

Cooperation between North and South is also important from the geopolitical point of view. The South has to compete with China for influence and resources in the North.

The chill between North and South associated with Lee Myung-bak’s administration could well prove temporary – it might be but a lever that Pyongyang is using to ensure direct dealing with Washington, and once normalization with the West is

⁷ Although in earlier decades the concept of a Democratic Confederation of Koryo, put forward by Pyongyang in 1980s, was but a cover for North Korean ambitions to conquer the South, in the “sunshine era” it has become the basis for dialogue. During the first North-South summit in 2000 it was agreed that “low-level federation proposed by the North and the commonwealth system proposed by the South for the reunification of the country have similarity.” See “South-North Joint Declaration,” Peace Agreements Digital Collection, United States Institute of Peace, June 15, 2000; http://www.usip.org/library/pa/n_skorea/n_skorea06152000.html (accessed February 9, 2009).

achieved, North-South relations might improve along with that. Given the increased cooperation between North and South the above leads to an important question: if the patterns of development of the two Koreas were diverging over the past six decades, can they not converge again? Especially in North Korea, can the existing social order undergo an *evolution*, which would bring it closer to the Southern model, while preserving the *continuity* of the state and its organization?

North Korea's Pariah Status as the Cause of its Insecurity

The greatest obstacle to positive development on the Korean peninsula is now the nuclear problem. It is actually the product of the DPRK's overall insecurity and "outlaw" mentality, and should be addressed as such. Thus the nuclear problem cannot be solved separately unless the country's status is completely re-evaluated; pressure alone will not resolve it.⁸ I believe that denuclearization (i.e. the DPRK's renunciation of nuclear weapons and/or fissile materials as the ultimate deterrent) could be achieved *only after* the security of the current Pyongyang regime is guaranteed by political means.

In the Cold War era, stability on the peninsula was the result of a "confrontational impasse" based on an established power balance between the USSR, U.S., China, and Japan. This dynamic ceased to exist in the 1990s. Both the country's history and recent international events have convinced the North Korean leaders that in the absence of allies, only military might can deter "the enemies of Korean Socialism" from trying to overthrow it, which is probably not a totally inaccurate judgment. The cause for Pyongyang's creating the "nuclear deterrent" was and is self-preservation.

Having been "bombed to the Stone Age" during the Korean War, to borrow a description from a different war, North Korea became over-concerned with security and the policies of the United States, supported by former colonial power Japan, seemed to be a menace to its very existence. Throughout the Cold War, acquiring a relatively cheap and accessible "nuclear strategic equalizer" looked like the most tempting and optimum solution. Pyongyang pushed to acquire its own deterrent not least because North Korea did not have any moral obligations to abstain – they knew pretty well about U.S. plans to use nuclear weapons against them in wartime and even after the war (up to the 1970s at least) and still suspect the U.S. military of having plans to use next-generation miniature nuclear munitions against vital targets in North Korea.⁹ The introduction of U.S. nuclear weapons in South Korea in 1958 is still remembered in the North.¹⁰

North Koreans might have had the "dream" of constructing a nuclear bomb since early 1960s, and tailored the education of their technicians to realize this dream by pursuing training on Soviet reactors in preparation to work on the IRT-2000 research

⁸ G. Bulychev, A. Vorontsov, V. Novikov, "What the Crux of the Choice on the Korean Issue Is: Ways to Overcome the Crisis," in *The Nucleus Of The Problem. Russian Analysis of The Ways of Overcoming the Crisis on the Korean Peninsula*, Carnegie Endowment for International Peace, 2002, pp. 241-254; <http://www.carnegie.ru/en/pubs/media/69128>.

⁹ Gavan McCormack, *Target North Korea*, Sydney / New York, Random House, 2004, p.150.

¹⁰ "U.S. Chiefly to Blame for Increasing Danger of Nuclear War in Korea," KCNA, January 29, 2008.

reactor built by the USSR in 1965.¹¹ Nuclear research had been going on in North Korea since early the 1960s, and in the 1970s the DPRK embarked on a course toward the creation of its own plutonium weapons.¹² According to Soviet intelligence data, by the end of the 1980s Moscow knew about the DPRK's military nuclear aspirations and in 1990 heard it directly from Pyongyang, which told Moscow that in response to the USSR's establishment of relations with Seoul that "in the conditions of the presence of nuclear weapon in South Korea we, in this case, inevitably will develop a corresponding counter-weapon" and will have to leave the Treaty on the Non-Proliferation of Nuclear Weapons.¹³

Therefore the North Korean regime believes it has not only a legitimate need for a nuclear deterrent, but also the right to it. The rest of the world disagrees and the response (led by the United States) has been to apply pressure to cause North Korea to give up its program. But pressure has never worked with North Korea. Policies of engagement and strategic compromise, on the other hand, have proven quite successful although results were not always to the extent that the "carrot-givers" expected. Over the past fifteen years, engagement and compromise have resulted in periods of delaying or freezing the North's nuclear programs. But the compromises have always broken down. In each instance, Pyongyang considers that it was always its opponents who broke promises first (sometimes because the people in power change, which does not happen in North Korea) and developed no trust in unsupported commitments.

North Korea sees the following examples as proof of the West's hypocrisy and betrayal of trust : the failure for 8 years of the Bush administration to live up to its obligations under the Agreed Framework which was negotiated by the Clinton administration in 1994¹⁴; the Bush administration cynically accusing Pyongyang of a highly enriched uranium (HEU) program (which North Korea has probably failed to develop) as a pretext to break the Agreed Framework; the reversal of the "spirit of the September 19th (2005) Agreement" by cutting North Korea off from the international financial system through the Banco Delta Asia affair; slowness in removing the DPRK from the list of terror-sponsoring states and delays in supplying promised energy aid in 2008: and the creation of the issue of full-fledged verification, which was not an

¹¹ It should be noted that the plutonium North Korea uses for its weapons program was produced at another gas-graphite 5 mega-watt reactor, built by North Koreans without Soviet assistance in 1986. See A.Likholetov, "How It Happened. The Soviet Participation in Setting Up the North Korean Nuclear Program," Korus Forum, Moscow, N28, <http://www.korusforum.org/kfr.html>.

¹² For the sake of justice it should be reminded that under South Korea's Park Chung-hee nuclear arms were developed in secrecy and by the end of the 1970s that program was 95% completed, which might have become the major factor causing the North Koreans push their own program. See "The Nuclear Non-Proliferation Treaty. Problems of Prolongation," Non-classified report of the Russian Foreign Intelligence Service, Moscow, 1995 <http://svr.gov.ru>; and Yoon Won-sup, "Park Sought to Develop Nuclear Weapons," Korea Times, January 16, 2008.

¹³ V.P. Tkatchenko, "The Korean peninsula and interests of Russia," *Nauka*, 2000, p. 71.

¹⁴ Pyongyang was extremely disillusioned by the fact, recognized privately by the Clinton administration members, that the U.S. administration never intended to implement the Agreed Framework, as it assumed the North Korean regime would soon collapse. See John Bolton, *Surrender is Not an Option*, New York: Threshold Editions, 2007, p. 101

obligation, but was undertaken by Pyongyang under existing agreements. Of course, the West sees Pyongyang's behavior exactly the other way around.

Pyongyang sees its opponents still giving it nothing tangible (energy assistance is in fact meager even compared to the assistance provided under the Agreed Framework, when Pyongyang's positions was much weaker) while demanding something the DPRK cannot possibly provide. Pyongyang often sees Washington as simply undertaking a ploy to get international approval for the North's isolation and eventual demise. Over the last ten to fifteen years there was a growing mistrust in Pyongyang of the U.S. government's intentions and its manner of foreign policy implementation, which is recognized by independent American experts as well.¹⁵ A leading experts with first-hand knowledge, Jack Pritchard, made a bitter comment on the overall Bush administration policy between 2001 and 2007: the "... administration's commitment to negotiating a settlement with North Korea through the six-party process exists in name only. North Korean policy has been fully captured by those in the administration who seek regime change"¹⁶

Despite a change in direction in early 2007, the hard-line approach still resurfaces in Washington periodically. In late 2007 and early 2008 there were growing demands for a revision of the policies of dialogue which had been prevalent earlier in the year.¹⁷ Neocons called for a "new approach" in disarmament talks with North Korea that would link human rights as part of the engagement policy and make improvement in this area a critical condition for any normalization of diplomatic relations; apply new restrictions on North Korea's access to the U.S. and international banking system; and postpone the removal of North Korea from the list of terrorist-sponsoring states.¹⁸ The rumored discussion in April 2008 between Presidents George W. Bush and Lee Myung-bak of a North Korea without Kim Jong Il did not help reassure Pyongyang. The predictable failure to reach the unrealistic but declared goal of "complete, verifiable, and irreversible dismantlement" of North Korea's nuclear program (CVID) during President Bush's time in office may tempt the Obama administration to try a more hardline approach. This would be seen in Pyongyang as proof of the need to be vigilant and a reason not to hurry with concessions.

The denuclearization negotiation process therefore has all the features of an example of "the clash of civilizations," in which a difference in value systems and suspicions (forged by unhappy experience) generates a conflict that on the surface has a

¹⁵ "Whatever one thinks of President Bush's 2002 axis of evil speech and subsequent doctrine of pre-emption... clearly, North Korea managed to use these American ideas to create an image of victimization. Incredibly, many then saw American saber-rattling and intransigence, rather than the basic nature of the North Korean regime, as the fundamental cause of tensions on the peninsula." Michael E. O'Hanlon, "North Korea Out of a Corner?" Washington Times, December 27, 2007; http://www.brookings.edu/opinions/2007/1227_north_korea_ohanlon.aspx?emc=lm&m=211918&l=13&v=733579; accessed February 9, 2009.

¹⁶ Charles Pritchard, *Failed Diplomacy: The Tragic Story of How North Korea Got the Bomb*, Washington: Brookings Institution Press, 2007, p.131

¹⁷ Jay Lefkowitz called for "reviewing the assumptions upon which previous policy was built and make sure they are still valid today"; "North Korea Is Not Serious about Disarming," Associated Press, January 17, 2008; <http://www.msnbc.msn.com/id/22716915/> (accessed February 9, 2009).

