Changing Inter-Korean Relations and the Impact on the U.S.-ROK Alliance

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Introduction: Conditions for the Success of the Engagement Policy

With the end of the Cold War, since the 1990s Inter-Korean relations, a lasting reminder of that Cold War, have undergone drastic changes, especially during and after the Kim Dae Jung administration. Peace and stability in Northeast Asia depend on what happens on the Korean peninsula. How Seoul’s North Korea policy evolves is of great interest to its allies and will likely impact South Korea’s stature in the regional strategic order. In particular, the U.S.-ROK relationship can improve or deteriorate based on the diplomatic direction that South Korea takes with North Korea.

During the Cold War, the Korean peninsula was a key battleground between the Soviet Union and the United States. At the 38th parallel two alliances confronted one another – to the north, Moscow and Beijing siding with Pyongyang, while to the south were found Washington and Tokyo siding with Seoul. South Korea’s foreign policy during that period reflected the anti-Communist ideology of the U.S., following U.S. security measures. South Korea accepted America’s leadership unquestionably because its survival depended on U.S. military and economic support. But this relationship is clearly in transition as South Korea has pursued a policy of engagement with North Korea, the common enemy of South Korea and the United States since the Korean War.

Dealing with a half-century-year-old enemy, South Korea’s policy of engagement with North Korea is a very difficult and dangerous task; it touches not only the complicated and sensitive dynamics of social and political forces in South Korea but also the interests of major regional powers. In order for Seoul’s engagement policy to succeed, therefore, it needs to meet four conditions—have domestic consensus, be based upon a strong economy, enjoy international support, and elicit a positive response from North Korea.

First of all, on a peninsula divided for over half a century into two competing ideological camps, and in a land where the Communist North has maintained an unwavering commitment to subvert the democratic, free-market South and bring the entire peninsula under its control, inter-Korean reconciliation is doomed to be socially and politically controversial. Millions of South Koreans were victimized by the North Korean invasion and the subsequent and continuous North Korean provocations, and it is therefore natural that many South Koreans distrust and hate the North. Without an intensive effort to build a strong national consensus, a Southern policy of inter-Korean reconciliation will result in serious social and political conflicts. By contrast, West Germany had promoted a policy of non-partisan, consensus-based engagement with East Germany prior to their merger.

Second, South Korea’s engagement policy includes substantial economic assistance to an economically bankrupt North Korea. If South Korea’s economy were strong and expanding, South Koreans would likely support at least humanitarian aid to their suffering Northern brethren. However, if the Southern economy were in trouble, this might become a further obstacle to the policy. Unfortunately, since late 1997, the South Korean economy has been struggling with its own financial crisis that has resulted in millions of unemployed.

Third, as we may learn by looking back on the German experience, international support, especially that of the United States, is essential. Although West Germany did not fight a war with East Germany, it had made enormous efforts to mobilize international support for its policy of reconciliation and unification. The Korean peninsula is a place where the interests of four global powers – the U.S., Japan, China and Russia – intersect. Inter-Korean relations include two contradictory factors—reunification and security. Reconciliation and unification tend to be domestic issues, while security is a foreign policy issue, including as it does the U.S.-ROK alliance. These factors have been competing with each other for dominance. Pyongyang, which has been developing weapons of mass destruction, poses a serious threat not only to South Korea and the U.S. but also the Northeast Asia region. Without a significant change in Pyongyang’s aggressive behavior, Seoul’s reconciliation policy may not be fully supported by South Korea’s allies.

Finally, the ultimate success of the policy is greatly dependent upon the positive response of Seoul’s counterpart, Pyongyang. Preoccupied with the survival of its socialist regime, the North has been reluctant to reform and open up, to include
further engagement with the South. It has continued to pursue its aggressive “military first” policy. Under such conditions, Seoul’s engagement policy is doomed to limited success.

President Kim Dae Jung’s “sunshine policy” was a bold and unprecedented initiative. The policy was a radical departure from South Korea’s traditional stance of national security first. It has resulted in irreversible and significant change in inter-Korean relations. But at the same time it has brought about serious social and political cleavages, anti-American sentiment, and weakened the U.S.-ROK alliance.

Inter-Korean reconciliation has important implications for the South Korea-United States alliance, because the alliance has been based upon the common perception of the North Korean threat. This article, examines the implementation of Seoul’s engagement policy by focusing on the four conditions for that policy’s success and its impact on South Korea’s relations with the United States, Seoul’s primary ally for more than half a century.

The “Sunshine Policy”: From Confrontation to Reconciliation

The end of the Cold War resulted in a geopolitical shift around the Korean peninsula. South Korea improved its relations with Russia and China, North Korea’s crucial allies during the Cold War. As a result, North Korea has been internationally isolated and has become economically bankrupt. By contrast, in the South the concurrent development of internal and external factors—such as the end of the Cold War, South Korea’s economic growth, democratization and demographic changes, and troubles posed by a desperate Pyongyang—resulted in an overall shift in South Korea’s foreign and security policy outlook, national identity, and the manner in which it conducts foreign affairs. The concomitant rise of progressive politics helped elect President Kim Dae Jung, a longtime dissident and a progressive politician himself. With a favorable international environment and perceptions of a reduced North Korean threat, as soon as he was inaugurated Kim promoted his “sunshine policy”. However, the implementation of this policy was not so simple as Kim and his advisors might have believed.

