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The Korean Peace-Building Process: Problems and Prospects

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The Korean Peace-Building Process: Problems and Prospects

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The Korean Peace-Building Process: An International Cooperation Approach

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I. Introduction

After the historic inter-Korean summit meeting in June 2000, inter-Korean relations are still characterized by mutual distrust, animosity, a lack of mutual cooperation and conflicting ideologies. The inter-Korean peace process has been moribund since the summit.

The Korean peace-building process in this article may be defined as the process by which the two Korean states at an inter-Korean level, and the two Koreas, China and the United States at an international level attempt to cooperate to establish a peace regime on the Korean peninsula by reducing tensions through a policy of national reconciliation and cooperation, and replacing the 1953 Korean armistice agreement with a Korean peninsula peace agreement. The process is one of essential conditions for achieving an eventual unification of the Korean peninsula by peaceful means.

The inter-Korean first-ever summit meeting between President Kim Dae-jung and Chairman Kim Jong-il held in Pyongyang on June 13-15, 2000 produced an inter-Korean joint declaration of June 15, 2000. This landmark declaration provided a framework for institutionalizing a peaceful coexistence between the two Korean states. Chairman Kim Jong-il's decision to accept the June summit meeting symbolized his strategic policy change toward the South. The new inter-Korean peace process continues to build mutual trust and understanding on which a durable peace on the Korean peninsula will be firmly established.

The objectives of this article are: (1) to examine the significance of the June 15 joint declaration which laid a foundation for a new inter-Korean peace process after the summit; (2) to examine the inter-Korean and international cooperation approaches to the peace regime building; and (3) to analyze key issues between the two Koreas and the U.S. in the peace process. Three major arguments are presented in this article. First, the Korean peace-building process is the first and necessary step for achieving Korean reunification. The inter-Korean track and an international track-- to peace regime building are required to establish a durable peace in Korea. Second, the two Koreas and the U.S. should continue to remove key obstacles to inter-Korean reconciliation, cooperation and peace process. Third, the two Koreas need to work together to find an alternative to the South's principle of an inter-Korean peace agreement and the North's principle of a North Korea-U.S. peace treaty to

establish an agreed framework for a durable peace. Let us now take a brief look at inter-Korean reconciliation and cooperation approach to peace regime building under President Kim Dae-jung.

II. ROK's Engagement Policy of Reconciliation and Cooperation Toward North Korea

The Kim Dae-jung government adopted a new policy toward North Korea in 1998 to establish a durable peace on the Korean peninsula. With the inauguration of President Kim Dae-jung in February 1998, the ROK government adopted a new policy toward North Korea known as the "Sunshine Policy."¹ The basic objective of this new policy is to improve inter-Korean relations by promoting reconciliation, cooperation and peace. The policy also assumes that, at the present stage, it is more important to establish a peaceful coexistence between the two Koreas than to push for immediate unification. Two specific goals of the sunshine policy are: (1) peaceful management of the national division and (2) promotion of a favorable environment for North Korea to change and open itself without fear.²

President Kim's sunshine policy is designed to engage the North through more exchanges and cooperation with the South, and encourage the North toward further opening and changes. This policy is based on three principles: First, South Korea will not tolerate any armed provocation by North Korea. The ROK will maintain a strong security posture against North Korea to deter war and will make it clear that it will respond to any provocation. At the same time, South Korea will continue to make efforts to reduce tensions and build mutual confidence in order to create a favorable environment for durable peace on the Korean peninsula.

Second, South Korea will not attempt to take over or absorb North Korea. The ROK government has neither the desire to harm North Korea nor the intention to absorb it unilaterally. Rather than promoting the collapse of North Korea, South Korea intends to work toward a peaceful coexistence with the North, thus creating a South-North national community that will gradually lead to peaceful unification of Korea by mutual agreement.

Third, inter-Korean reconciliation and cooperation will be expanded in order to resolve hostility between the two Koreas. The South wants to implement the 1992 inter-Korean basic agreement on reconciliation, non-aggression and exchanges and cooperation between the South and the North.

The ROK government has consistently implemented its engagement policy towards North Korea since February 1998. This policy has produced some tangible results. First and foremost, the South's engagement policy has prevented a war on the Korean peninsula, and has contributed to a peaceful and stable environment in which North Korea could resolve difficult problems relating to its nuclear freeze and long-range missile testing.³

¹ For the further details, see the Inaugural Address by President Kim Dae-jung of the Republic of Korea, entitled, "The Government of the People: Reconciliation and a New Leap Forward, Seoul, February 25, 1998, in *Korea and World Affairs*, vol. XXII, no. 1 (Spring 1998), pp. 93-99.

² For an official policy, see *Policy Toward North Korea for Peace, Reconciliation and Cooperation* (Seoul, Korea: Ministry of Unification, ROK, 1999)

³ For North Korea's nuclear issues, see Leon V. Sigal, *Disarming Strangers: Nuclear Diplomacy with North Korea* (Princeton: Princeton University Press, 1998); Young Whan Kihl and Peter Hayes (eds.),

Second, the engagement policy has contributed to tension-reduction on the Korean peninsula and a favorable environment for improving inter-Korean relations. Thus, inter-Korean economic cooperation and exchanges on a non-governmental level have been substantially expanded. The Mt. Gumgang sightseeing project constitutes a milestone in the history of inter-Korean cooperation. More than 430,000 tourists visited Mt. Gumgang between November 18, 1998, when the first cruise ship bound for Mt. Gumgang left, and the end of March 2002. Inter-Korean trade began in 1989 with a meager turnover of approximately \$18 million, and its volume reached \$330 million in 1999 and more than \$400 million in 2000.⁴

Third, the ROK's policy of engagement encouraged inter-Korean sports games, exchanges of separated family members, and cultural exchanges between Seoul and Pyongyang, thereby contributing to mutual understanding of South and North Koreans. It also contributed to Chairman Kim Jong-il's decision to agree to the landmark inter-Korean summit meeting in June 2000.

The Significance of the Inter-Korean Summit Talks

President Kim Dae-jung and Chairman Kim Jong-il held historic summit meeting in Pyongyang on June 13-15, 2000.⁵ The inter-Korean summit, the first-ever one in 55 years since the division of the country, was significant in promoting mutual understanding and trust. The summit produced a five-point declaration of June 15, 2000. President Kim cordially invited Chairman Kim to visit Seoul, and Chairman Kim agreed to visit South Korea.

Let us take a look at the significance of the summit and the June 15 Joint Declaration. First, it was the first agreement signed by the two leaders of South and North Korea in 55 years since the division of the Korean peninsula. Second, the Declaration confirmed the independence principle of solving the Korean issue by Koreans themselves. Third, South and North Korea agreed that they would first lay a foundation for unification through peaceful coexistence, reconciliation and cooperation, and work out the common ground of their unification formulae through talks. Fourth, both leaders agreed that reuniting separated family members is a humanitarian issue that must be resolved as a top priority. The South and North agreed that the issue should be worked out gradually. The process should be step-by-step, and not be a one-time deal. As the first step, the two sides agreed to allow separated family members to meet one another on the occasion of the 55th anniversary of the National Liberation. Fifth, both agreed to economic cooperation projects, including the reconnection of the Seoul-Shinuiju railroad line and the anti-flood project on the Imjin River. Sixth, there was an agreement on the return visit to Seoul by Chairman Kim Jong-il.