¹⁸ "North Korea unlikely to abandon nuclear arms," channelnewsasia.com, January 18, 2008; http://www.channelnewsasia.com/stories/afp_asiapacific/view/323321/1/.html (accessed February 9, 2009).

concrete cause. How can we expect North Korea to allow its hands to be tied by abiding by the norms of traditional Western (that is, alien) morality in fighting for its own “higher values”? At the same time they put high priority on their own “moral clarity” (which is often misunderstood) – including issues of respect to the country and its leadership. North Koreans still do not understand how a treaty (which can be abandoned) or a U.S. administration decision or act of Congress (both of which could be reversed) could become “an ironclad guarantee” of their security. Especially when a U.S. presidential candidate (John McCain) calls North Korea “the most horrible regime probably on earth.”¹⁹

Nevertheless the North looks prepared to make certain sacrifices. Changing the country’s status and its relationship with the West are seen in Pyongyang as the ultimate guarantee of the security of the regime. North Koreans also seem eager to get closer relations with the U.S. to counter-balance the growing influence of China and create room for maneuvering. However, is it feasible if we consider its repressive character? The answer would depend on the path the Pyongyang regime would take: self-conservation or evolution. The second variant could only take place if the DPRK is engaged and assisted, not isolated.

Therefore the process of interaction with North Korea might be more important than the result. The process should set new “bargaining terms” for North Korea and change it simultaneously. The bottom line is that a compromise and comprehensive security system is the prerequisite for the solution of the nuclear issue. Advancing along this route would deepen cooperation with the outside world and help build trust, which in its turn could lead to slow “conventionalization” of North Korea in economics, society, and foreign policy. This is not a certain outcome, but it is worth working for. Only after conventionalization might North Korea denounce nuclear and other weapons of mass destruction, although it is not guaranteed.

2. CONTINUITY AND CHANGE IN NORTH KOREA: GUESSWORK AND SUGGESTIONS ON POSSIBLE SCENARIOS

Today there is less and less talk about the need for a forceful change of the North Korean regime. Even the die-hard conservatives admit that this exercise is much too dangerous for the surrounding countries and even the international community. Such a conflict would result in hundreds of thousands of casualties, hostilities probably spilling over the borders, and hordes of refugees. It would derail not only South Korea’s economy, but would also have negative effects on the increasingly fragile and interdependent global economy, affecting at least such major financial markets as Korea, China, and Japan.

However even an internal implosion or collapse of Kim Jong Il’s regime would result in disastrous consequences. Regime change (understood as an abrupt loss of political power by the existing governing structures, and their replacement by something else – not just a change in government, associated, for example, with a departure of Kim

¹⁹ “McCain: North Korea ‘Terribly Mistreats Own People,’” DailyNK, February 20, 2008; <http://www.dailynk.com/english/read.php?cataId=nk00100&num=3278> (accessed February 9, 2009).

Jong Il) in the North Korean case would probably cause *the disappearance of the country itself*—unless a puppet regime were installed with outside (Chinese) help.

But South Korea cannot possibly accept any new separate power in North Korea formed “on the local base,” and it is highly unlikely that an indigenous successor to the current regime could arise out of the turmoil of a sudden collapse. There is no human potential for this in the North in the short run, and outside actors are unlikely to wait for such a development in a crisis situation involving streams of refugees, local conflicts with arms falling into the hands of warlords, and other challenges to regional security. That means that a change of regime in North Korea case would boil down to the absorption of the North by the South, and the North could not but become an “occupation zone.”

If we take Iraq as a reference, it seems clear that insufficient thought was given to what might happen after Saddam Hussein was overthrown. What about North Korea – would an occupation by South Korean forces be peaceful, given the differences between the North Koreans who have been isolated and brainwashed for generations and the Westernized Southerners? And what about the numerous North Korean nomenklatura and ranking military figures (estimated to be 1 to 2 million people, including families)? Unless their future is guaranteed by a lengthy process of setting the “terms for surrender,” they (knowing Korean history well) would expect the worst—not just being left out in the cold like their colleagues in East Germany, but suffering repression at the hands of the new rulers. Having no “exit strategy,” they may resort to armed guerilla-type opposition, and could enjoy the sympathy of the local population. Indeed, there is evidence that such contingency plans exist in the DPRK. That could even lead to a prolonged civil war (as former regime servants in the North would have nothing to lose) which could enable the uncontrolled dissemination of WMD and conventional weapons.

There is no concept of a longer-term development either. Are more than twenty million North Koreans ready to become “second rate citizens” in a unified Korea? Would they like being “fenced off” again—this time not by their own leaders, but by neighboring governments, including democratic ones? What will happen if they were suddenly thrown into a raw capitalist environment? (As noted above, most North Korean refugees cannot adapt successfully to life in the South, although they came there of their own volition.) Lessons of many centuries of Korean history, and specifically the region-based strife that is inherent to it, show that such a “slow-burning” conflict which would possibly draw in neighboring countries can continue for decades, generating refugees and economic damage on the same scale as an open conflict.

Is the risk of “soft change” of the regime worth taking? Attempts to “peacefully” undermine the regime seemed to resurface with the advent of conservative government in Seoul, but so far they have only led to “tightening the screws” by the Pyongyang rulers. North Korean leaders are concerned that a “hidden agenda,” aimed at imploding the regime through increased engagement, may be the underlying motive of its opponents’ approach. Therefore any more or less transparent attempts to instigate an “orange revolution” would only deny the real possibility to take a road of changes under the direction of the existing leadership—or their heirs.

If not regime change, then what? The alternatives obviously are either evolutionary change or the lack of it.

System Conservation or Possible Transformation?

Following some extraordinary measures taken to cope with almost unbearable economic and social conditions in the 1990s and early 2000s, when ideological considerations became less prevalent, North Korean leaders have desired for years to “return to basics,” by which they mean curbing the emerging “capitalist” market relations, and boosting sagging morale “in the spirit of Juche and Songun.” Pyongyang strategists might have considered that now is the time to act – when the DPRK’s immunity is guarded by its nuclear deterrent, when negotiations with adversaries may progress, and when some economic aid may even be forthcoming.

After spontaneous marketization and chaotic “liberalization” early in this decade, the authorities since 2004-2005 and especially in 2007 have made attempts to conserve and repair the system by eliminating what they see as “deviations.”²⁰ Anti-market measures have been undertaken, and the regime has ordered that “any elements that undermine our system and corrode our socialist morality and culture and our way of life” not be tolerated. The government has been instructed to strengthen centralized control by “concentrating all economic work in the Cabinet and organizing and carrying it out under its unified command.”²¹

These counter-measures will probably not work as intended. In case external danger—a pretext for “tightening the screws”—does not increase, the repressive decisions of the upper echelons will be implemented with less and less vigor at the grassroots level. Since approximately the year 2000, this effect has been reported in more and more parts of the country.²² There appears to be no way the central authorities can reverse the trend, meaning they would have to listen more to the masses and provide rational decisions. Since the collapse of the global Socialist system and the associated end of aid from the USSR and other communist countries, North Korean industry has been brought to a standstill and the state sector of economy is in dire crisis. The state can no longer take full responsibility for the provision of livelihood for the people, and therefore the people simply cannot survive without market relations.

²⁰ Rudiger Frank refers to this phenomenon as “socialist neo-conservatism.” “Socialist Neo-Conservatism in North Korea? A Return to Old Principles in the 2008 Joint New Year Editorial,” Nautilus Institute, Policy Forum Online 08-032A), April 22, 2008; <http://www.nautilus.org/fora/security/08032.Frank.html> (accessed February 9, 2009).

²¹ Rodong Shinmun, January 8, 2008.

²² A source inside North Korea disclosed in 2009: “Although a decree telling the people not to deal with Chinese domestic and industrial products in the *jangmadang* (market), only in state-run stores, was handed down to the people, they still sell them openly in the *jangmadang*. There are not enough goods in state-run stores and they are quite expensive.” See Yoo Gwan Hee, “Tension, What Tension?” Daily NK, February 4, 2009, <http://www.dailynk.com/english/read.php?cataId=nk01500&num=4515> (accessed February 9, 2009).

In many aspects the situation in North Korea now vaguely reminds one of the Soviet Union in the 1970s and 1980s: as the ruling hierarchy's ability to promote a viable ideological cause and improve the standard of living decreased, the people more and more were turning to quasi-market economic activities, and paying lip service to the ideological clichés not really taking them seriously. The gerontocratic Soviet leadership could not dare to make changes, nor could it devise means of coping with the situation apart from periodical crack-downs and ill-designed campaigns (such as Gorbachev's prohibition of alcohol) that never worked but only further undermined the people's belief in the government. The hard-line Soviet elite was overthrown as a result. Could this happen in North Korea as well (with much more blood, it need to be mentioned)? This is possible, especially in case a "collective leadership" composed of old-time guerilla-generation personalities takes control of the country after a sudden death or incapacitation of Kim Jong Il. But a more pragmatic and educated portion of the DPRK's ruling elite might have a window of opportunity that would be determined by a multitude of factors: military, political, economic, and personal.

Are there any possibilities for an evolutionary transformation of the North Korean model into a state closer to mainstream nation-states which constitute the diversity of today's world ("conventionalization")? A term suggested by Andrew Scobell is a "post-totalitarian" regime.²³ The differences he points out between the two are as follows:

Totalitarianism	Post-Totalitarianism
1. Absolute dictator and ruling party (monistic)	Dictator's power weakens and pluralism and dissent emerge
2. Transformational ideology (totalist/utopian goals)	Instrumental ideology (economic development and one-party rule)
3. Terror all-pervasive	Terror no longer pervasive
4. Monopoly of coercive apparatus	Monopoly maintained
5. Centrally planned economy	Eroded
6. Monopoly of mass communication	Eroded

Andrew Scobell, "Projecting Pyongyang: The Future of North Korea's Kim Jong Il Regime," Strategic Studies Institute, U.S. Army War College, Carlisle Barracks, March 2008, p. 9.

The process of evolution to post-totalitarianism has already begun in North Korea, although the signs are difficult to trace and the changes so far have been mostly spontaneous. When Kim Jong Il assumed power he was not eager to try change. For one thing, he could not risk disorder in the power hierarchy. More fundamentally, he could

²³ Andrew Scobell, "Projecting Pyongyang: The Future of North Korea's Kim Jong Il Regime," Strategic Studies Institute, U.S. Army War College, Carlisle, PA, March 2008; <http://www.strategicstudiesinstitute.army.mil/pdffiles/pub844.pdf>.

not openly discard his father's heritage which is the base of his power, although he has sometimes tried to—without good result (apologizing to Japan, for example, for abducting some of its citizens; this apology in fact fully blocked the possible normalization of DPRK-Japan relations).