South Koreans have long held two contradicting views of North Korea—as an enemy to be destroyed and as a partner with which to be reunited. Since 1945, South Koreans have been sharply divided between the right and left as to how to handle the issue of national division. Suspicious of Communist intentions, the conservatives led by Syngman Rhee supported the establishment of a South Korean government, tabling unification as a goal to be pursued later. The progressives led by nationalist Kim Ku insisted on unification by compromising with North Korean Communists. Conservatives and progressives were locked in a rivalry to determine the future direction of their country. Until the mid-80s, South Korean governments emphasized the need to focus on strengthening South Korea, both to safeguard South Korean interests and to ensure that when unification did come it would come on South Korean terms. They set their priorities on national security, a strong alliance with the U.S., and economic growth as a way to win over the North.

By contrast, progressives have traditionally criticized authoritarian governments and their security-first policies while stressing the need to overcome national division above all else; many of them argued that any type of unification was better than a continued state of division. Thus, they pushed a democratic (i.e., anti-government) and inter-Korean reconciliation agenda at the same time. In other words, there has always been an ideological link between the struggle for democracy and the desire for unification.

During the Cold War, the progressives never enjoyed political control and were consequently suppressed by authoritarian governments. Nevertheless, whenever the central government was weak (for instance, during the Chang Myon administration after the collapse of Syngman Rhee and during the early years of the Roh Tae Woo administration), massive protests led by progressives demanded reunification.

There has never been a treaty formally ending the Korean War, and attempts by the two Koreas to reach such a peace agreement have failed on numerous occasions. Diplomatic progress made through dialogues in 1972 and 1985 was hailed as a breakthrough, but success proved to be short-lived and overestimated. Agreements were signed in 1991 but were not implemented. In fact, relations between the two Koreas tended to be volatile, especially when North Korea put its belligerent rhetoric into action. In 1968, North Korea secretly deployed to South Korea a team of commandos that nearly reached the presidential compound in Seoul. In 1983, a bomb planted by North Koreans killed 17 senior South Korean officials on a state visit to Rangoon with President Chun Doo Hwan. Another bomb destroyed a Korean Airlines flight in 1987. In 1996 and 1998, North Korean spy
Earlier both the Roh Tae Woo and Kim Young Sam administrations had thrown cold water on Chung’s resort project, forbidding him from offering hard currency to Pyongyang. Kim Dae Jung, by contrast, encouraged Chung to offer terms attractive enough to open up Mt. Kumgang as soon as possible.

President Kim tried to create a favorable international climate for an inter-Korean breakthrough by globalizing the sunshine policy and actively seeking foreign support. He sought to initiate some kind of multilateral regional security forum that would include North Korea and focus on reducing tensions on the Korean peninsula. Most strikingly, Seoul encouraged its friends and allies to improve ties with North Korea, while promoting North Korean participation in both regional and international organizations. In an interview with Japanese television, President Kim described Kim Jong Il as a “pragmatist, a man of insight, a decisive leader with whom it is possible to negotiate.” 8 In a major speech delivered at the Free University of Berlin on March 9, 2000, the president reiterated his willingness to enter a government-level dialogue and spoke in detail of his desire to assist North Korea’s economic reconstruction through promoting large-scale economic collaboration across a broad range of industrial, infrastructural, and other areas.9

On April 10, 2000, a month after the Berlin speech and just three days before parliamentary elections in the South, Seoul and Pyongyang surprised the world by announcing that an agreement had been reached for a historic North-South summit to be held in Pyongyang on June 12-14, 2000. Just after the Berlin speech, the South and North had held secret talks in China, and, after three weeks of negotiations, they reached an agreement.10 Unfortunately, the timing of the announcement provoked a political storm in South Korea. It infuriated the opposition parties, which saw it as an attempt to influence the outcome of the elections and manipulate the reunification issue for political purposes. It also ignited questions about the administration’s trustworthiness and credibility as the government had been dealing with the North Koreans behind the scenes.

After a half-century of dangerous face-offs between the South and the North, the summit was nothing short of unprecedented and raised hopes—at least in the South—for national reconciliation. The welcoming warmth the South Korean delegates received in Pyongyang created the impression of a truly momentous
breakthrough in inter-Korean reconciliation. The summit was greeted with euphoria in the South, and the disdain and distrust that had marred relations with the North showed signs of dissipating. What was unthinkable was happening in South Korea. Temporary “North Korea fever” swept the South. South Koreans were giddy at the prospect of finally improving relations with their long-estranged brethren in the North. Many Koreans, especially post-Korean War generations, began to see the North Korean people as poor brothers and sisters in need of South Korean help. Public attitudes toward North Korea changed dramatically. According to one poll conducted shortly after the summit, only 4.6 percent of the general public viewed North Korea as an enemy. By contrast, nearly half (49.8%) saw North Korea as an equal partner of South Korea and another 44 percent said they considered the North a partner that South Koreans should help. In the past, North Korea had been perceived as a dangerous and distrustful Communist enemy. North Korea was now more likely seen as a poor, isolated and weak nation.

One immediate effect of the summit was to reduce further the already declining sense of a North Korean threat inside South Korea. President Kim helped foster this effect in his effort to reach a dramatic breakthrough in inter-Korean relations: he de-emphasized the fear of a military threat from the North and the possibility of war. Upon his return to Seoul following the historic summit, he declared: “A new age has dawned for our nation. We have reached a turning point so that we can put an end to the history of 55 years of territorial division…. We must consider North Koreans as our brothers and sisters…. Most importantly there will no longer be war. The North will no longer attempt unification by force…. The sun is rising at last for national reunification, reconciliation and peace. Unification is the ultimate goal for this era.” Kim’s remarks stimulated a wave of nationalism and unification euphoria throughout the country. Kim and his government had created the illusion of early unification.