The two leaders confirmed that they had no intention of invading the other side and they would refrain from any acts threatening the other side. President Kim urged Chairman Kim to settle pending international disputes with the parties

Peace and Security in Northeast Asia: The Nuclear Crisis and the Korean Peninsula (Armonk, NY: M.E. Sharpe, 1997).

⁴ On the Internet at <http://www.kois.go.kr/government/president/2000/s-n/focus/>

⁵ For South Korean government's official account of the summit, see *Together As One, The Inter-Korean Summit Talks: Opening a New Era in the History of Korea* (Seoul, Korea: Ministry of Unification, ROK, July 2000)

concerned, including the North's missiles issue, at an early date so that Pyongyang's relations with neighboring countries would be improved. According to President Kim, Chairman Kim said, "it is desirable that the American troops continue to stay on the Korean peninsula and that he sent a high-level envoy to the United States to deliver this position to the American side."⁶ In short, this landmark declaration provided a framework for building a peace regime on the Korean peninsula.

Brief Evaluation of Inter-Korean Relations After the Summit

After the June summit, South and North Korea made efforts to implement inter-Korean agreements contained in the June 15 Joint Declaration.

Positive Aspects: Since the inter-Korean summit in June 2000, through various channels of inter-Korean dialogue, including eight rounds of inter-Korean ministerial talks, the two Koreas have worked together to resolve thirty-one inter-Korean pending issues. President Kim and Chairman Kim shared the view that war should never reoccur on the Korean Peninsula. Since the inter-Korean summit, North Korea has subsequently stopped broadcasting propaganda against the South and discontinued other activities that could raise tensions.

South and North Korea held their first defense ministers' talks in September 2000 and agreed to eliminate the threat of war, cooperate militarily to carry out the terms of the June 15th joint declaration and discuss tension reduction on the Korean Peninsula. In the course of five working-level military talks, agreement was reached on a set of ground rules for the peaceful use of the DMZ and the installation of "South-North Joint Control Areas." At the inter-Korean summit, the two Koreas agreed on a gradual and step-by-step unification approach based on the principle of peaceful coexistence. Both sides recognize that there are common elements in ROK's confederation proposal for reunification and DPRK's federation of lower-stage plan and that the two sides would pursue unification with this in mind. Therefore, at present, emphasis would be placed on *de facto* unification based on peaceful coexistence rather than legal, institutional unification by achieving a unified state.

Negative Aspects: The inter-Korean peace process, with the inauguration of the Bush administration has been moribund since March 2001 when inter-Korean official talks were unproductive. The inter-Korean railway project halted and is now in progress. The humanitarian project on the reunions of separate families has ended with no more scheduled. The inter-Korean economic talks concerning the supply of electricity to the North have been put on hold. Hopes of fielding joint sports teams have vanished. All inter-Korean governmental talks are on and off. Thus, President Kim Dae-jung has made more than eight calls for Chairman Kim to visit Seoul as promised. But Chairman Kim has not given his itinerary yet. Furthermore, President Kim is now faced with domestic economic problems, political criticism, corruption charges and a growing erosion of public support for his sunshine policy. The institutionalization of the South-North summit meeting is desirable and essential to

⁶ Doug Struck, "South Korean Says North Wants U.S. Troops to Stay: Summit Declaration Called 'a Great Relief'," *Washington Post*, August 30, 2000. For details, see Tae-Hwan Kwak, "Kim Jong-il's Stand on Presence of USFK," *Vantage Point*, September 2001, pp. 15-19.

the Korean peace process, but the conditions for Chairman Kim's return visit to the South do not exit.

III. The Four-Party Peace Talks: An International Cooperation Approach to Peace Regime Building

The Korean issue has two components—inter-Korean and international. An international cooperation is essential to the solution of the Korean issue. Thus, the 1953 Korean armistice agreement needs to be replaced by a peace treaty for guaranteeing stability and peace on the Korean peninsula. Who will be parties to a peace treaty? Why did the four-party talks fail to produce a peace treaty? What is the best option for replacing the Korean armistice agreement? These questions will be discussed below.

An international cooperation approach to peace at the four-party talks is the best option for establishing a peace regime on the Korean peninsula by replacing the 1953 Korean armistice agreement. However, the four-party peace talks have been deadlocked since August 1999, when the sixth round of the four party talks ended without setting agenda items, because North Korea refused to come to a negotiation table. As will be discussed below, the four party peace talks had six plenary sessions where North Korea repeatedly maintained that the four party peace talks should deal with the two issues of U.S. troop withdrawal and the conclusion of a peace treaty between the U.S. and North Korea. The four parties have yet to set agenda items to be discussed at the four-party talks. Let us now take a brief look at the origin, development, and evaluation of the four party peace talks in 1996-1999 as an international cooperation approach to the Korean peace-building process.

On April 16, 1996, the ROK and US governments jointly proposed a four-party peace conference among the four concerned parties-- the two Koreas, China and the United States-- to initiate a process aimed at achieving a permanent peace treaty to replace the 1953 Korean armistice agreement, thereby building a new peace regime on the Korean peninsula.⁷ After sixteen months of protracted negotiations, the first round of preliminary peace talks was convened on August 5-7, 1997 in New York to decide on the date, venue, and agenda for substantive negotiations at the four-party peace talks. The U.S., China, and the two Koreas agreed to hold the four-party peace talks in Geneva and also agreed on the format for the peace talks, which envisaged a general conference and sub-committee meetings on separate agenda items.

The issue of determining the agenda items was the most difficult. North Korea put forward the withdrawal of US forces from South Korea as an agenda item, and also proposed to discuss the issue of concluding a peace treaty between DPRK and the United States. On the other hand, South Korea proposed to discuss peace regime building and confidence-building measures between the two Koreas. The US wanted a "general" agenda that focused on stability, security and confidence building measures. China proposed to discuss improvement of

⁷ For details, see Tae-Hwan Kwak, "The Four-Party Peace Treaty: A Creative formula for Building a Peace Regime on the Korean Peninsula," *The Korean Journal of Defense Analysis*, Vol. IX, No. 2 (Winter 1997), pp. 117-135; Tae-Hwan Kwak/Seung-Ho Joo, "The Four-Party Peace Talks: Inter-Korean Bilateral Agenda," *Pacific Focus*, Vol. XII, No. 1 (Spring 1997), pp. 5-24.

bilateral relations among the four parties along with confidence-building measures. Meanwhile, DPRK chief delegate Kim Gye-gwan noted that the withdrawal of 37,000 US forces stationed in the South was a “key issue” and that the establishment of a peace system on the Korean peninsula was possible only through the withdrawal of US forces and the signing of a peace treaty between the U.S. and North Korea.

A second round of the four-party preparatory meeting was held in New York City on September 18-19, 1997. This meeting failed to produce an agreement on agenda items to be discussed at the four-party plenary session. At the second round, North Korea insisted that the agenda for the four party peace talks include the withdrawal of U.S. troops from South Korea and a U.S.-North Korea peace treaty. At the informal meeting, North Korea repeatedly demanded a guarantee of massive food aid before the convening of the four-party Korean peace talks in Geneva. South Korea and the United States again rejected North Korea’s demand, maintaining that food aid to North Korea should not be a precondition for holding the four-party peace talks.