However, now Kim Jong Il's goals differ from those of Kim Il Sung, who dreamed about unification by absorbing South Korea. I believe that continued lip service to “our brand socialism” – at least from the year 2000 – was a sign that Kim was undertaking a very pragmatic search for a national idea, necessary for the survival of the North Korean nation-state. He needed to explain to the population why it should make all the efforts and endure hardships and suffering while the promised socialist paradise did not appear to be on the horizon. I further believe that this search met harsh opposition from hard-line ideologues and military officers alike, but it slowly changed the ideological landscape in parallel with change of generations.

Pyongyang's ideology has actually been drifting away from mostly communist ideals (Marxism-Leninism plus *juche*) to a nationalist-egalitarian (*songun* and the “prosperous strong nation” theory which, some researches argue, have connotations with a Meiji-period Japanese concept of *fukoku kyohei* –“rich state and strong army”²⁴). Growing cooperation with South Korea played a noticeable role in this process and helped the resurgence of Korean nationalism, which surfaced as the authorities promoted the thesis of inheriting the legacy of the ancient Korean states, published books about the mythical father of Korean nation Tangun, resorted to cultivating Confucian norms and the cult of the ancestors, and revived traditional holidays such as Lunar New Year.

Pyongyang's foreign policy priorities in the course of this process changed from supporting “national-liberation struggle” to a more pragmatic goals of bridging the gap between North Korea and the world, especially the West. As a result, the northern and southern parts of the Korean nation may quite possibly consolidate around the idea of winning a worthy place in the world for Koreans. This fits perfectly with the North Korean *juche* ideas, which, incidentally, were invented in Korea long before the import of any Communist theories.

North Korea's political system now is more military class-based than party apparatus-based (although recently attempts to increase the party's importance are being made).²⁵ The dependence on the military to carry on state directives is depressing, but it does not constitute anything extraordinary – see the examples of numerous military dictatorships some of which, like Pinochet, were beneficial for national development while others were not. Such a system resists abrupt changes for fear of its inducing its own collapse. But unlike traditional communist ideology-based societies, whose systems

²⁴ Rudiger Frank, “Classical Socialism in North Korea and its Transformation: The Role and the Future of Agriculture,” *Harvard Asia Quarterly*. 2006. V. X. № 2; <http://www.asiaquarterly.com/content/view/172/43> (accessed February 9, 2009).

²⁵ “Possible Shift from the Army to the Party in 10 Years,” *DailyNK*, March 5, 2008; <http://www.dailynk.com/english/read.php?cataId=nk00400&num=3333> (accessed February 9, 2009).

proved to be unreformable, Asian hierarchical societies do accept evolutionary change and can be modernized, as Asian experience has amply shown.

The changes should start – and actually are starting – with economics, and may eventually lead to changes in the state’s “superstructure.” Transformation actually would fit into a paradigm that has been tested many times in transition economies. It would be appropriate to make references to China, as well as to Vietnam and Russia.

North Korea’s command system of the distribution of commodities and finances came to a virtual standstill in the 1990s due to the abrupt ending of aid from Socialist countries and resultant isolation. The subsequent famine allowed the spontaneous development of grassroots market relations as a coping strategy. At the same time, in the mid- and late-1990s, the state introduced market levers in North Korea’s international economic activities in the form of joint ventures, and free economic zones. Today, therefore, there is more to the shattered North Korean economy than meets the eye, and this resilience is mostly the result of spontaneous developments and the 2002 reforms that recognized these developments, rather than the outcome of major policy decisions. Indeed, the state’s experiments with market forces were very cautious and were sometimes later reversed.²⁶ However, regardless of the intentions of the DPRK leaders, the logic of the bottom-up process called for more changes as developments occurred. The economy actually changed from centrally planned to multi-sectoral, combining the state sector (which had become largely inoperational, except for the military which is quite separate and in fact a “state within the state”), the capitalist sector (joint ventures and trading companies, free economic zones), the semiprivate sector (especially in agriculture and services), and the shadow (criminalized) sector.²⁷ The development of freer managerial practices is also noticeable, as more and more North Korean entities undertake international dealings (some of them not legal, but criminals becoming respected businessmen is a common story in Russia, for example).

Ownership relations also began showing signs of change. Apart from the evolution of a new class of small entrepreneurs, sizable semi-private conglomerates are emerging,²⁸ and creating changes in society to the extent that social stratification has become a major source of social tension.²⁹

²⁶ They included mostly changes not in principles, but in methods: prices and wages were brought closer to market levels, and more freedom in economic decision-making was delegated to the local production units. Only strategic items like electricity, coal, and products with direct relevance to defense were now supposed to be centrally controlled. The central authorities relieved themselves of responsibility over local industry enterprises, which were supposed to solve their problems themselves and through local authorities. Enterprises received access to foreign market to get foreign currency in any form possible.

²⁷ For more details see Georgy Toloraya, “The Future of North Korea: System Conservation or Guided Market Economy?” Japan Focus; <http://www.japanfocus.org/products/search/2626> (accessed February 9, 2009).

²⁸ One example is “Korea Pugang Corporation,” with capitalization of around \$20 million and an average annual volume of business of around \$150 million. See “KINU: ‘Business Conglomerates Appearing in the North,’” Daily NK, January 3, 2008; <http://www.dailynk.com/english/read.php?cataId=nk00100&num=3099%20> (accessed February 9, 2009).

²⁹ Among those able to work, 30 percent are now unemployed. Although 70 percent of the population of North Korea receives 250–380 grams of food per day, a new class of affluent people has emerged. As in

Despite the apparent rollback of limited market reforms since 2004, it is good news that North Korean leaders have begun, especially since 2007, to pay more attention to the economy and look for ways to revitalize it.³⁰ Could North Korea develop its own variant economic system which would be similar to other, basically liberal and therefore internationally accepted ones? Could this progress be stopped on the way to a fully market economy, and at what stage? Kim Jong-il himself stated during his talks with President Roh Moo-hyun in October 2007 that the words “reform” and “openness” are still not acceptable to Pyongyang.³¹ (Not the least because of their Chinese connotations – Pyongyang hates to be seen as imitating anything). Under the present leadership, any economic reforms would most likely never be called such and would take place in an unpublicized manner without discussion. How could possible changes then be explained from the point of view of traditional North Korean theories, and to what extent would the changes be influenced by those theories? This is a crucial issue for the legitimization of changes in the framework of North Korean ideology, more so than in Chinese case of legitimization of reforms through Deng Xiaoping’s doctrine of “reform and opening.”

In the eyes of the Pyongyang leadership, any economic policy should guarantee sovereign economic decision-making and should be independent of the outside world; it should also preserve political stability. I think the DPRK’s national interests would rather dictate it to adopt a “state market system”—not unlike East Asian “guided capitalism” models of development—but still stressing national uniqueness, “self-reliance,” and “socialist principles.” It of course would remain a question how such a national economy could be incorporated into a global system, but without passing through this phase North Korea’s participation in the world economy would be impossible altogether. Most desirable is that South Korea should then “lead” the North into the global marketplace.

The concern is whether Pyongyang’s political elite will be able to lead the transformation or will stubbornly direct the country to its collapse.

A Rosy Outlook (Optimal Scenario)

With this and other uncertainties in mind, a bit of fantasy is required to construct a best-case scenario for North Korea’s positive development over the next 20 years, which must include a resolution of the nuclear issue and North-South security issues – which, unfortunately, is still a long way off. The changes must start with the economy and must, regardless of the leadership’s initial intentions, promote social changes toward a less

Russia, most “New Koreans” are connected with the shadow sector, with half-legal services, or they capitalize on their official bureaucratic positions to gain profits. See Hazel Smith, “Brownback Bill Will Not Solve North Korea’s Problems,” Jane’s Information Group, 21 January 2004, <http://www.janes.com>.

³⁰ The North Korean leadership seems to put more and more emphasis on economic progress (although it is still in search of proper methods), arguing that since DPRK statehood and defense are now firmly established, now is the time for progress in the economy. In the 2008 New Year Editorial it was for the first time stated that “building of an economic power” is the priority while “the objective of our advance is a great, prosperous and powerful socialist country” (the target date is 2012 – Kim Il Sung’s 100th anniversary). *Rodong Shinmun* January 1 and 4, 2008.

³¹ *Chosun Ilbo*, October 4, 2007.

repressive and more liberal model. The reduction of hostilities with the outside world that would most likely accompany this internal development could help solve security concerns and help the country to deeper integrate into the international order. The key to these developments, however, is continuity in the elite and power structure.

What changes could an outside observer suggest, taking into account the DPRK's realities?

- The introduction of market levers in the DPRK economy, first on the microeconomic level (which is already happening), and later on a macroeconomic level under state guidance through new legislation. The modernization of the DPRK's existing economic structure, with its heavy reliance on industry, cannot be achieved spontaneously or solely by the invisible hand of the market. These processes should proceed on the basis of long-term (5-year) macroeconomic plans adopted and implemented by the government with the use of guidance mechanisms and instruments inherent to a market economy (such as setting industrial priorities, allocating credits and subsidies, and promoting exports).
- The most important "subjects" of economic life would be multisectoral production and trade conglomerates. The conglomerates would at first be based on state property, and later they would perhaps be privatized step-by-step by members of the North Korean elite as well as through shares. South Korea's *chaebols* – the leaders of which were essentially nominated by the government – provide an example here. Later on small and medium businesses (starting from agriculture) could spring up, beginning in the agricultural sector. This track would reflect a mixture of the Chinese, South Korean, and Russian models.
- Deregulation of the economy will increase the economic activity of the population, attract foreign investment, and increase international cooperation. Deregulation will also liberate people's minds and behavioral patterns – although only to the extent that political stability is not threatened.
- To integrate into the international and regional division of labor. North Korea will have to transform the structure of its economy, probably by dismantling certain outdated and non-competitive branches and relying on the comparative advantages it possesses: cheap and comparatively well-educated labor, mineral resources, and the location/transit potential. North Korea will be a future site for South Korean and Chinese and maybe Japanese businesses to relocate their production of unsophisticated consumer goods, including textiles, footwear, low-end electronics, and household goods. Provided new technologies are introduced, shipbuilding and a number of other capital- and raw material-intensive industries may develop: the mining of ferrous and nonferrous metal ore, nonmetallic minerals, primary production of iron, steel, copper, zinc, lead, and building materials (cement, magnesite); fisheries and forestry could also become an area of DPRK specialization; and information technologies and outsourcing are also possible, strange as it may sound. Traditional industries oriented toward the end

user that have an immediate stimulating effect on the consumption market (food processing, clothing, and building materials) should also be modernized and helped out of stagnation. To make use of the country's competitive transit potential and its capacity to become a recreational and tourist (especially eco-tourist) destination, transportation and communication systems will have to be fundamentally rebuilt, including new roads and railroads, ports, airports, communication facilities, and hotels.