After the summit, a wide range of contacts and enhanced cooperation followed, including cabinet-level meetings, economic talks, cross-border road and rail links, and family reunions. These were truly unprecedented changes in inter-Korean relations. Ministerial meetings, which review and direct lower-level dialogues, were now held—monthly at first, then quarterly—in Seoul and Pyongyang alternately. The Economic Cooperation Promotion Committee was established to oversee three major economic cooperation projects—cross-border links, economic zones, and trade and aid. Two corridors—Kyongui, north of Seoul, and Donghae near the east coast—now breach the long-impassable Demilitarized Zone. Temporary roads are in limited use, with railways and motorways due in the fall of 2004. It is unclear how far new rail and road links, once completed, will actually be used. Since Hyundai began tours of Mt. Kumgang in 1998, the North Korean resort has had 586,000 visitors from the South. In 2002, South Korea began to build an industrial complex in Kaesong, North Korea, just 50 kilometers north of Seoul. South Korea’s small and medium-sized firms plan to employ North Koreans for about 60 dollars per month to manufacture a range of goods mainly for exports. Inter-Korean trade has also expanded rapidly. In 2003, South Korea displaced Japan as the North’s second largest trading partner (China is the largest) and overtook China as its leading export market. Since 2000, ten rounds of reunions for separated families have temporarily reunited 8,400 elderly relatives for brief visits. In 2002, North Korea sent its athletes along with hundreds of cheerleaders to the Asian Games and the World Student Games, both held in the South. Cultural exchange has grown as well, but mainly in the other direction. Delegations of South Korean scholars, broadcasters and teachers are now routine visitors to Pyongyang.

Politicization of the Engagement Policy

It would be difficult in the best of circumstances for any South Korean government to pursue an effective engagement policy with its longtime enemy North Korea—not to mention North Korea’s own paranoia, pattern of erratic behavior, and inherent vulnerability. The fundamental requirement for the success of such a policy is a strong national consensus. But Kim Dae Jung mistakenly used the policy to improve both his popularity and his minority party’s electoral prospects, by announcing the June 2000 summit just three days before the crucial parliamentary elections. Political bickering had been serious following his inauguration. The Kim Dae Jung administration started as a minority government but manufactured a parliamentary majority using the investigative powers of prosecutors and tax officials. Therefore, the general elections were critical to control the National Assembly for both ruling and opposition parties and the political mood before the elections was intense. Kim Dae Jung’s politically-motivated approach toward the North-South summit angered the political
opposition and politicized what had generally been considered a non-partisan issue—national reunification.

From the beginning, the engagement policy had become a contentious core issue in a larger ideological and political conflict. Kim’s confidence and conviction kept his policy focused and solidified his support among the progressive elements but also alienated all others and narrowed the potential base for political consensus. The decision-making process of the policy was also closed and highly centralized; the government made unilateral decisions without any required legislative approval or oversight.14

However, when many South Koreans continued to see no positive response from North Korea, their distrust of the Kim government and its sunshine policy intensified. After a brief period of euphoria following the North-South summit, South Koreans grew increasingly frustrated with the North Korean leader, Kim Jong II, who accepted economic assistance from the South only to cut off family reunion visits and ministerial talks, and demanded free electricity but refused to fulfill promises on opening North-South road and rail links. The promised reciprocal visit to Seoul by Kim Jong II was also delayed without explanation. Concerned with the possible political risks of reform and opening, it appeared the North was reluctant to engage the South rapidly.15

Nevertheless, the Kim administration’s headlong rush to appease, despite North Korea’s lack of response, resulted in public antipathy for the engagement policy and caused South Korea’s allies and friends to view it as naïve. After the summit, Kim Dae Jung came under increased domestic pressure to deliver further, tangible progress. If he failed to show real results, it was quite feasible that all of his investments in inter-Korean rapprochement would be wasted, and even work against him.16 To most people, Kim’s long-term vision of peaceful coexistence and unification was beginning to sound like pie-in-the-sky. Naturally, public support for the sunshine policy evaporated quickly. According to Gallup Korea surveys, nearly 87% of the respondents supported the sunshine policy in August 2000 (about two months after the summit), but this number fell to 49% by February 2001, and then to only 34% in June 2001.17

With his political clock ticking and his legacy at stake, Kim Dae Jung seemed increasingly restless. The Kim administration tried to avoid anything that might offend Pyongyang, but in so doing it was angering South Koreans. Rather than attempting to compromise with the opposition or to persuade a wary public, it tried to exaggerate the success of the sunshine policy and suppress its critics by mobilizing civic groups and pro-government media, in particular public television networks. As a result, the policy seriously polarized Korean public opinion: everyone was being forced to take sides over whether to pro or anti-sunshine. Progressive groups seized this momentum to try and undermine the position of conservatives, labeling them “pro-Cold War,” “anti-unification,” and “anachronistic,” further undermining the fragile base for national consensus.18 In the name of media reform, the government also launched attacks on the nation’s major newspapers, which had been critical of the policy. The public mood contributed to a domestic political climate increasingly intolerant of anti-North Korean actions—or even of public criticism of Kim Jong II.19 Some believed that the Kim administration enjoyed better relations with North Korea than it did with the domestic opposition.20 The government focused all of its efforts into making Kim Jong Il’s return visit to Seoul a reality. Critics argued that major policy decisions, such as those relating to subsidies for the failing Hyundai tourist business, media reforms, and other domestic political measures, were made in consideration of whether they would be conducive to the visit of Kim Jong II. Kim Dae Jung’s decision to depend on Kim Jong Il for his political success was a remarkable political risk, which could prove a mistake if Pyongyang provided no concrete and positive response.