The second round in September again stalled over the issue of US troops and food aid to North Korea. The North’s demands for the agenda items of the four-party Korean peace talks—the issue of US troops withdrawal and a Washington-Pyongyang peace treaty—were neither acceptable to the United States nor South Korea. However, the food aid issue was negotiable. At the third round of the preliminary talks on November 21, North Korea agreed to participate in the plenary session of the four-party peace talks on December 9, 1997 in Geneva. The four parties agreed to an agenda- “the establishment of a peace regime on the Korean peninsula and issues concerning tension reduction there.” The agenda is deliberately broad and simple enough to assure that all parties are free to raise any issue at the plenary meeting.

The first plenary session was held on December 9-10, 1997 in Geneva to discuss the establishment of a peace mechanism on the Korean peninsula. Little progress was made at the meeting because North Korea repeated its persistent demands: U.S. troop withdrawal and the conclusion of a peace treaty with the US, excluding South Korea. The four parties failed to agree on a specific agenda and the formation of sub-committees. They, however, did agree on the date of the second plenary session for March 16, 1998 and an ad hoc sub-committee meeting in mid-February in Beijing to prepare for the March meeting in Geneva and to come up with recommendations for the parties.

The second plenary session was held on March 16-21, 1998 in Geneva. The South proposed that Seoul and Pyongyang set up joint committees to implement the inter-Korean basic agreement signed in 1991. Pyongyang rejected the proposal. The four-party peace talks were delayed by more than five hours because of a dispute over who would sit where in the meeting room at the first day of the session. The four parties failed to agree on how to organize subcommittees to deal with the agenda of the peace talks, and the four parties did not make any tangible progress and failed even to set the date for the third session.

At the third plenary session of the four-party talks held in Geneva on October 21-24, 1998, the four parties agreed to establish two subcommittees to

discuss respectively the establishment of a peace regime on the Korean Peninsula and tension-reduction there. The four parties finally adopted a Memorandum on the Establishment and Operation of the Subcommittees to spell out the proper procedures the subcommittees should follow. Much procedural work was completed, while the substantive matters became items to be discussed at the fourth and future plenary sessions. They agreed to the date of the fourth plenary meeting in Geneva in January 1999.

At the fourth plenary session held in Geneva on January 18-22, 1999, the two subcommittees on the establishment of a peace regime on the Korean Peninsula and tension-reduction there agreed on procedures for their operations, exchanged substantive views, and reported to the plenary on January 22 on their activities. The establishment of procedures by the two subcommittees was expected to expedite progress on substantive issues in future sessions. The four parties could begin to discuss substantive talks designed to take concrete steps towards establishing a new peace regime in place of the Korean armistice, and reducing tension on the Korean Peninsula. They also agreed that the fifth plenary session would be held in Geneva in mid-April 1999.

The fifth plenary session was held in Geneva on April 24-27, 1999. The two subcommittees held meetings over two days, on April 25-26. North Korea repeatedly insisted that the U.S. troop withdrawal and a peace treaty between the U.S. and DPRK be agenda items to be discussed at the plenary session of the four-party talks. On the other hand, South Korea proposed confidence building measures, including establishing a military hotline between the two Koreas and mutual exchange of observers during military exercises. South Korea maintained that the four-party talks should first discuss issues that can be easily resolved. At the subcommittee meetings, diverse views on substantive issues were exchanged and the subcommittees reported to the plenary on their activities, noting in their reports that serious differences in positions existed. The four parties failed to set agenda items, but agreed to continue to discuss substantive issues, and proposals for agenda items, at the next session.

The sixth plenary session of the four-party talks was held in Geneva on August 5-9, 1999. The four parties again failed to set agenda items because of North Korea's repeated demands for U.S. troop withdrawal and a U.S.-DPRK peace treaty.⁸ The four party talks have been deadlocked since August 1999 because North Korea refused to come to a negotiation table.

As discussed above, the four parties had six plenary sessions where North Korea repeatedly maintained that the four party peace talks deal with the two issues of U.S. troop withdrawal and the conclusion of a peace treaty between the U.S. and North Korea. The four parties have yet to set agenda items to be discussed at the four-party talks. While South Korea has kept its stand that it wanted to discuss those issues that are easily resolved, North Korea has tenaciously maintained its position that the two issues--the withdrawal of U.S. troops and a Washington-Pyongyang peace treaty-- should be resolved more than anything else. Consequently they have made little tangible progress in the talks. All the four parties have achieved as of today

⁸ For the role of U.S. forces in Korea in building a peace regime from a South Korean perspective, see Cho Seong-ryoul, "A Peace Settlement on the Korean Peninsula and U.S. forces in Korea," *Vantage Point*, Vol.23, No.8 (August 2000), pp. 40-50; Kim Sung-han, "Inter-Korean Summit & Its Regional Implications, *IFANS Review*. Vol.8, No.1 (June 2000), pp.13-25.

is to establish two subcommittees: a peace regime building committee and tension reduction committee.

After the June 2000 inter-Korean summit meeting, President Kim Dae-jung on August 24, 2000 said, "Through the four-party talks, attended by the two Koreas, the United States and China, there should emerge a complete consensus on establishing the permanent peace system on the Korean peninsula,"⁹ and he stressed that a peace regime on the Korean peninsula must be established at the four-party talks. President Kim also said in a dinner speech before 700 American leaders in New York on September 8, 2000, "As principal parties, the two Koreas should sign the peace treaty, which the United States and China will support and endorse."¹⁰ It is significant that President Kim wants to reactivate the deadlocked four party Korean peace talks in the new era of inter-Korean reconciliation and cooperation.

International support for a solution of the divided Korean problem is crucial for the successful four party peace talks in the future. UN Secretary-General Kofi Annan called for an "international support structure" to bolster the current Korean peace process, which has been on track since the historic June inter-Korean summit. UN Secretary-General Annan himself pledged his full support to the current efforts by the two Koreas to end the animosity that lasted half a century.¹¹

Proposals for Six Agenda Items and A Four-Party Peace Treaty

It is a formidable task to create a peace formula acceptable to the two Koreas. What has been proposed is a creative, four-party peace treaty formula for establishing a peace regime on the Korean peninsula.¹² In order to implement the proposed a four party peace treaty formula, a political will is required. No matter how good the formula may be, and if there is a lack of political will to implement it, it remains unrealistic. Therefore, I firmly believe it is necessary and desirable for the US and ROK governments to make a proposal to North Korea and China for the agenda items to be discussed at four-party talks as soon as possible. Then, what should be agenda items to be discussed at the four-party peace talks.

My proposal for the six agenda items to be discussed at the four-party talks is as follows: First, a peace charter between South and North Korea may be considered on the agenda. The two Koreas should implement Article 5 of the Basic Agreement and Article 19 of the Protocol on the Compliance with and Implementation of Chapter I, South-North Reconciliation of the Basic agreement, in order to transform the armistice regime into a peace regime on the Korean peninsula. In addition, Chapter II,

⁹ Lee Chang-sup, "Kim Proposes Inter-Korean Peace Accord," *The Korea Times*, August 25, 2000

¹⁰ For details of President Kim's dinner speech, see *The Korea Times*, September 10, 2000

¹¹ Son Key-young, "UN Chief Annan Calls for 'Int'l Support Structure' on Korean Peace Process," *The Korea Times*, September 3, 2000.