- Economic growth and growing affluence will diminish the outbound flow of refugees and bring about socio-political stabilization. The increasing investment should be channeled to civil production, health, and education while the proportion of military expenditures should decrease in parallel with the alleviation of the DPRK's security concerns. A rise in living standards and a decrease of opposition to the government for economic reasons will enable the authorities – provided no external subversive actions take place – to soften their grip on the population, slowly promote social liberalization (fewer rules and less red tape, greater freedom of movement), and liberalization of the ideological and spiritual spheres. The population, brainwashed for generations to believe in the infallibility of the country's leadership and enjoying improving living conditions, would generally support the preservation of political stability for fear of abrupt and unpredictable changes associated with a change of regime and falling under South Korea's control.
- Communist ideology will give way to “social-nationalism” and “patriotism” as the foundation of societal mentality (with the founder of the state remaining a sacred figure – basically a deity). Increased cooperation and exchanges with South Korea would help promote this “national uniqueness” mythology as a cementing force.
- The political system may move to a sort of constitutional monarchy, where the national leader relies on collective leadership for the day-to-day running of the country and with much greater feedback from the grass-roots level – especially when Kim Jong Il's heir “assumes the throne” of what by that time might be called Great Korean State (Daechosunguk) or Kimilsungia. Changing from a totalitarian to an authoritarian state will follow, and then the East Asian-style managed democracy could eventually develop (look at the South Korean example, or contemporary royal regimes in Asia).
- The severity of the DPRK's military confrontation the outside world will diminish considerably, preparing the ground for military confidence building measures. A system of international arrangements for Korean security (a system of checks and balances cross-guaranteed by the U.S., Japan, China, and Russia) will emerge. North Korea will no longer require its absolute strategic deterrent and will voluntarily abandon its nuclear and other WMD ambitions (following the example of South Africa) and reduce its level of.

- After a couple of decades of such changes, the last remaining obstacles between North Korea and the world will disappear. North Korea would become a vibrant participant in regional cooperation, an international transportation hub, and an ecological tourist destination, adding computer science to other export-oriented industries as a major source of earning. Closer integration with the South would be put on agenda, not excluding the early formation of a “commonwealth,” and later perhaps (but not necessarily) unification.

3. THE WORLD COMMUNITY’S ROLE IN PROMOTING POSITIVE EVOLUTION IN KOREA

Lessons of the Six-Party Peace Process

Up until now, the Six-Party Talks essentially have remained largely a supportive framework, facilitating U.S.-DPRK bilateral normalization efforts. However, even the very attempt to use a multilateral approach might be regarded as the single most important security development on the Korean peninsula since the end of the Korean War. The “concerned states” with major stakes in the area have combined their power and efforts for a diplomatic solution and sought to lay a foundation for the future. Therefore it is necessary to evaluate the sustainability of such a mechanism regardless of the single pragmatic goal of denuclearization.

What are the basic positions of the main actors regarding the Six-Party Talks?

It is worth noting that although the United States is known not to be a big fan of international organizations and mechanisms which could limit its freedom of action,³² in general it sees a multi-party approach in Northeast Asia as in its interest. Indeed, in the words of former Assistant Secretary of State for East Asia and lead U.S. negotiator in the Six-Party Talks Christopher Hill, the United States hopes to move forward on developing a Northeast Asia peace and security mechanism, “which could help transform the cooperative relationships built through the six-party process into an enduring security framework for Northeast Asia.”³³

What about the new Obama administration? Most probably it will not discard this heritage, and will recognize the need for a regional architecture beyond the North Korea problem. As a candidate, Barack Obama expressed his readiness to meet with any leader, including Kim Jong Il, and in his inaugural speech he may have been addressing North Korea, among others, when he declared that the U.S. “will extend a hand if you are willing to unclench your fist.”³⁴ He also supported the multilateral approach.³⁵ It should

³² Keun-sik Kim, “The Prospects for Institutionalizing the Six-Party Talks,” Kyungnam University, July 6, 2007 - IFES Forum No. 07-7-6-19.

³³ Robin Yeager, “Six-Party Process Builds North Korea’s Relations with World,” America.gov, October 26, 2007; <http://usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2007&m=October&x=20071026145743lregaey0.4263574&chanlid=eap>.

³⁴ “President Obama’s Inaugural Address,” January 20, 2009; <http://usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2007&m=October&x=20071026145743lregaey0.4263574&chanlid=eap>.

be noted, nevertheless, that in the Democratic camp there are also people who call the talks “a failed process.”

As for Republicans, many of them do not see the Six-Party Talks as a “productive diplomatic exercise,” stressing that the basically fruitless negotiations have created tensions in U.S. relations with Japan and South Korea. John McCain is on record criticizing North Korea and appears skeptical of further pursuing a multilateral process with Pyongyang.³⁶

The underlying intention for the U.S. might be to try to harness China into a framework which would prevent Beijing from unilateral decision-making. However keeping the U.S. alliances is a major priority as, in the words of one expert, “the U.S. is anchored in the region through bilateral alliances - with Japan, South Korea, and to a certain extent Taiwan ...”³⁷

Like the U.S., China’s goals are manifold. Because Beijing needs to maintain its influence in Korea to guarantee stability there, it opposes forceful methods and renders economic assistance essential for the DPRK’s survival. However, denuclearizing North Korea is also of paramount importance – not so much because of a general concern about non-proliferation, but because Taiwan could follow North Korea’s example, as could Middle East countries which would jeopardize Chinese political and economic interests. Beijing has also put high stakes to the success of the Six-Party Talks, one of the first examples of the “peacefully rising/developing” China acting as a “responsible shareholder” in world affairs. Beijing became the host of the talks and is investing major

³⁵ Addressing the Chicago Council on Foreign Affairs in April 2007, candidate Obama stated his intention to “build on our strong bilateral relations and informal arrangements like the Six-Party Talks... to forge a more effective regional framework in Asia that will promote stability, prosperity and help confront common transnational threats.” The Council on Foreign Relations wrote that “President-elect Obama advocates for developing an ‘international coalition’ to handle nuclear North Korea, calls the Six-Party Talks ‘ad hoc,’ and says he supports ‘sustained direct and aggressive diplomacy.’” See “Obama’s North Korea Policy: A Preliminary Look,” DailyNK, January 20, 2009; <http://www.dailynk.com/english/read.php?cataId=nk00100&num=4473>. The White house website in January 2009 noted that “Obama and Biden will forge a more effective framework in Asia that goes beyond bilateral agreements, occasional summits, and ad hoc arrangements, such as the six-party talks on North Korea.” See “Normalization Doesn’t Mean Denuclearization,” Daily NK; <http://www.dailynk.com/english/read.php?cataId=nk01700&num=4484>.

³⁶ Commenting in April 2008 on the disclosure of evidence of North Korea-Syria nuclear cooperation, Senator McCain said, “North Korea has not acted in good faith for more than a decade... The goal of our diplomacy must be an agreement that advances America’s national interests in the full denuclearization of North Korea and the cessation and full accounting of North Korea’s proliferation activities.” He also added: “...it would be a serious mistake to exclude from the negotiations our legitimate concerns regarding North Korea's egregious human rights abuses,” http://news.yahoo.com/s/nm/20080425/pl_nm/usa_politics_dc_1.

³⁷ The expert continues, “This bilateralism allows the U.S., much the larger partner in all these cases, to control the security equation more easily....An Asian CSCE would create a multilateral network of greater equality, reducing what the Chinese like to call great-power “hegemonism.” As the more vigorous multilateral actor in the region, China would benefit from a US shift in emphasis from bilateralism to multilateralism”... while “United States' major preoccupation in East Asia is with China and how to manage the strange relationship of ‘conengagement’ - engagement plus containment.” Asia Times, August 21, 2007.

efforts and resource in them. That Beijing's desire to enhance its global clout could be the driving force behind the eventual evolution of the six-party format into yet another regional multilateral organization with a decisive Chinese role was obvious from the start.³⁸ The institutionalization of the security and cooperation mechanism strongly reinforces the principles and goals of Chinese foreign policy.

The DPRK, on the other hand, sees the multilateral format mostly as a nuisance, just a decoration for bilateral dealings with the U.S. DPRK representatives note that it is useless to discuss the issues of a regional peace and security mechanism before the "problem of withdrawal of foreign troops" and "overcoming hostility" between the partners are solved, and before "dissolution of Cold War alliances and new peace structure" are achieved. Eventually, however, Pyongyang could realize the utility of cross-guarantees of its security in a multilateral format. That would in turn help promote the "internationalization" of North Korea.

During 2003-2008, under President Roh Moo-hyun, South Korea, which nurtured the dream of becoming the regional "balancer" and "economic hub" of Northeast Asia, was a big fan of the talks.³⁹ Since early 2008, Lee Myung-bak's administration has instituted a tough policy based on the presumption of "reciprocity," but it has resulted in a deterioration of inter-Korean relations that is unprecedented in the last 10 years. Seoul might see itself being effectively marginalized at the Six-Party Talks, as North Korea prefers talking to the U.S. Sooner or later the return to a more realistic approach is bound to happen, as was the case with the Bush administration in the U.S. in 2007. Objectively South Korea should be very interested in the creation of a regional security and cooperation mechanism, as that would increase not only the regional but also the global status of the ROK.

Japan, under successive prime ministers, has remained preoccupied with bilateral issues with North Korea and has no comprehensive concept of its future interaction with Pyongyang, even if the abductee issue is solved. Tokyo has yet to formulate its attitude toward the long-term prospects of regional cooperation and security, and the eventual fate of the Six-Party Talks. So far the Japanese government has been not in favor of a universal East Asian organization, arguing that diverse issues cannot be solved by a single organization and also pointing out that any activity in this area before the solution of the nuclear issue may be a burden. However, should all other actors agree to the idea of building a regional security mechanism I can see no reason for Japan to opt out of it, provided it has already normalized relations with North Korea.