On the other hand, Pyongyang intensified its efforts to split South Korean society and drive a wedge between Seoul and Washington. Pyongyang aimed at nationalist and anti-U.S. feeling in the South with its mantra of “achieving reconciliation and reunification by our nation itself under the banner of the June 15 Joint Declaration.” With the view of stirring up emotions and divisions in the South, North Korea reduced its public criticism of the South Korean government and branded South Korean conservative elements as “anti-unification,” subjecting them to continuous criticism. North Korea actively reinforced this impression, denouncing the U.S. for trying to prevent inter-Korean reconciliation. In order to instigate anti-American sentiments in the South, Pyongyang insisted on inter-Korean cooperation (minjok gongjo) and criticized South Korea-U.S. cooperation (hanmi gongjo).21
A serious stumbling block to the policy was the flagging South Korean economy. The original inducement for Pyongyang was Seoul’s promise of substantial economic benefits. However, public support for aid to the North eroded rapidly as South Koreans watched their economic growth slide, hitting 3.1% in 2001, less than half of the 8.5% of 2000. Hyundai’s North Korea tourism business was losing millions of dollars a week. Financial difficulties reportedly forced the company to cut its payments to Pyongyang in half as losses mounted. Partly due to the money-losing tourism venture, the Hyundai Group was on the brink of bankruptcy so that it was no longer able to promote promised investment projects in North Korea, including the construction of an industrial park near Panmunjom. Although Kim had pledged in his “Berlin Declaration” that South Korea would provide large-scale assistance to rebuild North Korea’s infrastructure, the South Korean economic situation made it difficult to provide such massive assistance. At the time, millions of unemployed South Koreans were demanding that money be spent at home rather than on propping up the North Korean regime with aid and investment. Many blamed President Kim for pursuing inter-Korean progress at the expense of a domestic agenda. The financial crisis in South Korea had deprived Kim Dae Jung of a carrot when dealing with the North. Almost immediately following the summit, the North got what it wanted—money. If the flow of income into the North would slow or stop altogether, one of the primary factors sustaining inter-Korean dialogues on North Korea would no longer make sense.

The biggest problem with the sunshine policy was that the policy was not able to eliminate the prospects for war on the peninsula. Pyongyang’s “military-first policy” was ultimately incompatible with Seoul’s engagement policy. An unbalanced inter-Korean agenda that ignored potential sources of tension and instability was ultimately self-defeating. The fundamental problem of the sunshine policy was that the policy failed to reduce the North Korean threat and to improve South Korean security. From the beginning, security issues had ranked far too low on the administration’s negotiating agenda. On the other hand, North Korea still possessed one of the world’s largest, most heavily fortified militaries and was suspected of possessing chemical, biological, and nuclear weapons and its military buildup has continued, as it has given a top priority to building a “militarily powerful” state. After the summit, North Korean procurement of arms had actually increased and the percentage of its forward-deployed forces had continued to grow. North Korea also followed up the summit by conducting its most extensive military exercises in a decade.23 Nevertheless, in order to make the sunshine policy a legacy of his presidency, Kim Dae Jung attempted to achieve too much too quickly. Kim’s hasty and asymmetrical reconciliation policy brought about some damaging side-effects—social and political cleavages, Washington-Seoul disputes over North Korea policy, and a concomitant rise in domestic anti-Americanism. Despite the revelation of its highly enriched uranium program in October 2002 and the resulting rise in tensions on the peninsula, inter-Korean relations continued unabated, as Pyongyang appeared to be more receptive to various proposals from Seoul. For the first time the two Koreas opened a land route through the DMZ for the Mt. Kumgang tour, and agreed on building a family reunion site on the DMZ and a large industrial complex in Kaesung. The industrial complex, construction of which began in June 2003, is considered a turning point in inter-Korean economic cooperation as South Korean investors will be able to invest directly in the North and products manufactured at the complex will be exported. Some 900 South Korean firms are expected to participate in the industrial park.

Amidst the rising tensions on the peninsula and massive anti-American demonstrations, in December 2002 President Roh Moo Hyun was elected with a mandate for the continuation of the engagement policy with the North. In fact, the Roh administration has made reconciliation with Pyongyang its top priority. In his inaugural address, Roh announced the “Policy for Peace and Prosperity,” which was intended to expand the scope and content of the “sunshine policy.” Roh believed that peace and prosperity on the peninsula could be guaranteed within the framework of peace and prosperity at the regional level. This policy implied that the Roh government would attempt not only to seek a peaceful resolution of the North Korean nuclear issue but also to promote economic cooperation with nations in the region, especially China and Russia.24

Transforming Korea into a “hub” of intra and interregional commerce over the next several decades is a key part of South Korea’s long-term development strategy and ranks near the top of President Roh’s policy agendas. To realize such a goal, South Korea will need to expand cooperation with the North by building
railroads, gas pipelines, and other infrastructure that better integrate the countries of Northeast Asia. Thus, the Roh administration has laid out its North Korea policy, focusing on the parallel pursuit of the peaceful resolution of the nuclear crisis and the improvement in inter-Korean relations. Despite the nuclear crisis, inter-Korean relations have remained relatively stable: the two Koreas have expanded dialogue, exchanges and cooperation. In particular, the Roh administration has speeded up three major economic cooperation projects: the construction of the Kaesong Industrial Complex, the linking of railroads and roads, and the development of the Mt. Kumgang tourism zone.25

Despite setbacks on the ground, occasional doubts in Pyongyang, and controversies in Seoul, inter-Korean cooperation and exchanges continue to grow. Ties between the two Koreas now display a growing depth and diversity. A wide range of both official and unofficial contacts is now routine, and perhaps irreversible. Nevertheless, Seoul’s engagement policy is open to charges that real advances have been scarce, and the pretense of progress has been bought at the expense of security, alliance and principles. Because of the North’s nuclear weapons program, tension has been high on the Korean peninsula. But North Korea refuses to negotiate security issues bilaterally with the South: a meeting of defense ministers has occurred but with little result.