¹² The author for the first time argued for a four-party peace formula 16 years ago, see Tae-Hwan Kwak, *In Search of Peace and Unification on the Korean Peninsula* (Seoul, Korea: Seoul Computer Press, 1986); For details of the four-party peace formula prior to the joint proposal for the four-party talks, see Tae-Hwan Kwak, "Building a Peace Regime on the Korean Peninsula," *Diplomacy*, Vol. XXII, No. 4 (May 1996), pp. 28-29; For detailed analyses of the four-party peace talks, see Tae-Hwan Kwak/Seung-Ho Joo, "The Four-Party Peace Talks: Inter-Korean Bilateral Agenda," *Pacific Focus*, Vol. XII, No.1 (Spring, 1997), p.5-24; Tae-Hwan Kwak, "The Four-Party Peace Treaty: A Creative Formula for Building a Peace Regime on the Korean Peninsula," *Korea Institute for Defense Analyses*, Vol. IX, No. 2 (Winter, 1997), pp. 117-135.

South-North Non-aggression (chapters 9-14) of the Basic Agreement and its Protocol need to be implemented in good faith by South and North Korea. If the two Koreas sincerely implement the inter-Korean basic agreement, there is no need to conclude a peace treaty between the two Koreas.

Second, a US-North Korea peace talks may be placed on the agenda. Since 1974 North Korea has insisted on a US-North Korea peace treaty. The North's demand for concluding a US-North Korea non-aggression agreement may be discussed at the four-party peace talks.

Third, a peace talks between South Korea and China may be added to the agenda. The Republic of Korea established its diplomatic relations with China in 1992, but there is no legal document signed by the two to formally terminate the Korean war. In my view, it is necessary for the two countries to sign a peace agreement to formally end the Korean war. A peace agreement between China and South Korea should be placed on the agenda at the four-party talks.

Fourth, a peace talks between China and the United States can also be placed on the agenda. China and the US were also belligerent powers during the Korean war, and yet the two powers have not concluded a peace agreement to formally end the war. Now, it is argued that there is much need to conclude a peace treaty between the two in view of rising China's threat to US security interests in the Asia-Pacific region. In this context, a US-China peace agreement can be considered at the four-party talks.

Fifth, political and military confidence building measures (CBMs) between the two Koreas should be placed on the agenda. The South-North Joint Military Commission should be re-activated to implement provisions of the non-aggression agreement as spelled out in the Chapter II of the Basic Agreement. The Commission should also discuss relevant issues relating to inter-Korean arms control, CBMs, the reduction of offensive weapons systems, chemical and biological weapons, long-range missiles and a verification system.

Sixth, the establishment of an international peace observation mechanism should be an agenda. This international mechanism must enforce a four-party peace agreement and oversee the implementation of agreements to be concluded by the four parties concerned.

The six items as suggested above could be placed on the agenda at the four party talks. At least there will be four agreements among the four parties as a result of the talks: (1) a South-North Korean agreement, (2) a North Korea-US agreement, (3) a South Korea-China agreement, and (4) a US-China agreement. These four agreements will legally end the Korean war (1950-1953). No party will demand war guilt, reparations, or the persecution of war criminals as usually demanded in a peace treaty.

Needles to say, the two Koreas should play central roles in transforming the armistice agreement into a peace regime on the Korean peninsula at the four-party peace talks. Since the 1953 Korean armistice agreement is a multilateral treaty, in my view, a peace treaty to replace the armistice agreement in the future should also be a multilateral one. I have proposed that as an alternative to the "two-plus-two" formula, the four parties could sign an international agreement, which might be called, "Joint Declaration on a Comprehensive Peace on the Korean Peninsula." This joint peace declaration is in effect equivalent to a four-party peace treaty and a system of collective security, whereby a unification-oriented peace regime on the Korean

peninsula will be firmly established.

The four parties will jointly guarantee this plan. The UN Security Council should pass a resolution to guarantee this plan. The next stage would be to develop a multilateral security consultative body including Russia and Japan. In this way, there will be a durable, unification-oriented peace regime on the Korean peninsula and in Northeast Asia.

In my view, the four-party peace conference as an international approach to peace regime building on the Korean peninsula is the best option because it would successfully replace the 1953 Korean armistice agreement with an internationally guaranteed Korean peninsula peace treaty.

IV. Trilateral Cooperative Interactions Among the U.S., South and North Korea in the Korean Peace-Building Process

The U.S., South and North Korea need to make joint efforts to cooperate with each other to establish a durable peace on the Korean peninsula. However, the Bush administration's hard-line policy toward North Korea has negative effects on both U.S.-North Korean relations and inter-Korean relations. After reviewing U.S. policy toward North Korea, the Bush administration in June 2001 proposed U.S.-North Korea talks on nuclear and missile issue, and the issue of conventional weapons, including North Korea's military presence at the Demilitarized Zone. As expected, North Korea rejected those terms by stating that North Korea would not respond to the proposed talks by the U.S. before it withdraws the agenda items of the talks. The Pyongyang's position has been consistent on the talks. North Korea has sent its hostile signals to the U.S. government by including U.S. troop pullout from South Korea in the Moscow declaration on August 4, 2001. President Bush's hard-line policy toward North Korea and the hostile response from Pyongyang are, in my view, major obstacles to the inter-Korean peace process. Chairman Kim Jong-il has made no move to visit Seoul for a second summit meeting. President Kim still wants to see Chairman Kim in Seoul during his tenure, and Kim's return visit to Seoul cannot be realized so long as the U.S. maintains its hard-line policy toward North Korea.

In the mean time, the South Korean people were very disappointed with the North's unilateral suspension of on-going inter-Korean dialogue without an acceptable justification. Furthermore, North Korea recently promised to hold inter-Korean talks to discuss the opening of an overland route to Mt. Gungang after receiving the payment of overdue Mt. Gungang tour royalties, but failed to follow through on its promise.

Bush's "axis of evil" Rhetoric and Its Impact

President Kim's one-time productive sunshine policy of engagement with North Korea has been sapped in part by President Bush's hard-line policy toward North Korea. In his first State of the Union address, Bush made a direct assault, charging Iran, Iraq and North Korea were committed to developing weapons of mass destruction (WMD) and must be stopped.¹³ Bush's remarks, indeed, have a profound impact on the Korean peninsula peace process. Bush's "axis of evil" rhetoric also has

¹³ For details of President Bush's first State of the Union address, see *New York Times*, January 30, 2002.

a far-reaching impact on South Korean domestic political process. On February 18, seven hundred representatives from civic, social and religious groups in Seoul released a peace declaration and urged President Bush to seek dialogue with North Korea. The angry protesters demanded that the US stop hostile policies toward the North, stop escalating tension on the Korean peninsula, and stop forcing the ROK government to purchase weapons like F-15k fighter jets.