Russia has always been a proponent of a multilateral security mechanism in Asia. Russian initiatives on multilateral Asian security organizations date back at least to Gorbachev's era. Since the demise of the USSR, Russian positions in Asia have weakened considerably, and Moscow is now even more interested in promoting its

³⁸ See, for example, Vice-Minister Dai Bingguo's interview in the China Daily, February 4, 2004, http://www.chinadaily.com.cn/en/doc/2004-02/05/content_303162.htm.

³⁹ See: Zhiqun Zhu, "Small power, big ambition," Korea and World Affairs, VI31, N 2, Summer 2007, p.148.

interests through multilateral structures in order to retain access to the decision-making process and prevent unilateralism. (Although there is some skepticism in the government as to the feasibility of seriously dealing with security issues in Asia in a multilateral format.) Russia was the first to propose, in the midst of the first nuclear crisis of 1993, the creation of a “six-party conference” to address the problem.

Actually, all the members of the six-party mechanism have overlapping sets of common goals. North Korea desires security and aid and does not exclude eventual denuclearization (this is said to be Kim Il Sung’s testament). The other five parties desire denuclearization but do not exclude – at least publicly – security and aid for North Korea.

There will be many hurdles and setbacks. In 2008 the issues of North Korea’s nuclear declaration in the form of documents provided to the State Department and its nuclear cooperation with Syria, versus “de-listing” the DPRK from the rolls of terror-supporting states, was just one example. Verification of a nuclear agreement versus formal U.S. recognition of the DPRK is likely to be the next one, and indeed the verification issue has emerged already. After that – or perhaps parallel to it – the issue of a light water reactor (LWR) would resurface, because Pyongyang has made clear that it sees an independent national electricity production capacity as essential to normalization with the West, and that this capacity cannot be reached without nuclear-powered generation facilities.⁴⁰ Farther down the road, issues of missiles, other WMD, and the humanitarian situation will be put on agenda, and the DPRK will demand comprehensive and irreversible guarantees for the preservation of its system and its elite, as well as access to financial resources and development aid.

This is the reality of the North Korean situation, and it would be a mistake to set misleading or unrealistic goals and deadlines for dealing with it. A serious policy cannot be based on wishful thinking and misapprehension. I do not see how North Korea could discard its only trump card – nuclear weapons – in exchange for promises and to set such a goal as a short-term (a year or two) target would only lead to new disappointments and possible impasses in the diplomatic process. But it should be noted that Pyongyang is prepared to move cautiously with terminally dismantling its military nuclear program. That should be encouraged, but at the same time it is necessary to be fully aware that the possible renunciation of nuclear weapons by North Korea will take a much longer time and will occur only when Pyongyang is satisfied with the comprehensive security guarantees it has yet to be provided with.⁴¹

⁴⁰ For more details see Georgy Bulychev, “Light Water Reactors at the Six-Party Talks,” <http://www.nautilus.org/fora/security/0578Discussion2.html>.

⁴¹ In the meantime some experts suggest to leave the “denuclearization” rhetoric to the public relations domain while in fact treating North Korea as a nuclear power (which should have certain obligations to NPT regime). In working out such a concept there are numerous challenges, as it has to be a compromise between different countries and political forces. See, in particular, the following analysis of the tasks for new US and ROK administrations: “For Washington, the challenge will be to find a way to conduct a public discourse about the suffering of the North Korean people without appearing to advocate regime change. For Seoul, the challenge will be to maintain a consistent stand to improve not only the economic welfare, but also the fundamental human rights of the people in the North without allowing Pyongyang to silence the truth with threats and bluster. ...How can the United States and the ROK collaborate to

However, it would be irresponsible and counterproductive to depend solely on the DPRK's vision of its future and to blindly follow Pyongyang's requests, trying just to trade them off against Pyongyang's concessions. The DPRK should be presented with a clear roadmap of its future development and status, as discussed above, and the six-party mechanism should be used for implementation of these concepts as well as for verification of this process. It is also the ideal venue *for coordination of policy response and multilateral economic assistance to the DPRK* by other member countries and possibly a broader circle of international players.

A Future Agenda

It is time to formulate a concept of future multilateral diplomatic process, taking into account interests of all the relevant parties and the paramount requirements of regional security and cooperation. A doctrine is required in which process and substance work together for bridging the gap of distrust and making the positions of opponents closer.

- The *chief strategic goal* of the diplomatic process should unequivocally be not only denuclearization, but also peace, development, and friendly cooperation in Northeast Asia. Therefore it is necessary to solve the WMD and other related issues in a manner that would not jeopardize these main priorities – peacefully and step-by-step. In fact, solving the main issue is the key to solving these “secondary” issues.
- The most *efficient way* to implement a peaceful scenario is to transform the DPRK into a peaceful, non-aggressive, developing state, open to international cooperation, probably in the manner described above. Such a state should have sufficient guarantees for its security. And we do not speak only about broadly understood national security and human security – in North Korea, the interests of the ruling class must be taken into account. Of course, the nature of this ruling class should change along with generational shifts, making the strategy and tactics more acceptable to the outside world (less war rhetoric, more human rights, less oppression, and focus on development) To make it possible, North Korean leaders and managers should know exactly what kind of position they will occupy under a new system, and what they should expect from the reforms.
- The long history of developed countries' aid to developing countries suggests that aid can be futile, even counterproductive, in the absence of complementary

meaningfully address the continued military dangers on the peninsula while imparting to the North the possibilities for an end to its isolation and a path to economic advancement? What steps are appropriate to reassure the North of the advantages of linking itself unambiguously to the region and the world, assuming that the DPRK leadership is prepared to do so?”. “The Search For A Common Strategic Vision: Charting the Future of the US-ROK Security Partnership,” A Report of the US-ROK Strategic Forum sponsored by the SK Group and the East Asia Foundation, February 2008.

reforms.⁴² Therefore, economic assistance to the DPRK as part of the package for the solution of the nuclear problem should be aimed at assisting system transformation, not at conservation of the outdated model.

Such assistance should be coordinated within the six-party framework and based on a long-term program for economic and social transformation, engaging North Korea to bring it into international division of labor and introduce international managerial experience. Aid, assistance, and investment should be delivered not spontaneously, but in accordance with a considered program, and its implementation should be regularly accounted for – maybe to the group of initiating countries and through the UN – to a wider international community. But the program should not raise suspicions as being aimed at regime change, either forcefully or by way of a “velvet revolution.” The stated goal of the aid program should be the gradual transformation of the current political elite (many members of which are relatives or comrades in the framework of clan politics) to melt it into a more liberal government system. The program should include many stages and the term of its implementation could well exceed 10 or 15 years.

- For coordination of economic and development assistance the interested countries (not limited to the members of the Six-Party Talks) could choose to create a special body entrusted with the task of planning and providing such assistance. The experience of the Korean Peninsula Energy Development Organization (KEDO), which coordinated energy assistance to North Korea from 1995 until 2006, proves this task is feasible.
- In the longer run, the solution of Korean security and development issues could become a catalyst for the formation of a structure for integrating North Korea by institutionalizing the Six-Party Talks. Such a structure, which I tentatively call the Northeast Asia Security and Cooperation Organization (NEASCO), may contribute in the following issue areas:
 - Finding a common agenda in the *traditional security* area would not be easy, taking into consideration U.S.-Chinese strategic competition, the struggle for dominance between China and Japan, regional territorial disputes, and interpretations of history. In the short-term the possibility of CBMs, both bilateral and multilateral, should be discussed.
 - The organization could be a promising venue for discussion and decision-making on *non-conventional threats* which are more and more internationalized – terrorism, drug trafficking, piracy, pollution and environmental hazards, infectious diseases, illegal migration, and natural disasters.

⁴² Stephan Haggard and Marcus Noland, “Economic Implications of Summit Agreement,” Nautilus Institute, Policy Forum Online 07-082A, October 30, 2007; <http://www.nautilus.org/fora/security/07082HaggardNoland.html> (accessed February 10, 2009).

- *Economic cooperation* requires serious discussion in both the short- and long-term future. A successor organization to the Six-Party Talks would be useful for discussing regional cooperation initiatives and the coordination of multilateral projects, especially in infrastructure and energy. For the near term, as Asia is increasingly separated into bilateral FTA areas discussion of a more comprehensive trade system should begin before it is too late.
- Setting up frameworks for cultural and *civilizational intercommunication*, especially in the form of scientific and educational exchanges could also become an important area of NEASCO activities.

4. THE RUSSIAN EXPERIENCE IN DEALING WITH KOREA: ARE THERE POSSIBILITIES FOR INCREASED U.S.-RUSSIA COOPERATION?

Russian Policies Overview

Russia has been involved in Korean affairs for 120 years, and the peninsula has long been a hot spot for Moscow.⁴³ Russia's policy goals – and the extent of its influence in Korean affairs – are not always understood in the U.S., and sometimes are neglected. Of course, modern Russia cannot and would not try to exercise the former USSR's "patron" attitude toward the DPRK, but its role cannot be seen simply as a small part played by a fading actor.⁴⁴ Russia has learned the hard way that the Korean peninsula requires both attention and realpolitik, and post-Soviet history provides a stark reminder of this lesson. After the break-up of the USSR, when the Russian government was side-lined in Korean politics, the dangerous developments around the North Korean nuclear issue nearly resulted in a war at Russia's doorstep. Thus Russia endeavored to revitalize its Korea policy.

Although at that time there was little argument concerning the need to develop relations with South Korea, especially in economics, several schools of thought on North Korea emerged.

⁴³ Remember Russia's fierce competition with other colonial powers for the domination over Korea, which culminated in the war with Japan (1905-1906), which was disastrous for Russian Empire as it was one of the major factors leading to 1917 revolution, the Korean War (1950-1953) which nearly caused the Third World War, constant North-South conflicts in the 1960-1980s, reflecting U.S.-USSR global animosity against the background of USSR failure to manage its capricious and ungrateful ally.