**Strained U.S.–ROK Alliance**

The sunshine policy was remarkably successful in altering views of North Korea inside South Korea. Public perceptions of the North Korean threat declined dramatically. The policy had the perverse effect of lulling many South Koreans into thinking war was now precluded. Polling by The Hankyoreh 21 in June 2000 (10 days after the summit) and March 2002 found 89 and 81 percent respectively who said it was very or somewhat impossible that war could break out on the Korean peninsula.26 In a Gallup Korea survey conducted in February 2003, only 37 percent of the respondents believed in the possibility of a North Korean invasion, down significantly from 69 percent in 1992.27 One result of the sunshine policy was a greater perceived linkage between security and unification; progressives tend to believe that security and unification are mutually exclusive. Another is a more widespread portrayal of the U.S. as an obstacle to Korean unification.28 When the South and the North reconcile and cooperate with each other for ultimate reunification, many Koreans wonder why they should worry about a North Korean threat, and question the role of U.S. forces in Korea. Thus, inter-Korean cooperation (minjok gongjo, inter-Korean cooperation for reconciliation and unification) is perceived as more important than U.S.-ROK cooperation (hanmi gongjo, cooperation for security). Responding to the question: “Cooperation with North Korea and the United States are both important, but which one do you think should come first?” 39.4% answered that the inter-Korean cooperation must take precedent, while 24.4% thought of U.S.-ROK cooperation. Another 34.4% answered that cooperation with each party was equally important.29

No sooner had George W. Bush been sworn in as president than his hostile attitude toward North Korea surfaced. The Bush administration clearly departed from the policies of its predecessor. Seemingly warmer ties between the North and the South lacked substance and could prove to be a mirage without Washington’s involvement in solving military tensions on the Korean peninsula and the thorny issue of Pyongyang’s program of weapons of mass destruction. Bush’s support for the sunshine policy was crucial. In early March 2001, President Kim rushed to Washington to meet with President Bush. Unfortunately, the summit meeting was almost universally portrayed as a diplomatic disaster, dealing a fatal blow to the sunshine policy.30 In a joint press conference, Bush embarrassed Kim by saying, “I do have some skepticism about the leader of North Korea.”31 Kim’s unification-oriented (and security-neglecting) sunshine policy conflicted squarely with Bush’s security-oriented North Korea policy.

At that time, the U.S. military command in Korea and the U.S. Central Intelligence Agency reportedly believed that North Korea had gained greater financial flexibility to make military purchases because of the nearly $400 million it had received from Hyundai during 1999-2001 for the right to operate a tourist project at Mt. Kumgang.32 The Korea Herald of February 5, 2001, about a month before President Kim’s visit to Washington, quoted a spokesman for the U.S. Military Command in Korea as saying, “I know that military experts at home and abroad are concerned about Pyongyang’s possible diversion of the [Hyundai] cash for military purpose.”33 U.S. officials also voiced concerns to the South Korean intelligence chief, Lim Dong-won, during his visit to Washington in February 2001, and the CIA delivered a memorandum to the South Korean government containing a list of weapons that North Korea...
had recently purchased from overseas. On March 27, 2001, in his congressional testimony, General Thomas Schwartz, commander of U.S.-ROK Combined Forces in Korea, said that North Korean forces over the past year had grown “bigger, better, closer, and deadlier.”

Although little of substance actually happened in inter-Korean relations in the seven months between the June 2000 summit and the January 2001 inauguration of George W. Bush, Bush’s negative comments about North Korea during his summit with Kim Dae Jung actively fostered the impression in South Korea that the stalemate then existing in North-South relations was due to the policies of the new American administration. Sensationalist media treatment in South Korea only added fuel to the fire. Differences between Kim’s softer “sunshine policy” and Bush’s hard-line approach were perceived in Seoul as undercutting inter-Korean reconciliation. The pro-and anti-sunshine groups were sharply divided. Anti-sunshine organizations (i.e., the opposition party, conservatives, the critical media) stepped up their attacks against the Kim administration and its North Korea policy. Pro-government civic groups and media explicitly and intentionally linked the stalemate in the inter-Korean relations with the policies of the Bush administration. They argued that Washington’s hard-line policies were driving North Korea into a corner, risking provocation and unnecessary harm to the policy of inter-Korean reconciliation.

Assailing Bush’s remarks about North Korea during his meeting with Kim Dae Jung, Pyongyang broke off all contacts with Seoul. Delaying inter-Korean dialogues, Pyongyang insisted that it would not engage in talks with the new Bush administration unless these talks began with the same position taken by the Clinton administration. Pyongyang simply saw an opportunity to drive a wedge between Washington and Seoul.

For the sunshine policy, 9/11 terrorist attacks were unfortunate because they helped further stiffen the Bush administration’s hard-line posture toward North Korea. Bush’s denunciation of North Korea as a part of an “axis of evil” and his explicit endorsement of preemption as a tool of statecraft dismayed the Kim Dae Jung administration and its supporters. Overall, they raised fears within South Korea that Washington might precipitate a crisis on the peninsula as part of its global war on terrorism and counterproliferation. On the other hand, with increasing inter-Korean cooperation and exchanges, South Koreans’ perceptions of North Korea improved, thus widening differences in the perception of the North Korean threat between Seoul and Washington. Supporters of the sunshine policy lashed out at the United States for “provoking war.” Opponents charged that the Kim administration’s policies had created a “major gap” between Washington and Seoul, seriously weakening South Korean security.