During his visit to Seoul on February 19-21, 2002, President Bush renewed an unconditional offer for talks with the DPRK, but at the same time criticized a lack of food and freedom in the DPRK and its political system under Kim Jong-il. North Korean reaction was understandably very bitter and hostile. The DPRK described Bush as a "typical rogue and a kingpin of terrorism" who visited the ROK just to "review plans for war." The DPRK rejected Bush's call for talks and dismissed him as a "politically backward child" bent on using arms and money to change the North Korea's political system.¹⁴ Bush stated that he fully supported the President Kim's sunshine policy towards the North, and that the U.S. has no intention of invading the North. However, there were public concerns about a possibility of war on the Korean peninsula. But President Bush's "no intention" statement has somewhat erased those concerns. Bush's rhetoric appeared to have achieved U.S. desired goals. The U.S. government seemed to have acquired three benefits from the ROK government in return for softening the Bush rhetoric. First, the U.S. would get support from the ROK in case of a war against Iraq as an alliance partner. Second, the ROK would buy F-15k fighter jets and other advanced weapon systems from the U.S. Third, the Seoul government would support the MD project.

U.S. Nuclear Posture Review and North Korea's Reaction

The Bush administration, in the Nuclear Posture Review (NPR), ordered the Pentagon to draft contingency plans for the possible use of nuclear weapons against at least seven countries that possess or are developing weapons of mass destruction: PRC, Russia, Iraq, DPRK, Iran, Libya and Syria, as well as to build smaller nuclear weapons for use in certain battlefield situations. In this report, nuclear weapons could be used in three types of situations: against targets able to withstand non-nuclear attack; in retaliation for attack with nuclear, biological or chemical weapons; or "in the event of surprising military developments."¹⁵

DPRK foreign ministry issued a statement in which it vehemently vilified the U.S. nuclear policy: "under the present situation where nuclear lunatics have taken office in the White House, we are compelled to examine all the agreements with the US. North Korea threatened to abandon a 1994 agreement to freeze its nuclear program."¹⁶ The Review has suggested a new U.S. nuclear policy, and in emergency, a

¹⁴ Martin Nesirky, North Korea calls Bush 'Kingpin of Terrorism,'" *Reuters*, February 23, 2002.

¹⁵ For details, see William M. Arkin, "SECRET PLAN OUTLINES THE UNTHINKABLE," *Los Angeles Times*, March 10, 2002; Michael R. Gordon, "US NUCLEAR PLAN SEES NEW WEAPONS AND NEW TARGETS," *New York Times*, March 10, 2002.

¹⁶ Martin Nesirky, "NORTH KOREA HITS OUT AT US NUCLEAR ARMS REVIEW," *Reuters*, March 13, 2002; "NK SLAMS US NUCLEAR STRATEGY," *Korea Herald*, March 14, 2002

nuclear war involving tactical nuclear weapons will be more likely to take place on the Korean peninsula. Thus the American negative security assurance (NSA) to North Korea, as promised in the 1994 Agreed Framework, is in great danger of being thrown off.

The US State Department again labeled North Korea as a state sponsor of terrorism, along with Iran, Sudan, Libya, Iraq, Cuba and Syria in its 2002 annual report to Congress. North Korea responded to the US renewed labeling of North Korea as a terrorism sponsor by denouncing the US decision, calling it "ridiculous." "It is a trite method employed by the U.S. for the pursuance of its 'big stick policy' to label those countries disobedient to it as terrorists," according to the KCNA.¹⁷

As discussed above, the dangerous situation on the Korean peninsula is ominously developing at the present time. The Bush administration's hard-line policy toward North Korea has significant effects on not only U.S.-North Korean relations and U.S.-Japan relations, but also inter-Korean relations as well as even U.S.-South Korean relations.

Inter-Korean Relations after Lim Dong Won's Mission to North Korea

President Kim's special envoy Lim Dong Won visited Pyongyang from April 3 to 6, 2002, to convey President Kim's personal letter to Chairman Kim Jong-il and discuss "measures to straighten out the grave situation on the Korean Peninsula." Lim met Chairman Kim Jong-il and intense discussions were made between Lim and Kim Yong Sun, secretary of the Workers' Party of Korea. On April 6, both sides published simultaneously a joint press statement calling for improving the overall inter-Korean relations.¹⁸ Lim's mission to North Korea brought about a resumption of the frozen inter-Korean dialogue and negotiation.

On April 4 and 5, inter-Korean talks were held between Kim Yong Sun and Lim Dong Won. North Korea brought up U.S.-ROK military exercises and Seoul's "main enemy" conception, which Pyongyang viewed as moves running counter to the spirit of the June 15 inter-Korean joint declaration. Lim Dong Won explained Seoul's basic stand on and views of the situation on the Korean Peninsula. Kim and Lim also discussed the grave situation prevailing on the Korean Peninsula and the deadlocked inter-Korean dialogue.

On April 5, Kim Jong-il met with Lim Dong Won and members of his party. Lim conveyed a personal letter from President Kim to Chairman Kim. The official KCNA did not give details about the talks. However, Lim Dong Won explained that in his letter addressed to Chairman Kim, President Kim emphasized that Pyongyang should clearly understand that the global strategy of the U.S. changed. Chairman Kim told Lim that he understood the situation on the peninsula. Chairman Kim made it

¹⁷ <http://nautilus.org/napsnet/dr/0205/MAY23.html#item7>; "North Korea angry at U.S. decision to re-designate it as a sponsor of terrorism," *Associate Press*, May 26, 2002

¹⁸ For details of Lim's mission, see *Chosun Ilbo*, April 4-7, 2002.

clear that he would pursue dialogue with the United States, Lim told a forum on April 12 held on Jeju Island. 19

A joint press statement on April 6 was published by the north and south of Korea simultaneously. The six-point statement advocated mutual respect and a peaceful solution to the unification issue. It also said that both sides agreed to relink the severed railways and roads along the west coast and the east coast as well, to push ahead with inter-Korean dialogue and cooperation in all fields, including reunions of separated families.

South and North Korea agreed to the following main points in the joint press statement: (1) mutual respect and restoration of the frozen inter-Korean relations; (2) new railways and roads along the east coast and reconnect the Sinuiju-Seoul railways and the Kaesong-Munsan road in the west coast; (3) the second meeting of the South-North Committee for the Promotion of Economic Cooperation in Seoul from May 7 to 10; (4) construction of the Kaesong industrial complex, and Imjin River flood damage control project; (5) the second round of the Mt. Kumgang tour talks at Mt. Kumgang from June 11; (6) the fourth round of the separated family reunions at Mt. Kumgang from April 28; (7) North Korean economic study group's visit to South Korea in May; (8) the seventh round of the inter-Korean ministerial talks in the future; and (9) the resumption of the inter-Korean military talks.

Mr. Lim's mission produced a fruitful result in the face of ominously developing grave situation on the Korean peninsula as a result of the Bush's and North Korea's hard-line policy toward each other. The inter-Korean peace process again seemed to begin with the fourth reunion of separated families at Mt. Gunggang on April 28-May 3, 2002. The second meeting of the inter-Korean economic promotion talks was scheduled on May 7-10, 2002. One issue, which the ROK government wanted to discuss, was the safety of the Gunggangsang Dam in the North, and the other issue raised by the DPRK was ROK Foreign Minister Choi's senseless remarks on the Bush's hard-line policy toward the North. These two issues became obstacles to the revival of the stalled inter-Korean dialogue after Lim's successful mission to Pyongyang. Fred Hiatt, in his Washington Post article, suggested that ROK Foreign Minister Choi Sung-hong had spoken positively about President Bush's hard-line policy toward North Korea. He quoted Mr. Choi as saying during his recent visit to Washington in mid April, "Sometimes carrying a big stick works in forcing North Korea to come forward."²⁰ The Seoul government stated that Mr. Hiatt's article distorted remarks by the foreign minister, and that Choi cited former US President Theodore Roosevelt's phrase, "Speak softly, but carry a big stick," to emphasize that ROK and US should resolve all matters with DPRK by "speaking softly," through dialogue.