⁴⁴ It is since recently recognized in the USA that Russian role in East Asia is growing "in the overall framework of a pragmatic "multi-vector" or "multi-directional" foreign policy, based on "the oil and gas boom, continuous economic growth, and effective state rebuilding." Russia's basic priorities are seen as "ensuring a favorable security environment in the region, building mutually beneficial, largely economic, relationships with all the regional members, developing the Siberian and Far Eastern areas, and generally trying to return to its former status as a great power in the region" "The Search For A Common Strategic Vision: Charting The Future of the U.S.-ROK Security Partnership," A Report of the U.S.-ROK Strategic Forum, sponsored by the SK Group and the East Asia Foundation, February 2008, <http://www.wm.edu/news/?id=8681>.

A small group of die-hard “*conservatives*” (including some long-time North Korea experts, leftists, and certain quarters of military establishment) remain sympathetic with Pyongyang’s cause, interpreting it as a righteous struggle for national independence and sovereignty against “imperialistic powers.” In this view even North Korea’s nuclear ambitions are perceived as explainable, although the majority of conservatives does not approve of the regime’s brutal internal policies. Interestingly, this thinking almost became extinct in the 1990s and still has few supporters, but it has become closer to mainstream political approaches in the wake of the reappraisal of Russian foreign policy in the 2000s. However, a generally more liberal approach by President Medvedev administration could correct this trend somewhat. The war with Georgia in the summer of 2008 and the subsequent Russia-U.S. confrontation have strengthened the positions of those who see the situation around North Korea as yet another area of strategic competition.

“*Progressives*” loathe North Korea’s totalitarian regime, which they see as a direct descendent of Stalinism. This group includes political, academic, and media experts, specialists in non-proliferation, and renowned liberal journalists – almost none of whom have any background in Korean studies. Russia, they say, should unequivocally join the international pressure on North Korea, which, inter alia, would gain benefits for Russia in its relations with the U.S. The final collapse of the Pyongyang regime, they argue, would not only cause a sigh of relief in the world, but would liquidate once and for all the danger emanating from Korean peninsula. The “*non-proliferation cabal*” is close to this school, often putting the cart before the horse. It sees North Korean denuclearization as the priority, tends to disregard the DPRK’s interests, and does not comprehend the subtleness and multi-dimensional and multi-stage characters of the processes leading to this goal.

The “*pragmatists,*” comprising foreign and security policy professionals and academics specializing in regional affairs, see both the conservative and progressive views as extremist. Although the North Korean regime elicits little sympathy, toppling it either in order to get rid of the WMD threat or for geopolitical reasons is simply not cost-effective, as it would have tremendous negative consequences. It also does not correspond with Russia’s own interests, which became more obvious because of the increasingly hostile U.S. approach to Russia – the “loss” of North Korea into the U.S. sphere of influence would by nature decrease Russia’s security. However, Russia would like to see the easing of the confrontation on the Korean peninsula, the major result of which would be a less isolated and more peaceful North Korea. Russia, like other countries, is not happy with the internal and external behavior of the DPRK, and it adheres to non-violent ways to solve the problems. First, it is urgent to establish through diplomacy an international balance of interests and to make provisions for the regional status-quo, and then to help the Pyongyang regime to be accommodated in today’s world. These mainstream views remain the basis for practical diplomacy, and are strongly oriented toward the promotion of national interests.

As a result, the Russian government’s Korea strategy has evolved from the liberal romanticism of the 1990s to a more pragmatic approach based on national interests in

Putin's era.⁴⁵ Hopefully, no major changes are forthcoming under Medvedev's government, although public opinion would oppose U.S. pressure tactics against North Korea more strongly than ever. It must be mentioned that the cooling down of relations between Moscow and Pyongyang well preceded the demise of the USSR. Kim Il Sung resented perestroika and the "treacherous behavior" of the Soviet Communist Party. The USSR's recognition of South Korea and the cessation of economic assistance to North Korea (due mostly to the USSR's own internal economic hardships) were seen by the North Korean leaders as acts of hostility. They were deeply hurt and felt betrayed, and relations with the USSR were already sensitive in 1990.⁴⁶

The anti-Communist elite of the new democratic Russia did not consider North Korea a worthy partner and some tended to take seriously Western predictions of the forthcoming collapse of the Pyongyang regime. Many "new wave" politicians in the 1990s seemed also to fall into the trap of simple logic: in order to have good relations with capitalist South Korea – a promising new partner – Russia should denounce the "communist era mistake" of supporting the DPRK and break relations with it altogether. As a result, North Korean leaders suspected Russia of harboring a secret desire to help overthrow their regime.

However, during the first nuclear crisis in 1993, experts succeeded in persuading Russia's political leadership that the pragmatic interests of preserving peace and stability in Russia's neighborhood and a new understanding of the nature and prospects of the DPRK should become the basis of Moscow's policy. In the mid 1990s North Korea started to change its attitude towards Russia.⁴⁷ In 1998, after Kim Jong Il's formal ascension to power, the DPRK finally reacted positively to the Russian initiative (of August 1995) on concluding a new treaty on friendship instead of the old 1961 "alliance" treaty⁴⁸ and the Russia-DPRK Treaty of Friendship, Cooperation and Good Neighborliness was finalized in 2000.⁴⁹ In fact the conciliatory approach to Russia marked the start of Pyongyang's "peace offensive," with Russia – a traditional, well-

⁴⁵ For a comprehensive discussion of contemporary Russia-North Korea relations (1991-2006), see Alexander Vorontsov's "Current Russia-North Korean Relations: Challenges and Achievements," CNAPS Visiting Fellow Working Paper Series, February 2007; www.brookings.edu/fp/cnaps/papers/vorontsov2007.pdf.

⁴⁶ V.P. Tkachenko, *Koreiskii poluostrov i interesy Rossii*, Moscow, 2000, pp.69-72.

⁴⁷ In 1994 Russia was named a "friendly country" with which the DPRK was willing to "develop relations regardless of differences in ideology and social systems" See A.N. Panov, "Speech at the Opening of the Fourth IMEMO-IFANS Conference," Moscow, October 1994.

⁴⁸ The legal base for the denunciation of 1961 Treaty was murky (the Russian Foreign Ministry did not want to formally initiate the procedure fearing that the initiative would not be approved by the Communist-dominated Duma). North Koreans seemed to understand it and did not hurry to react to a Russian proposal of August 7, 1995 to replace the old treaty with a new one (although then-DPRK Foreign Minister Kim Yong Nam stated in 1990 that "the establishment of diplomatic relations by the USSR with Seoul equals the automatic denunciation of the alliance treaty." North Korea repeated this position on September 8, 1995, reacting to the above-mentioned Russian proposal by saying that "The [1961] Treaty in fact lost its meaning and was annulated, which was let known to the Russian side."

⁴⁹ It was the first document signed by the DPRK which claimed adherence to the UN Charter and international law. *Bulletin mezhdunarodnykh dogovorov*, (*Bulletin of International Treaties*) Moscow: Ministry of Foreign Affairs, No. 4, 2001, p.51.

known partner, understanding North Korean specifics and North Korean diplomatic language – serving as a test case. The world would notice the shift in North Korean behavior only later on.

President Putin’s visit to the DPRK in July 2000 was an unprecedented breakthrough – it was not only the first visit to Pyongyang by a Russian leader, but featured the first invitation ever signed by Kim Jong Il, the first official negotiations by Kim Jong Il with a foreign leader, and the first international document (the Russia-DPRK Declaration) signed by Kim.⁵⁰

Kim Jong Il’s reciprocal visit to Moscow in summer 2001 also proved to be a watershed event for Russia-Korea relations and for the DPRK itself. It was the first time that Kim Jong Il (as supreme leader of the DPRK) had ventured farther abroad than China and visited a post-communist country. This was an important experience for him personally⁵¹ and resulted in a softer international line.⁵² After that, top-level bilateral political dialogue became regularized and Kim Jong Il and the DPRK’s top leaders started to meet routinely with Russian guests and members of the Russian Embassy in Pyongyang. A Russian Orthodox church was even constructed in Pyongyang.⁵³ We should note also the role of Russian-educated top and medium-level bureaucrats in DPRK.⁵⁴ There are ups and downs, of course – the DPRK was quite upset with Russia’s joining the international sanctions against it in 2007 in the wake of the nuclear test and is not happy with Russia’s increasing cooperation with South Korean government.

Following the North Korean fashion, the degree and scope of the exchange of ideas and discussions between Moscow and Pyongyang are shrouded in deep secrecy. Russia’s behind-the-curtains bilateral diplomatic activity is therefore usually obscure and its role is sometimes underestimated. It is a safe guess that Kim Jong Il wants to avoid overdependence on China, and the Russia card is very useful for that, although that logic is pretty transparent both for Moscow and Beijing

⁵⁰ The two leaders confirmed the principles of relations, set forth in the Basic Treaty, as keeping not only with the vital interests of the two countries, but with the trends for multi-polar world and creation of a new, rational world order, called on to “ensure reliable security of all countries in political, military, economic, socio-cultural and other spheres.” The reinforcement of the UN role and rejection of interfering into the internal affairs of other states, reducing coercion in international relations, and condemnation of international terrorism and separatism (more than a year before 9/11!) were emphasized. For the first time DPRK announced that its “missile program does not threaten anyone and is for strictly peaceful purposes” (this formula was personally agreed to by Putin and Kim Jong Il during one-to-one talks); RIA-Novosti report from Washington, November 4, 2000.

⁵¹ G.Bulychev, “Zachem priezhal Kim Jong Il? (Why did Kim Jong Il Come to Russia?),” Korus Forum, Moscow, No 8-9, 2001, pp.9-11.

⁵² The Moscow Declaration of August 4, 2001 stressed the need for continuation of North–South dialogue, and achieving breakthroughs in the dialogue between the DPRK and “such countries as the USA and Japan,” ITAR-TASS, August 4, 2001.

⁵³ Korus Forum, Moscow, No 7, 2003, p.63-65.

⁵⁴ Western reports note: “Many of the thousands of Soviet cultural, academic and scientific exchange candidates during the Cold War played critical behind-the-scenes roles in advocating for and supporting change, and filled key positions after the Soviet Union dissolved.” Yale Richmond, *Cultural Exchange and the Cold War: Raising the Iron Curtain*, Penn State Press, 2003.