The Pyongyang summit planted two seeds of future tensions between Seoul and Washington. They were based on fundamental differences in priorities, Seoul favoring reconciliation and economic cooperation and Washington focusing only on the nuclear threat posed by North Korea. Even before the summit there was some divergence between Washington and Seoul on this issue, with the U.S. urging South Korea to place threat reduction measures higher on its inter-Korean agenda. The outcome of the summit reinforced this divergence. Not only did the Kim-Kim Joint Declaration fail to address any of the pressing security issues, it did not even mention the word “security” at all. Secondly, Seoul did not demand reciprocity in its dealings with Pyongyang, arguing that South Korea, as the stronger “elder brother” should be patient. But Washington maintained clear linkages between concessions on its part and concrete changes in the North Korean nuclear program.

There has been a growing chasm between the threat perceptions of North Korea held by South Korea and the United States. Many Americans have seen South Korean hopes for a peaceful settlement with the North as hopelessly naïve. Karen Elliot House, The Wall Street Journal publisher, illustrated the extent of the U.S.-South Korea perception gap in a column. She wrote: “Remarkably, [South Korea] and its political leaders are more worried about George W. Bush than Kim Jong Il….Regardless of how badly North Korea behaved, Kim [Dae Jung]’s response was more dialogue, more aid. It is this bankrupt policy that has brought South Korea to the current brink.”

Growing differences in perspective and policy toward North Korea not only struck at the heart of the alliance but also created mutual resentment. In South Korea, efforts at engagement with North Korea brought fresh evidence into current conditions in North Korea and persuaded many South Koreans, particularly younger generations, that the North had become so weak economically that it was more a reason of humanitarian assistance than military confrontation. Growing prosperity and confidence in
the South transformed fear and loathing into pity and forbearance. The prospects of a North Korea with nuclear weapons did not seem to worry South Koreans, who did not believe Pyongyang would ever use such weapons against them. Even now, with the North Korean nuclear program far from checked, South Korea continues to pursue economic engagement, negotiating to build an industrial zone in the North, connecting rail lines, and providing fertilizers and other economic aid.

North Korea’s economic woes have always been a source of concern to South Korea. Although the fear that the regime in the North could implode is not so prevalent today, it was very real several years ago. North Korea’s collapse could have sent waves of refugees into the South and throughout the region. The German experience was a sobering one for South Korea and the lesson was clear: the South cannot afford sudden reunification. The new generation that has risen to power believes that coercive measures (i.e., surgical strike or sanctions) must be ruled out because they could precipitate a war or a collapse of the North, the costs of which could be too crippling to the South. Thus, it has heavily focused on inter-Korean reconciliation.

On the other hand, the United States can hardly be more different in its assessment. North Korea embodies what most concerns Washington today: a failing, totalitarian state with weapons of mass destruction and a long record of terrorist activities, a regime that is willing to sell its missiles and weapons technologies to almost anybody willing to pay. Although the U.S. shares South Korea’s desire to avoid war and has committed itself to seek a peaceful resolution of the nuclear issue, it sees no alternative to increasing pressures on Pyongyang to stop its weapons of mass destruction program. Many Americans have been surprised at Seoul’s willingness to continue to send tourists, encourage private sector investment, and provide economic assistance to the North in the face of Pyongyang’s active nuclear program.39

The biggest effect of the perceptual and policy differences has been the diminishing of the perceived importance of South Korea to the U.S. If the U.S.-ROK alliance has been predicated on a threat from North Korea and if South Korea continues to insist that North Korea is no longer a threat, then it is hard for many to conclude that the alliance can remain strong. Another reason for Americans’ changing attitudes toward South Korea is the reaction of the South Korean government to anti-American activities. Many Americans perceive that Korean leaders have been indifferent to and sometimes have encouraged such activities. The striking disinclination of the Korean government to defend the alliance in the face of massive anti-American demonstrations has raised serious doubts in the U.S. about South Korea’s commitment to the alliance. An American security expert warns: “Few Americans believe an alliance can be sustained if the ally itself will not defend it. Even fewer are willing to keep U.S. troops where they are not wanted.”41

Declining South Korean fears of a North Korean invasion and inter-Korean reconciliation have produced a growing debate in South Korea regarding the U.S. military presence. South Koreans increasingly view U.S. forces from the standpoint of their impact on prospects for improved North-South relations. Thus, the Bush administration’s hawkish attitude toward North Korea became a source of deeper disagreement between pro and anti-sunshine groups in South Korea. In other words, the failure of the sunshine policy led to the search for scapegoats, for which the U.S. presence was a ready target. Pro-sunshine elements believed that the United States was undermining inter-Korean reconciliation and unification. Some radicals even declared: “There is no task more urgent than the reunification of the Korean nation…. The greatest obstacle to unification is the United States.”42 They questioned South Korea’s need for U.S. military, and sought the closing of U.S. training facilities, and revision of the U.S.-ROK Status of Forces Agreement.

President Kim Dae Jung presided over the sharpest decline in South Korea-United States relations since the Korea War. American columnist Robert Novak wrote that Kim Dae Jung was “the most anti-American president in Korean history.”43 Since the end of the Korean War, a core goal of North Korea has been to sever the U.S.-ROK alliance and to expel U.S. troops from the South. It has been part of North Korea’s unification strategy, to be achieved on its terms. Now, North Korea’s strategy to drive a wedge between Seoul and Washington appears to be partly successful.