In response to the article, North Korea became hostile to Choi's remarks and demanded on April 28 that the ROK apologize for the foreign minister's support of

¹⁹ For details, see *Dong-A Ilbo*, April 13, 2002.

²⁰ Fred Hiatt, "NKorea: What a Big Stick Can Do," *Washington Post*, April 23, 2002; Ser Myo-ja, "US PAPER DRAWS SEOUL REBUKE OVER 'BIG STICK' POLICY ON NORTH," *Joongang Ilbo*, April 25, 2002

the Bush's hard-line policy toward North Korea. North Korea called Choi's reported remark "an unpardonable insult." "Such traitors... should be dislodged and eliminated at once," said a statement by the DPRK's Committee for the Peaceful Unification of the Fatherland.²¹ The ROK government neither took any action on this matter nor made an apology. Thus, North Korea abruptly called off the second meeting of the inter-Korean economic cooperation talks on May 6, one day before the scheduled meeting on May 7-10, because of Choi's remarks. Pyongyang insisted that the ROK was responsible for the cancellation.²² The DPRK again demanded that Foreign Minister Choi apologize.

Mr. Choi's thoughtless remarks and North Korea's move again wasted the ROK's efforts to revive the inter-Korean peace process. The ROK demanded that the DPRK return to the negotiating table. The timing was also bad when the South questioned the safety of the Kumsangsan Dam (Imnam Dam) in the North. The dispute over the dam apparently made the North Korean military mad, because they built it. The military seems responsible for the decision to cancel the inter-Korean economic talks, because North Korea perhaps did not want to talk about the safety of the dam at the talks at this time.

Needless to say, the inter-Korean peace process has become once again moribund until North Korea and South Korea will reach an understanding of the foreign minister's remarks. It is regrettable that an inter-Korean peace process, which Lim Dong Won revived, became moribund because of a minister's careless remarks on North Korea. This author strongly maintains that the ROK government officials be more sensible and careful about their remarks on North Korea in dealing with sensitive issues of mutual concerns. It is certain that the foreign minister's remarks did not serve ROK's interest and were counter-productive to the inter-Korean peace process.

North Korea's Admission of a New Nuclear Program in October 2002

North Korea's recent admission of an enriched uranium program in violation of the 1968 Non-Proliferation Treaty (NPT), the 1992 Joint Declaration on the Denuclearization of the Korean Peninsula, and the 1994 Agreed Framework (AF) shocked the world, and has made it possible for the Bush administration to use this issue for strengthening its hard-line position on North Korea.

When U.S. Assistant Secretary of State James Kelly visited North Korea in early October 2002, he presented North Korean high officials in Pyongyang with U.S. intelligence report suggesting that North Korea had sought and acquired materials necessary to build gas centrifuges to enrich uranium for nuclear weapons.²³ Pakistan may have provided key assistance to North Korea, possibly as a quid pro quo for ballistic missile technology allegedly received from Pyongyang in the late

²¹ Yoo Jae-suk, "NKOREA WANTS SKOREA MINISTER FIRED," *Associate Press*, April 28, 2002.

²² Oh Young-hwan, "NORTH SCUTTLES MEETING ON ECONOMIC ASSISTANCE," *Joongang Ilbo*, May 7, 2002; Kim Hee-sung, "PYEONGYANG CALLS OFF ECONOMIC TALKS," *Joongnag Ilbo* May 6, 2002.

²³ George Gedda, "NORTH KOREA TOLD TO RENOUNCE NUKES," *Associate Press*, October 17, 2002.

1990s. Russia and China may also have provided assistance to North Korea, although both countries deny it.

Does North Korea have nuclear weapons?

The Bush administration has not officially stated whether North Korea has actually built gas centrifuges, used them to produce highly enriched uranium or assembled complete weapons. Recent reports suggest that Pyongyang's enrichment program is in its early stages. However, intelligence community assumed that North Korea might possess one or two nuclear bombs containing plutonium produced before the 1994 AF froze Pyongyang's plutonium program. Defense Secretary Donald Rumsfeld said, "I believe they [North Korea] have a small number of nuclear weapons."²⁴ However, the definitive answer to this question may not be known until Pyongyang admits to having such weapons, shows them to U.S. officials, or conducts a nuclear explosive test.

For the first time, North Korea said it has developed a nuclear weapon. Pyongyang Radio said North Korea "has come to have nuclear and other strong military weapons to deal with increased nuclear threats by the U.S. imperialists," according to the Yonhap news agency which monitored North Korean broadcasts on Sunday night, November 17, 2002. Yonhap said the language -- which appeared to go further than Pyongyang's previous claims to "be entitled to have nuclear weapons" -- may have been deliberately misleading or represent a rare mistake by the North Korean state broadcaster.²⁵

What is North Korea's motivation?

Pyongyang's admission that North Korea has an enriched uranium program, has been moving slowly to a crisis situation on the Korean peninsula. It is difficult to understand the motivation behind North Korea's surprising confession. Why did it decide to restart its nuclear weapons program and thus violate the agreement? The most plausible explanation is that Pyongyang concluded that ownership of nuclear weapons was necessary to ensure its survival as a bargaining chip in dealing with outside powers, especially the United States.

North Korea has been unhappy with the hard-line policy of the Bush administration--the administration's harsh "axis of evil" rhetoric and the new U.S. strategic doctrine of preemption. This doctrine asserts the right to use military force against rogue regimes seeking weapons of mass destruction before those regimes can harm the United States. Pyongyang interprets it as a threat of U.S. nuclear "first use" on North Korea. North Korea's surprising admission could therefore be intended as a response to a hard-line policy and a warning to the United States against preemptive action. Alternatively, the admission could represent a new attempt by North Korea to extract additional economic aid from the United States and other countries as a bargaining chip.

This admission diplomacy has manifested itself in other instances. Pyongyang expressed regret over the June 29, 2002 naval battle incident on the Yellow Sea. At a s

²⁴ Charles Aldinger, "RUMSFELD SAYS THINKS N.KOREA HAS NUCLEAR WEAPONS," Reuters, October 17, 2002

²⁵ <http://asia.cnn.com/2002/WORLD/asiapcf/east/11/17/nkorea.nukes/index.html>

ummit with Japanese Prime Minister Junichiro Koizumi in September 17, 2002, North Korea confessed to kidnapping 13 Japanese citizens during the 1970s and 1980s, and has since allowed the surviving abductees to visit their families in Japan. *What are U.S. options?*

The Bush administration essentially faces the same set of options as did the Clinton administration in the early 1990s when North Korea threatened to pull out of the Non-Proliferation Treaty: (1) use of force against North Korea, (2) diplomatic isolation and economic sanctions, and (3) negotiations with North Korea. *(1) Use of Force Against North Korea*

The Bush administration has ruled out the option of military action against North Korea. Pyongyang has a strong army of 1.1 million soldiers in addition to possibly hundreds of short-range SCUD ballistic missiles capable of delivering chemical or biological payloads to South Korea. The South Korean capital, Seoul, lies just 25 miles from the DMZ well within the range of thousands of North Korean artillery pieces. Although North Korea would eventually lose, any new war would certainly result in massive U.S. and South Korean casualties and wreak devastation on South Korea. Furthermore, U.S. armed forces are preoccupied with the war on terrorism and the impending showdown with Iraq, making it extremely difficult to sustain military action on a third front. In addition, President Bush has publicly announced that the U. S. has no intention to invade North Korea.