Bilateral economic cooperation lags far behind. The North Koreans might have hoped that Russia's assistance would help them restore the economy (as it did in previous decades), but the new market economy situation in Russia leaves little room for Soviet-style sponsorship and the Russian private sector is largely uninterested in North Korea, especially in the midst of the global economic crisis. However a concept for three-party cooperation was worked out combining South Korean capital, Russian technology (which remains the basis for North Korean industry and infrastructure), and North Korean territory in order, inter alia, to lay the groundwork for a system of regional economic integration in Northeast Asia. Lee Myung-bak's administration even suggested forming a "three party peace and economic committee."⁵⁵ A railroad project, including overall investment evaluated at US\$2 billion to US\$ 4 billion), is a manifestation of this approach, aiming at the restoration and upgrading of the railroad connection between South and North and linking it to the Trans-Siberian Railway,⁵⁶ the first step of which is the construction of a \$100 million shipping container terminal in Rajin, North Korea. Another possible area of tripartite cooperation is energy, including the development of a power grid connecting the three countries. Russia took seriously its energy aid obligations within the framework of the Six-Party Talks and rendered energy assistance, despite much reluctance in certain quarters of the government.⁵⁷

The current priorities and principles of Russia's strategy in Korea can be summarized:

1. Banal as it might sound, what Russia mostly needs in Northeast Asia is stability and regional development in order to create conditions for its own deeper involvement into international cooperation and to achieve economic prosperity in the Far East under secure conditions. Preventing an increase of tensions is Moscow's chief priority and its goal is therefore to avoid any scenario which could be associated with an emergency in Korean peninsula.
2. From a geopolitical point of view, although Russia does not want to see an unchecked increase of any foreign domination in Korea which would endanger its interests, it does not aim to increase its own domination in the area *per se*. Russia seeks more say in the decision-making process in Korean affairs in order to protect its national interests – as any country with interests in a region would do. At the same time both Koreas also need a counterbalance as they build more independent relations with the centers of global power, and Russia is quite suitable for this. Increasing security cooperation between Russia and the two Koreas would also help balance

⁵⁵ *Trud*, January 22, 2008.

⁵⁶ *Vremya Novostei*, Moscow, 20 September 2004, *Asiya-99. Economica, Politika. Sotrudmichestvo (Asia - 99. Economics, Politics, Cooperation)*, Moscow, Institute of Economic and Political Studies Press, 2000, p.6; ITAR-TASS, *Atlas*, 2 November, 2000.

⁵⁷ Deputy Minister Alexander Losyukov quoted in "Russian Diplomat Names Reasons For Halt In Six-Sided N. Korea Nuclear Talks," Itar-Tass, Tokyo, February 2, 2008.

the regional geopolitical situation, because of the increase of the number of “responsible stakeholders.” Russia does not see the international process, comprising major powers here, as a “zero-sum game.” The idea of a regional Cold War-like division on Korean affairs (such as 3+3) is of no appeal to Moscow.

3. The prevention of the proliferation of weapons of mass destruction, the promotion of democracy, and observation of human rights – no matter how important they are declared to be by some of Russia’s partners – frankly cannot be seen in Moscow as “more important than peace.” However, although now not publicly mentioned, that does not mean that these goals should not be aspired to and reached through enhanced security and peace preservation, which would help North Korea liberalize. The security of the DPRK is actually a precondition for achieving these goals.
4. The key to the eventual solution of the vast spectrum of problems on the Korean peninsula is the provision of security and conditions for development to North Korea, with the purpose of assisting it in changing its internal and external policies to the extent that it would no longer be regarded as a threat or “odd man out.” This policy of assisting change should exclude attempts at abrupt changes in the situation
5. Russia generally supports North-South reconciliation and cooperation with a distant goal of eventual reunification in a form agreed upon by North and South. Such a development would not contradict Russian interests if it would result in the creation of a united, peaceful, and prosperous Korea that is friendly to Russia. Such a country would be one of Russia’s most important partners in Asia, helping to build a more balanced system of international relations in the Far East.⁵⁸ At the same time it could become a growing market, especially for the resources of the Russian Far East. Despite the currently tense relations between North and South, Russia (which successfully avoided taking sides during the inter-Korean confrontation in the 1990s) wants to translate its good relations with both Koreas into political and economic dividends. Trilateral projects in railway transportation and in the energy sector seem to be particularly promising. Russia aspires to become a “Eurasian bridge,” speeding development of its Far Eastern regions and facilitating its deeper integration in the Asian economic space.
6. International cooperation between the major powers is essential for attaining the above-mentioned objectives. Proceeding from an understanding of the need for the DPRK to retain its sovereignty and the need for it to denounce WMD, Russia strives to coordinate its policies with the members of the

⁵⁸ Eberstadt and Ellings wrote: “On balance, a prospective Korean reunification... may not look as dangerous from the Russian perspective as from Tokyo’s, or more importantly, Beijing’s perspectives.” Nicholas Eberstadt and Richard Ellings, Eds., *Korea’s Future and the Great Powers*, Seattle, 2001, p. 330.

Six-Party Talks and other international actors. The Korean problem has become an important item on Russia's global agenda and in its international relations.

The eventual creation of a regional (sub-regional) system of security and cooperation in Northeast Asia would benefit Russia, as it would enable Moscow to have a greater say in the area in order to better promote its interests, and to raise the degree of predictability. Institutionalization of the Northeast Asian security and cooperation mechanism might play an important role in a changeover from international relations based on mutual deterrence to a system of cooperation/competition grounded in the balance of interests, i.e. in a "concert of powers."

Is Russia-U.S. Policy Coordination in Korean Affairs Possible?

The history of Russia-U.S. interaction on Korean issues since the early 1990s gives little ground for optimism as it reveals a growing divergence in policy goals and a lack of effort toward overcoming that gap. Russian policy-makers from the mid-1990s on were increasingly wary about the ultimate objectives of the U.S. on the Korean peninsula. They became convinced that the U.S. would pursue the goal of regime change, which could result in numerous problems for Russia as described above. Moreover, as a result of this development, Russia would be faced with an "eastern flank of NATO" on its borders. The policies of the Republican administration in Washington from 2002 to 2006 were increasingly at odds with Russia's stated policy goals, which made meaningful cooperation difficult.

Russian researchers point out objectively that Russia's priority in East Asia is stability, while the U.S. objectively aims to increase its influence and dominance in the area; thus there is a basic divide between the policy concepts of the two sides.⁵⁹ Should the U.S. try to practically achieve a strategic shift in the sub-regional balance of power and attempt to increase its domination in Korea by undermining the DPRK, it could be seen by Russia as a real challenge. It should be noted, though, that its ability to respond in kind is limited – only marginal radicals even think about a military option, and other forms of resistance to possible U.S. actions (diplomatic, economic) have their limits as well as they could not be allowed to develop into a global confrontation. So Russia would obviously use preventive diplomacy to preclude such a development.

Moscow is dissatisfied with Washington's constant underestimation of the Russian role in Korean affairs and neglect of its interests and desires a more fruitful dialogue with the U.S. In President Clinton's era the Russian government and experts alike were deeply upset by being excluded both from KEDO in the 1990s and from the four party talks, the convening of which, in 1996, they learned about by chance through the embassy in Seoul days before it was made public. Some experts concluded that, in

⁵⁹ See for detailed analysis Liana Areshidze, *International Relations in East Asia: Threats and Hopes*, Moscow, International Relations Publishers, 2007, pp. 247-252.

Korea, “the major powers have not found Russia a useful partner in responding to the dangers confronting them.”⁶⁰

Moscow is unhappy with the lingering common U.S. view of the Russian role as that of only an “interested observer.”⁶¹ U.S. officials during the Bush administration considered Russian policy toward the Korean issue to be “unhappy,” stemming only out of its “great power aspirations,” and constantly wanted to change it. For example, in October 2003 President Bush reportedly urged President Putin to act sternly toward North Korea, “like with a capricious child that throws food on the floor.”⁶² Moscow suspected the actual design was to further isolate Pyongyang by spoiling its relations with Russia, and had it followed this advice the result would have been a weakening of Russia’s position, as happened in the 1990s.

Although Russia-U.S. diplomatic consultations continued throughout the Bush presidency, it sometimes looked like the participants figuratively spoke different languages. The U.S. and its western allies mocked President Putin after he announced during his first G-8 summit in Japan, having flown there from Pyongyang, that Kim Jong Il was ready to give up his missile development program provided he could get access to launching services (although later U.S. diplomats seriously discussed such an option with North Koreans).

Russia is still often seen in the U.S. as merely supporting China on principal issues in Korean affairs, not playing an independent role. On crucial moments in the UN (such as the adoption of the resolutions in response to North Korea’s missile launches in July 2006 and the nuclear test in October 2006),⁶³ the U.S. side complained of a “Russian problem” as a reflection of the “Chinese problem” and Russia’s stance was seen as opposing the U.S.

The U.S. was not eager to see Russia as a member of the multilateral talks on the Korean nuclear problem. Only the insistence of Kim Jong Il (who obviously wanted a counter-balance to China) won Moscow its place at the table. However, the U.S. was generally not satisfied with Russia’s performance, suspecting that Moscow was not being transparent about its bilateral dealings with Pyongyang.⁶⁴ Experts consider that “Russia increasingly plays a self-serving spoiler role more related to a resurgent Russian resistance to the U.S. globally than to anything relevant to Korea.”⁶⁵

⁶⁰ Korea’s Future and the Great Powers/ Ed. By Nicholas Eberstadt and Richard Ellings., Seattle, 2001, p.164.

⁶¹ See, for example, Richard Weitz, “The Korean Pivot,” KEI Academic Paper Series, Vol.1, Korea Economic Institute, Washington, 2007, p. 197

⁶² John Bolton, *Surrender is Not an Option*, New York: Threshold Editions, 2007, p.432-433, 312.

⁶³ *Ibid.*, p.294-301, 306-309.

⁶⁴ For example, Washington claims it was unaware of the contents of the so-called “package resolution” presented by Russia to North Korean in January 2003 (which later become the base for the “action for action” formula for solving the nuclear problem). See Pritchard, *Failed Diplomacy*, p. 59.

⁶⁵ L. Gordon Flake, “Three Yardsticks for a Strategic Evaluation: Responding to a New Nuclear North Korea,” Pacific Forum CSIS PacNet, January 9, 2008.