Reflecting the public mood, Korean government officials and members of the ruling party have openly criticized President Bush, saying that if the sunshine policy failed he would be to blame. Bush’s hawkish attitudes toward Pyongyang became a source of deep disagreement between pro-unification groups and conservatives in Korea. When a U.S. military vehicle accidentally killed two young Korean girls in June 2002, and the two soldiers in
the vehicle were later acquitted, resentment against the U.S. exploded. Taking advantage of the situation, Pyongyang launched a propaganda campaign against the United States as well as South Korean conservatives. The relationship with the U.S. became a focal point of the South Korean presidential elections of December 2002. Partly helped by this mood, the pro-sunshine candidate, Roh Moo Hyun, who called for a more equal U.S.-ROK relationship, won the election. During the campaign, Roh frequently criticized the United States, stoking anti-American sentiment in an apparent effort to appeal to young voters who wanted a more "equal" relationship with the United States. He provoked a strong reaction in the United States in particular by appearing to advocate a neutral position for Seoul between North Korea and the U.S. Such a stance, coupled with soaring anti-American sentiments in South Korea, heightened concerns in the United States. Some in America advocated a policy of “abandon South Korea,” contending that Seoul had seriously breached its ties with Washington by entering a "neutral zone" and even siding with the North.44

Anti-American sentiment has risen rapidly in South Korea. According to a Gallup Korea survey in December 2002, the ally, the United States, was perceived more negatively than its long-term enemy, North Korea. More than 53 percent of South Koreans surveyed said they disliked the United States, up from 15 percent in 1994. Over the same period, the percentage of those who said they liked the U.S. fell from nearly 64 percent to 37 percent. The poll numbers reveal a striking generational difference (see Figure 1). While only 26 percent of respondents over age fifty expressed a dislike for the U.S., the rate for those in their twenties was over 76 percent. A significant generational divide also exists in attitudes toward North Korea. In the same survey, 47 percent of older South Koreans had negative attitudes toward North Korea but only 32 percent of the younger generation felt similarly. Thus, the negative image of the U.S. meshes with their positive image of North Korea. Post-Korean War generations tend to approach inter-Korean relations with a greater sense of nationalism than does the older generation. It is this perspective that makes the post-Korean War generations critical of the Bush administration’s hard-line policy stance toward the North.45

As president, Roh Moo Hyun has had a hard time reconciling his strategy for the North Korean nuclear crisis with Washington’s without damaging inter-Korean relations. He risked alienating many of his supporters by publicly supporting the U.S.-led war against Iraq and sending troops there. However, the April 2004 electoral victory of the Uri Party, which allied with Roh, generated debates throughout South Korean political circles about the future of Korean-American security relations, the increasing economic and diplomatic importance of China, and relations with North Korea. An Uri Party-dominated National Assembly means more foreign policy shifts. According to a survey question handed out to Uri Party election victors asking which country should receive the most diplomatic and trade considerations from South Korea in the future, 63 percent answered ‘China,’ while only 26 percent answered ‘the United States.’47 In order to accelerate inter-Korean reconciliation, the ruling party has also tried to repeal the National Security Law, which constitutes the main legal basis for fighting North Korean infiltrators and sympathizers.

A recent survey by the Seoul-based polling firm, Research and Research, indicates that 39 percent of Korean’s view the United States as the greatest threat to South Korea’s security, while 33 percent see North Korea as the greatest threat.48 The opinion on the North is polarized along generational lines (see Figure 2).
While only 8 percent of the respondents aged 60 and over see the U.S. as the greatest threat, the rate for those in their twenties is 58 percent. On the other hand, as much as 57 percent of the respondents 60 and over believe North Korea as the greatest threat while only 22 percent in their twenties see the North as the greatest threat. Many young South Koreans believe that Washington’s aggressive pursuit of the “war on terror,” particularly its preemptive policy and pressure on North Korea, poses even graver risks to peace on the Korean peninsula than North Korea’s nuclear weapons program. Those under 40 tend to see their elders as victims of a Cold War mentality belonging to an era of authoritarian governments. The younger generations, who interpret their history as a litany of victimization by rapacious foreign powers, feel a national duty to pursue inter-Korean reconciliation. Pyongyang appears to be indirectly winning the propaganda battle in South Korea, a development that deeply worries many in Washington.

In early June 2004, Washington formally informed Seoul of its plan to withdraw 12,500 of 37,000 American troops currently stationed in South Korea by the end of 2005. There was virtually no consultation with Seoul, and the Pentagon made no promises that these troops would ever return. The South Korean media universally interpreted Washington’s lack of prior consultation on an issue of such strategic importance to South Korea as a clear indication of severe troubles in Seoul’s relationship with Washington. Anti-American sentiment has given the impression that the U.S. troops are no longer welcome in South Korea. On June 5, the day before the announcement of the troop withdrawal, U.S. Secretary of Defense Donald Rumsfeld said: “We want to have our forces where people want them. We have no desire to be where we’re not wanted.”49 The delay of the Roh government in dispatching troops to Iraq has also generated a perception in Washington that South Korea may not be a reliable ally. Some Americans have wondered whether South Korea can be counted on if the U.S. entered into hostilities with North Korea or other countries. The fifty-year-old alliance is in jeopardy.

The tensions between Washington and Seoul may not undercut the alliance in immediate terms; the threat from North Korea remains too real and other bonds remain too strong for South Koreans to take such a dramatic step. South Korea and American public support are essential prerequisites for continuing the U.S.-ROK alliance. If South Korea’s anti-U.S. public sentiment persists, the American public will support the withdrawal of U.S. troops from South Korea and the readjustment of its overall relationship with South Korea. An American security analyst warns, “Further deterioration of [South Korean] popular sentiment could threaten the quality of a continuing alliance.”50

Conclusion

The sunshine policy has had long-lasting effects in South Korea. Unfortunately, the policy has been implemented without careful deliberation and thorough planning. This precludes the sober policy-appraisal that is needed to address the obvious limitations and risks involved in engaging North Korea. However, as examined in the preceding sections, none of the four conditions for the success of the engagement policy has been satisfactory. In particular, the disjuncture between engagement consensus in Seoul and hawkish elements in Washington will remain a source of continued friction amid the search for a solution to the nuclear crisis in the North.