(2) Diplomatic Isolation and Economic Sanctions

A policy of diplomatic isolation would cut off economic assistance and political contact with North Korea in the hopes that Kim Jong Il's regime will either change its behavior or collapse. This is also a risky policy that is uncertain to succeed and could backfire. First, Kim Jong Il has displayed surprising resilience. At the time the Agreed Framework was signed in 1994, some U.S. officials believed that the North Korean regime was on the verge of collapse. Instead, Kim Jong Il has survived by strengthening his position. Furthermore, if North Korea is left alone, it could build a few nuclear weapons, either through enriching uranium or by extracting weapons-grade plutonium from spent fuel that was sealed and stored under the 1994 AF. Faced with the imminent collapse of his regime, Kim Jong Il could decide to take South Korea or Japan with him. Even without nuclear weapons, Kim Jong-il might not go quietly.

(3) Dialogue and Negotiations with North Korea

In light of North Korea's recent efforts to reconcile with Japan and South Korea, to improve relations with other countries, and to experiment with free market economic mechanisms, there are promising opportunities for diplomatic solutions to the crisis. One option is to negotiate a new agreement to the 1994 AF, one that hinges future political and economic ties on complete North Korean disarmament and robust nuclear inspections by the International Atomic Energy Agency (IAEA).

In fact, some parts of the Geneva agreement are still worth saving. First, it has verifiably frozen North Korea's plutonium program and placed spent fuel from its plutonium production reactors into secure storage under continuous IAEA monitoring. If not for the Agreed Framework, North Korea might have dozens of nuclear bombs today instead of possibly one or two.

Second, the Geneva agreement outlines a step-by-step path towards normalization of ties between the U.S. and Pyongyang. The process includes North

Korean implementation of the Joint Declaration on the Denuclearization of the Korean Peninsula and full compliance with its IAEA safeguards agreement under the NPT. These requirements must remain central to any diplomatic strategy the Bush administration pursues.

A new agreement modeled after the 1994 Framework, however, will find few enthusiastic supporters in the Bush administration. The idea of offering any political and economic incentives to North Korea in exchange for its complete disarmament is not simply acceptable.

What are U.S. key demands for resolving the nuclear issue?

The Bush administration is seeking, at least initially, to resolve the North Korean nuclear issue through peaceful means. After North Korea's admission, President Bush dispatched Under Secretary of State John Bolton and Assistant Secretary Kelly to China, Russia, South Korea, and Japan to coordinate an international response, beginning with statements expressing concern and condemnation of North Korea's nuclear program. The statements include key demands: (1) North Korea must completely dismantle its nuclear weapons program as well as all weapons of mass destruction in its possession; (2) North Korea must also allow IAEA weapons inspectors' complete and unrestricted access to all nuclear facilities so that disarmament can be monitored and verified; and (3) North Korea must promise not to export or transfer weapons of mass destruction, delivery system, or related technologies and materials to any country, group, or individual.

U.S. diplomatic efforts have already borne fruit. President Bush and Chinese President Jiang Zemin publicly agreed on the importance of a "nuclear-free" Korean peninsula and on the need to resolve the issue peacefully. In a trilateral statement, the United States, Japan, and South Korea used similar language, demanding that North Korea dismantle its nuclear program in a "prompt and verifiable manner." Leaders at tending the Asia-Pacific Economic Cooperation summit held on October 26-27 in Mexico issued a statement calling on North Korea to "visibly honor its commitment to give up nuclear weapons programs."

Although the Bush administration refuses to explicitly declare the 1994 AF Nullified, Secretary of State Colin Powell stated that North Korea regarded the Geneva agreement as nullified, and therefore that the United States is not obligated to continue construction on the promised light water reactors or to provide regular heavy fuel oil deliveries to Pyongyang. Other economic assistance packages have been temporarily shelved.

KEDO decision to halt heavy fuel oil delivery

The Korean Peninsula Energy Development Organization (KEDO) issued a press release on November 14, 2002, announcing the suspension of heavy fuel oil delivery starting in December to "condemn North Korea's pursuit of a nuclear weapons program." Future shipments will depend on the DPRK's "concrete and credible actions to dismantle completely its highly-enriched uranium program."²⁶ Subsequently, other KEDO activities with the DPRK will be reviewed, and will be halted unless North Korea gives up its uranium enrichment program.

The U.S., ROK, Japan and the European Union voted unanimously to cut off oil shipments to the DPRK until it takes action "to dismantle completely" its

²⁶ http://www.kedo.org/news_detail.asp?NewsID=10

program to develop nuclear weapons. The ROK initially opposed any effort to cut off the oil supplies, but strong opposition from the US, backed up to some extent by Japan, resulted in the compromise reached: to allow a shipment in November to be delivered, but to make clear that it would be the last. The decision to halt fuel oil shipments as punishment for the DPRK's covert development of nuclear weapons may force many factories in North Korea to shut down. The decision will have a huge impact on North Korea, which suffers an acute energy crunch. Korea Electric Power Corp. estimated that KEDO-supplied fuel oil accounts for about 10 percent of the DPRK's total energy needs.²⁷

The KEDO decision will have a significant effect on not only U.S.-North Korea relations, but also inter-Korean relations and Japan-North Korean relations. The decision may eventually nullify the 1994 Geneva agreement between the U.S. and North Korea. DPRK will sink deeper into diplomatic isolation and economic deterioration unless it abandons its nuclear weapons program. The DPRK has said it is willing to resolve the new nuclear issue in exchange for a non-aggression pact. The U.S. has said talks are out of the question as long as the DPRK has a nuclear program. The United States and its allies hope North Korea, which desperately needs the fuel, will dismantle its nuclear weapons program.

The Bush administration's commitment to a diplomatic solution to the North Korea nuclear problem may be tested by its willingness to negotiate with North Korea, which is intent on using its nuclear program as a bargaining chip in negotiations with the U.S. government.

If the KEDO decision to halt a heavy fuel oil delivery to North Korea does not force North Korea to give up an enriched uranium program, the KEDO construction may be halted. If this happens, the 1994 AF will be nullified. The U.S. will have to warn of clear consequences should North Korea choose not to comply with international demands. Despite the preference for a diplomatic solution, such a warning could lead to ultimately the use of military force.

Practical Problems in the Korean Peace Process

One can identify three practical problems in the inter-Korean reconciliation and cooperation process. First and foremost, President George W. Bush's hard-line policy, as discussed above, is a major problem in the Korean peace process. The Bush administration repeatedly offered U.S.-North Korea talks at any time and anywhere without preconditions, but Pyongyang maintains that those agenda items for talks are in fact preconditions. Instead, North Korea has sent hostile signals by harshly criticizing the Bush administration. Under these circumstances, the propaganda war between the U.S. and North Korea will continue for the time being. Will a military confrontation between the U.S. and North Korea be a final option? If so, what options will the ROK government and people have?