In the final months of Bush's presidency Washington was not happy with Russian statements that North Korea and the U.S. share the blame for the stalling of the Six-Party Talks in 2008.⁶⁶ The degree of suspicion of Russian motives could be illustrated by the following fantastical thought experiment on future regional developments in the event of an end to the U.S.-ROK alliance, carried out by a non-governmental organization: Russia might have a Machiavellian design to arm North Korea with the purpose of selling more arms to South Korea and helping with an eventual production of nuclear weapons in South Korea prompted by U.S. withdrawal from its bases there.⁶⁷

After the war in Georgia, U.S.-Russia cooperation in international affairs seems to be wishful thinking. Simple logic could lead to a conclusion that Russia would support the foes of the West, and already accusations of a pro-Pyongyang bias in Moscow have become commonplace.

Will Russia-US discussions on Korean issues also lack sincerity and become contradictory, as has happened in other aspects of the relationship? I believe that under the Obama administration, if the new president so wishes, Moscow-Washington cooperation on Korea could become real serious and useful, even to the extent of making it a "model case" for Russia-U.S. interaction on other international issues.⁶⁸ Regardless of what is going on in other areas, in Korea Russia has no reason to challenge the United States, nor does the U.S. inevitably have to infringe on Russian national interests there. Russia does not maintain a unilaterally pro-Pyongyang position, as Western commentators sometimes argue,⁶⁹ and Russian politicians and high-ranking diplomats are on record repeatedly saying that North Korean nuclear programs "threaten our interests,"

⁶⁶ In February 2008 Deputy Minister Alexander Losukov blamed not only "lack of information about the DPRK's nuclear programs" but also "US's failure to perform its obligations to exclude the DPRK from the list of the countries that sponsor terrorism" for the halt in the Six-Party Talks. See "Russian Diplomat Names Reasons For Halt In Six-Sided N. Korea Nuclear Talks," Itar-Tass, February 2, 2008.

⁶⁷ S. Enders Wimbush, "A Parable: The U.S.-ROK Security Relationship Breaks Down," *Asia Policy*, Vol 5, January 2008, p.16; http://nbr.org/publications/asia_policy/AP5/AP5_USROK_RT.pdf.

⁶⁸ It should be noted that there exists a more balanced U.S. view on Russian policies: "Russia has pursued fairly non-controversial policy objectives toward the Korean Peninsula: nuclear non-proliferation and the maintenance of peace and stability on the peninsula; support for inter-Korean dialogues and interactions contributing to a peaceful re-unification; expansion of mutually beneficial economic cooperation; and trying to obtain greater Korean involvement in developing Siberia and the Russian Far East...Moscow has attempted to enhance its role as serious "broker" with North Korea..." "The Search For A Common Strategic Vision: Charting The Future of the U.S.-ROK Security Partnership," A Report of the U.S.-ROK Strategic Forum, sponsored by the SK Group and the East Asia Foundation, February 2008, <http://www.wm.edu/news/?id=8681>.

⁶⁹ Following North Korea's withdrawal from the NPT on January 10, 2003 and its decision to suspend participation in the Six-Party Talks on February 10, 2005, official Russian representatives repeatedly expressed concern, and stated that such actions did not correspond to the goal, supposedly shared by the DPRK, of denuclearization of the Korean peninsula. Taking these facts into consideration, as well as the results of the Russia-U.S. and G-8 summits from 2002-2005 and Russia's decision to join the Proliferation Security Initiative (PSI), President Putin had a firm basis to argue that Moscow's non-proliferation "positions are very close with the American partners." See www.mid.ru January 2003, February 2005.; "Bush, Putin Focus on Nonproliferation, Russian WTO Accession," <http://usinfo.state.gov>, September 16, 2005.

and protested strongly against the nuclear test in 2006.⁷⁰ In April 2008 during their meeting in Sochi, Presidents Putin and Bush confirmed their support for the Six-Party Talks and agreed to continue cooperation for denuclearization.⁷¹

A possible U.S.-North Korean rapprochement (which would enable North Koreans to add a new dimension to their favorite “balancing” game between the USSR and PRC) could also transform the picture of international relations in East Asia. However Russian interests would not necessarily be challenged – except for the unlikely development of North Korea becoming a U.S. client state. Nevertheless there are countries, namely China, which would be much more worried about such rapprochement. For their part, the North Koreans would love to ignite Russia-U.S. tensions. Indeed, some already privately make the point that if North Korea mends fences with the U.S. and develops closer relations with Washington, U.S. influence in the Russian Far East would increase and Russian geopolitical interests would be infringed upon.⁷² Despite these subtle threats, the danger of North Korea becoming a Chinese client state is a more realistic dilemma for Moscow.

Russia has neither the need nor the resources to devise a strategy to diminish U.S. influence or to contradict U.S. policy vis-à-vis Korea (unless of course, American policy aims to increase tension and attempts to resort to a military solution or non-military pressure tactics). At the same time there are common goals and common approaches related to Korean policies. The Global Initiative to Combat Nuclear Terrorism, agreed upon at the 2006 G-8 meeting at St. Petersburg, is a good example of a joint approach to solving problems associated with possible North Korean proliferation.

Late in the Bush administration (but before the war with Georgia), some U.S. government officials also started declaring that U.S.-Russian cooperation on the North Korea nuclear problem is an important example of foreign policy coordination between the two countries.⁷³ Officials point out that Korean problem is probably “the place we [the U.S.] could work with Russia, as we have trouble working in other areas.”⁷⁴ Such views are welcomed in Russia.⁷⁵

However, in my opinion this cooperation and coordination should not be limited only to the nuclear issue, but should also include broader security and economic issues. Let me name some:

⁷⁰ International Herald Tribune, January 31, 2007.

⁷¹ See <http://www.vz.ru/news/2008/4/6/157537.html> (accessed February 10, 2009).

⁷² Private interviews by the author with North Korean experts.

⁷³ A more positive view of the Russian role in the Six-Party Talks was summarized by Assistant Secretary of State Christopher Hill, who acknowledged in March 2008 Russian efforts to play an “honest broker” role and Moscow’s significance in working out the outline of the future Northeast Asian security mechanism, based, among other things, on Russian experience with OECD and in being instrumental in the practical aspects of future denuclearization. He later stressed a possible Russian role in getting rid of North Korean fissile materials in a public address at Seattle University, April 17, 2008.

⁷⁴ Assistant Secretary Christopher Hill, public address at Seattle University, April 17, 2008.

⁷⁵ Private interviews by the author with high-ranking Russian Foreign Ministry officials, February-March 2008.

- Increased policy coordination through political, diplomatic, and track two channels. There has been a marked increase in this area in recent years, including high-level communication, and the momentum should not be lost with the change of administration. On the contrary, the policies of Democratic administration (which are expected to be more realistic) could create better understanding and therefore more room for assistance. This would very topical as there is still a need to built trust in other parties' intentions and plans in Korean peninsula area. Now that stronger coordination in the "trilateral group" (U.S.-Japan-ROK) is on the agenda, why not think about a more efficient (in addition to ad hoc vice-ministerial level consultations) permanent channel of U.S.-Russian communication on Korean and Northeast Asian affairs, perhaps through the U.S. Embassy in Moscow, and in regular meetings of directly responsible officials? That would also help increase awareness in Moscow of U.S. attention to this area and raise its "rating" among Russian foreign policy-makers.
- Setting a trilateral U.S.-China-Russia consultation mechanism on Korean affairs. Even if this idea does not appear feasible in the short term (Chinese acceptance is doubtful), it is worth exploring.
- Doing away with the North Korean nuclear infrastructure by dealing with North Korean nuclear facilities and materials, deactivation, verification, nuclear expertise, re-training of specialists and other aspects of possible implementation of the Nunn-Lugar program in North Korea. In a later stage this type of interaction could probably include other North Korean WMD based on relevant Russian post-Cold War experience. For its part Moscow should make its goal of North Korean denuclearization more pronounced, and show its readiness to assist this process.

Russia would also like to have a stake in a possible LWR project should it be eventually agreed upon. This issue would most probably become the central one in the negotiations during the possible "third phase" of denuclearization, and Russia could help find cheaper solutions in the economic crisis era.

In the later stages of the demilitarization of the peninsula, the issue of conventional armaments and a CBM regime could become an area of U.S.-Russia cooperation.

- Considering possibilities for joint efforts in the creation of a regional security and cooperation mechanism. Moscow is still hesitant lest a full-fledged OSCE-type structure increase the U.S. hold on the region without tangible benefits for Russia, or other regional actors. A concept of the agenda of the multilateral forum (apart from the North Korean question) could be developed. The sequence of stages for establishing such a structure is still lacking and most countries do not feel any urgency in developing one. One can speculate that the mood in Asia is that non-Asian countries should take the lead in providing a blueprint, as the controversies

among the Asian members of the club would prevent them from setting up a charter of Northeast Asian security and cooperation. In 2003 the U.S. picked up on the idea of multiparty talks, for years promoted by Russia, and used its leadership to implement it. Irritation in the West about Russia's growing external profile should not be transposed onto Asian affairs. A pragmatic Russia-U.S. partnership in preparing the rules of the game in Northeast Asia, where Russia poses no threat to U.S. interests, could become a historic chance for Russia to be accepted as a responsible stakeholder in the region.

- Coordinating the economic assistance and development of North Korea. Russia has a vested economic interest in the Korean peninsula and sees it as its "door" to Asia, especially in the energy sector. Transportation and infrastructure development are the obvious areas of Russian interest and should be coordinated with those of the other parties.

The U.S. might take the lead in the coordination of possible future economic assistance to North Korea in the six-party format. Russian political and economic leaders (unlike, say, those of the ROK or China) do not see much sense in being a part of the programs of economic assistance to North Korea unless it translates into some tangible political and economic benefits, especially in a time of economic hardship. Therefore projects that have the potential of providing economic benefits to Russia (such as a connection to the Trans-Siberian Railway, Russian participation in the reconstruction of North Korean energy and part of its industrial sector, probable participation in a LWR construction and/or maintenance) are to be promoted.

That said, we should not exclude the possibility that the change of governments in Washington may create a pause in Russia-U.S. cooperation on Korean affairs for a certain period of time – not because of a divergence in opinions but because of lack of trust, attention, and political will. The expert communities of the two countries under these circumstances should increase their efforts to sustain the bilateral dialogue and build trust. A good start might be a bilateral discussion of future paths for North Korea's evolution (which is now lacking) and on the involved countries' long-term strategies for this evolution. It would be important not only for formulating the right policies and a common strategy of the countries mentioned with regard to nuclear issue, but also for the North Korean leadership to understand the choices it faces.

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