In a few years North Korea will be able to produce about sixty nuclear weapons annually, and missile material is so compact that it could easily be sold and smuggled to terrorist organizations and “rogue states.”51 Soon after the U.S. succeeds in stabilizing Iraq, the North Korea issue will become more salient. If the Six-Party Talks are to make significant progress, Washington and Seoul will have to repair their alliance, narrow their differences, and make a firm and unified stand in dealing with North Korea. If continuing
multilateral talks fail to show results, Washington could push for more coercive measures, something Seoul would be loathe to see. With China and Russia also committed to engagement with Pyongyang, Seoul will stand its ground, even if this means a widening policy gap with Washington. A policy of confronting Pyongyang—for instance, by asking for the United Nations to impose sanctions—almost certainly would require at least the tacit cooperation of Seoul to be successful. A preemptive strike at North Korea’s nuclear facilities, as was contemplated by the Clinton administration in 1994, would likely be strongly opposed by the South Korean government and people. The recent surge in anti-American sentiment means that Washington’s failure to obtain Seoul’s cooperation could lead to a serious strain, if not a rupture, in the fifty-year-old alliance.

A North Korea with nuclear and ballistic missile capabilities would mean incalculable costs, both direct and indirect, for South Korea and Northeast Asia. These include capital flight and a faltering stock market, not to mention the price of rolling back an extant North Korean nuclear weapons program and the costs associated with an arms race and nuclear proliferation ripple effect to Japan, Taiwan and even Southeast Asia, all resulting in a tension-filled region created by North Korea. Washington and Seoul do not seem to agree on the most desirable strategy to induce North Korea to give up its nuclear program. Washington seems to include economic sanctions and political pressure in the category of peaceful measures, while Seoul believes that economic assistance should first be provided to North Korea to persuade Pyongyang to freeze the nuclear program. The only feasible approach to North Korea today is one that effectively integrates a range of threats and incentives and involves all the participants in the Six-Party Talks.

While inter-Korean relations can be thought of as an internal issue, the divided Korean peninsula is part of the political order of Northeast Asia. Accordingly, without the support and cooperation of major regional players, especially the United States and Japan, South Korea will be unable to succeed in opening up North Korea or advancing inter-Korean reconciliation, both of which are key objectives of the South’s engagement policy. Moreover, the economic rebuilding of North Korea will be inevitable once the nuclear issue is resolved and it opens its doors to the outside world. However, South Korea cannot afford to finance this massive reconstruction effort on its own. Without the cooperation and support of the United States and Japan, the mobilization of international capital will be difficult, if not impossible. In addition, the South Korean government will have to garner domestic support for its North Korean initiatives as well.

It is a known fact that engaging Pyongyang diplomatically is difficult and unpredictable. A cooperative approach to the latest North Korean crisis would be a better strategy than Seoul’s more independent one. Any premature inter-Korean cooperation, disregarding regional and international consequences including the South Korea-U.S. alliance, may result in not only no meaningful improvement of inter-Korean problems but also threaten the robust maintenance of the South Korea-U.S. alliance and Seoul’s relations with other regional countries, notably Japan. Without the resolution of the North Korea nuclear issue, Seoul’s engagement policy is likely to produce only limited success and endanger its traditional relations with the U.S. and Japan. On the other hand, the role of South Korea is central to resolving the North Korean nuclear crisis. Seoul’s support is critical, since any solution or action will be on its peninsula. With increasing inter-Korean cooperation, any US consideration of coercive options against the North becomes more problematical. Only a cooperative and ultimately successful joint approach to Pyongyang by Seoul and Washington will allow the alliance to continue in anything like its current form. Seoul must make efforts to close the gap with Washington in dealing with North Korea and manage domestic anti-American sentiment. The United States, which has currently been preoccupied with the North Korean security threat, also needs to pay closer attention to the South Korean desire for reconciliation and reunification.

Notes

2 During the spring of 1948 Kim Ku and others went to Pyongyang to negotiate with Kim Il Sung but failed to reach any agreement on unification. Nevertheless, Kim Ku has been a national hero among South Korean progressives, including Kim Young Sam, Kim Dae Jung and Roh Moo Hyun, while they blamed Syngman Rhee for national division.
3 Norman D. Levin and Yong-Sup Han, Sunshine in Korea (Santa Monica, Calif.: RAND, 2002), p. 61.


7 Other projects included a manufacturing plant, ship scrapping, oil exploration, and telecommunications (Korea Herald, November 4, 1998).


11 JoongAng Ilbo, August 3-6, 2000.


14 Levin and Han, op. cit., 46.


18 Hankyoreh Sinmun, June 16, 2000.


21 During his March 2002 visit to Pyongyang, Lim Dong Won, President Kim Dae Jung’s advisor for unification and foreign policy, debated the issue of inter-Korean cooperation and U.S.-ROK cooperation for three days and nights. Interview with Lim on April 18, 2002.


29 Ibid., p. 45.

30 Norman D. Levin and Yong-Sup Han, Sunshine in Korea (Santa Monica, Calif.: RAND, 2002), 107-112.


32 In June 2000, Washington knew that Hyundai had made additional secret payments to Pyongyang of $500 million shortly before the summit, and that the Kim Dae Jung government had reimbursed Hyundai for much of the payments. Several senior officials in the government were found guilty for their roles in this transaction. See Larry A. Niksch, Korea: U.S.-Korean Relations, CRS Issue Brief for Congress, July 18, 2003, p. 12.

33 Chosun Ilbo, February 25, 2001, quoted in Larry A. Niksch, op. cit.


39 Levin, op. cit., p. 59.

40 Ibid., p. 60-61.

41 Ibid., p. 61.


46 Ibid., p. 48.


48 The question was: “Which country do you think is threatening our national security the most?”