Second, the South Korean domestic political process has played a significant role in determining inter-Korean relations. Since the September 11 attack on the U.S.,

²⁷ For details, see "US ALLIES VOTE TO CUT OFF NORTH KOREA OIL," *New York Times*, November 15, 2002; Paul Shin, "CUT OFF OUTSIDE ENERGY ASSISTANCE, NORTH KOREA FACES A COLDER WINTER," *Associate Press*, November 15, 2002

the security environment surrounding the Korean peninsula has been changing. North and South Korea are again at odds. President Kim's sunshine policy of engagement with North Korea provoked heated policy debate between conservatives and progressives, including liberal-pragmatists within the South Korean society. The two groups have different approaches to South Korea's northern policy.

The Kim Dae-jung government has failed to build national consensus with bi-partisan, national support for his sunshine policy toward the North. Conservatives argue that due to Seoul's "give-away" aid to the North, the Kim Jong-il regime continues to survive, thereby developing missiles and weapons of mass destruction. But liberal-pragmatists argue that humanitarian aid to the North is necessary for saving lives of starving northern compatriots, and provides an environment in which the North Korean leadership can change its policy by adopting further reform and openness. President Kim's sunshine policy is the best option for the Korean people, but there are problems in implementing the policy. Tactics, strategies, policy instruments and methods that the ROK government has used to implement the Kim's sunshine policy have been often misused and abused by government officials. Thus, the ROK policy toward North Korea needs to be consistent.

Third, North Korea itself is an obstacle to the Korean peace process. North Korea's policy changes can be identifiable. But one should understand that North Korean leadership's fear for collapse of their system has delayed a fundamental system change and broad openness by adopting a drastic reform. In this context, North Korean leaders showed their reluctance and unwillingness to accept talks offered by South Korea and the U.S. in the past.

North Korea is suffering from a "security complex" for decades. Thus, North Korea developed nuclear weapons, missiles and weapons of mass destruction (WMD) for its own security guarantee. Mutual confidence building measures between the U.S. and North Korea are necessary conditions for bilateral constructive dialogue and negotiation. The U.S. should understand its hard-line policy toward North Korea would neither serve American interests nor provide an environment in which North Korea can change its policy by taking a liberal-pragmatic line. Therefore, the Bush administration must reconsider accepting the Clinton administration's approach to North Korea since General Thomas A. Schwartz, commander of US forces Korea stated that there was no evidence of direct North Korean involvement in international terrorism and that the DPRK has kept its promise so far of halting missile tests until 2003.

Since President Bush's hard-lined anti-terrorism policy and South Korean domestic political process are not likely to provide an international environment conducive for inter-Korean reconciliation and exchanges and for changing North Korean leaders' perception, inter-Korean relations will probably remain cool for some time to come. Until North Korea's new nuclear development program is abandoned, the Korean peninsula remains unstable and dangerous in the near future.

V. Conclusion: What is to Be Done?

The inter-Korean June 15 joint declaration provided a framework for establishing a peaceful coexistence between the two Korean states. The next step the two Koreas need to take is to compromise on their different approaches to peace

regime building: South Korea needs to modify a South-North Korean peace agreement, while North Korea needs to modify a North Korea-US peace treaty. Unless the two Koreas demonstrate their desire to cooperate through sincere deeds and are willing to make concessions by working together for establishing stable peace toward Korean reunification, there is little chance of establishing a peace regime on the Korean peninsula. Thus, in my view, Seoul and Pyongyang need to reactivate the South-North Korean Joint Military Commission as operated under the inter-Korean basic agreement effective in 1992, and inter-Korean government talks on military issues should be held to discuss a new Korean peace system from an inter-Korean perspective. On the international level, as discussed above, the ROK government needs to take an initiative to reactivate the stalled four-party talks among the U.S., China, South and North Korea to build a peace regime on the Korean peninsula by replacing the 1953 Korean armistice agreement. It appears that the Bush administration has been less supportive of the four-party talks because North Korea has insisted on the U.S. troop withdrawal issue as agenda for discussion at the four-party talks.

President Kim Dae-jung is now faced with numerous problems at home. He does not have enough time in office to successfully implement his engagement policy toward North Korea. President Bush's new North Korea policy has delayed the implementation of the June 15 joint declaration and the Korean peace process. The U.S. needs to reconsider softening President Bush's hard-line policy toward North Korea that has been a major obstacle to the inter-Korean peace process set in motion by President Kim's initiatives. North Korea's new nuclear program, which shocked the world, needs to be resolved peacefully. Until Pyongyang gives up its enriched uranium program, the Korean peace process will not make any progress.

Chairman Kim's return visit to Seoul was desirable, but politically sensitive. For now Kim's return visit appears impossible in 2002 for several reasons. The timing is not favorable because of presidential elections on December 19. Furthermore, South Koreans in general were increasingly hostile toward President Kim's 'unilateral' aid to the North. The South Korean opposition party was also increasingly critical of President Kim's engagement policy. In addition, President Bush's North Korea policy and North Korea's new nuclear program made it difficult for Chairman Kim to make a decision to visit the South in the near future.

What should be done to break through logjam in the Korean peace process and establish a stable peace on the Korean peninsula? The Korean peace-building process in the future depends largely on three major factors: (1) the political will of Chairman Kim Jong-il to resolve the nuclear issue, (2) South Korean domestic political process, and (3) international factors, especially President Bush's new hard-line policy toward North Korea and a global anti-terrorism campaign by the United States.

First of all, South and North Korea need to respect and abide by inter-Korean agreements in order to build mutual confidence that will remove obstacles to the Korean peace process. North Korea needs to change its policy toward the U.S. from a policy of confrontation to a policy of dialogue and negotiation in order to get a security guarantee by the U.S. Chairman Kim should take a more flexible and pragmatic policy toward Seoul. The U.S. and South Korea should create a favorable

environment in which North Korea can change its policy. North Korea should not miss an opportunity to come to negotiating table with South Korea and the U.S.

Secondly, the new ROK government will continue to follow the basic tenets of the engagement policy in February 2003. South Korean national consensus building is a must. Effective implementation of President Kim's engagement policy requires bipartisan national support without which Kim's sunshine policy would be a failure. The Seoul government should play an "honest broker" role in resolving North Korea's nuclear issue by actively pursuing peace initiatives to avoid a possible military confrontation between the U.S. and North Korea.

Thirdly, the Bush administration needs to change its hard-line policy to a more flexible one. Washington does not seem to have a framework for peace on the Korean peninsula, and thus it should develop one after recognizing its hard-line policy toward Pyongyang does not solve the Korean issue. Seoul, Washington, and Tokyo must maintain the solid trilateral cooperation system in dealing with North Korea. The three governments have different approaches to a solution of the North Korean issues. It is desirable that TCOG coordinate critical issues, so that the U.S., Japan and South Korea will have close trilateral consultations and cooperation. Trilateral cooperation through TCOG will contribute to the Korean peace process.

Finally, only constructive dialogue among the U.S., South and North Korea would prevent a possible military confrontation on the Korean peninsula, and contribute to the peace-building process on the Korean peninsula.

The end