North Korea-South Korea Relations Towards Successful Reunification

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1 Introduction: Unification, Conflict Resolution and Political Development

Reflecting back on the seven long decades since the division of Korea, the two nations, sharing a united culture, history, race and language, continue to be separated. This paper addresses the question of how reunification between North Korea and South Korea can be achieved.

1.1. Research Aim

Reunification is a long process of overcoming mistrust and enhancing mutual understanding for the purposes of a peace settlement. Painful memories of the Korean War brought distrust and enmity among the Koreans. However, hope for one nation, inherited from the same ancestry, led Korea to take steps towards reunification.

The Korean reunification can only be achieved through step-by-step process and a long-term cooperation that ensures that the populations on both sides have sufficient time to rebuild a common identity and that their economies converge enough to make a reunification possible.\(^1\) Building a new national society in Korea after reunification will probably be more difficult than political unification regardless of how it is achieved. This is because the two Koreas have developed significantly different having divergent values, attitudes, beliefs, and behaviours within their major social institutions over the generations since national division.\(^2\)

The aim of this paper is to understand the issues that occurred between North Korean and South Korean relations, thereby providing answers on how reunification of the two countries can be peacefully achieved. It will do so by looking at the history of Korean relations and examine why the peace negotiations among them failed. Looking at both Korean perspectives as well as looking at the thoughts of Ri Song Chol, the Secretary General of Korean Association of Social Scientists, and the thoughts of Yong Man Jo, the North Korean Ambassador in South Africa, a

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preliminary could begin to fix the Korean nations attitudes towards reunification. Thereafter, examining the reunification processes that of Germany, Vietnam, and Yemen, a clear understanding of the precautions Korea should take prior to the emergence of reunification. Considering North Korea's economy, South Korea's main priority should be to enhance North Korea's economic development. Weighing out these measures, this paper then provides possible scenarios for Korea to achieve a successful reunification. Regardless of the scenarios that drive reunification, this paper makes the point that each scenario would bring different challenges and beginnings towards reconciliation.

This paper is divided into eight chapters:

Chapter Two gives a preliminary descriptive examination of the Korean history and how the Korean Peninsula divided, starting from colonisation of Korea by Japan. This chapter looks at the Korean peace talks and policies that were implemented to bring reconciliation among the Koreans. In order to understand the basis of the problem of North Korea-South Korea relations, this chapter outlines the differences of the Korean governments.

Chapter Three explores disparities in unification policies of the two different systems, ideologies and beliefs in Korea. This chapter also provides a survey of the North Korean refugees and the South Korean refugees in China on the issue of reunification. This review helps us to understand the thoughts of both the Koreans on the issue of unification.

Chapter Four attempts to pursue an ideal political and economic process as well as conditions which will allow Korea to achieve successful reunification. After studying the reunification experiences of three reunited countries, namely; Germany, Vietnam, and Yemen, it is concluded that some political, economic, and social factors play a vital role in laying down an ideal process towards successful Korean reunification.

Chapter Five examines four different scenarios, such as; unification by step-by-step, unification by absorption, unification by conflict, and unification by external intervention, to overcome the problems of prior Korean reunification processes. These scenarios could unfold depending on the context in which some economic, political, and military events occur. For this reason, unification could happen with few early signs, or it could be delayed for years or even decades.
Chapter Six examines the challenges likely to be faced by a reunified Korean Peninsula. Considering the quality of life between the two Koreans, this chapter provides future prospects of reunified Korea which allows us to question whether post-reunification process will be successful. Moreover, it allows us to question whether or not a unified Korea would economically survive in the world. Despite the conditions that drive reunification, it makes the point that each scenario would bring unique challenges, costs and starting points.

After examining the history behind North Korea and South Korea relations and the influence of the big powers in the region, Chapter Seven provides recommendations on how to improve the Korean relations. These prospects for the future can help both the Koreas to make the right decision and come to terms by going back to their origins and finding common identity. Last but not least, Chapter Eight provides final remarks tying up the discussion made throughout the paper.

To date there has not been much documented research on the topic of this research study internationally or within South Africa. Therefore, this study which investigated how reunification between North Korea and South Korea can be achieved could make a significant contribution in this regard. Korean reunification is important to the world mainly because North Korea's nuclear development programme could be fixed by the reunification of the two countries thereby withdrawal of the United States (US) troops from the Korean Peninsula. Reunified Korea could gain dominant position in the region and in the world by being an economic powerhouse, where most of trade can pass through the East Sea of Japan to the Yellow Sea. Having peaceful Korea could thus allow Korea to freely insert its own objectives in the geo-strategically important location.

This paper argues that reunification is the only viable long term solution for both North Korea and South Korea and that status quo is not the most ideal solution. Status quo could shift Korea far from reunification and closer to the unpleasant options of starting nuclear warfare and acquiring more nuclear arsenal.
2

The Beginning: Fight Over One Land

This chapter gives a preliminary descriptive examination of the Korean history and how the Korean Peninsula divided starting from colonisation of Korea by Japan. It further explores the question by providing a process tracing of the Korean peace talks and policies (such as the Basic Agreement (1991), the Inter-Korean Summit (2000), the Sunshine Policy (1998-2007), and the Six-Party Talks (2003-2007)) that were implemented to bring reconciliation between the Koreas. By looking at these peace talks, one can see the inconsistency of the Korean relations and the unpredictable nature of the North Korean government. In order to understand the basis of the problem of North Korea-South Korea relations, this section clearly outlines the differences of the North Korean and the South Korean regimes.

2.1. Historical Background of Korea's Division

An independent empire for much of its long history, Korea was annexed by Japan in 1905 after the Russo-Japanese War. In 1910, Japan officially occupied the entire peninsula. Following the World War II and the capitulation of Japanese Empire, the influence of the US and Soviet Union (USSR) divided Korea into two different countries by the 38th Parallel on August 15, 1945.

This line was implemented to divide Korea temporarily until a sovereign government could be formed. The US and the USSR failed to come to a mutual understanding on a unified Korean government, in which the beginning of the Cold War led to the start of two separate governments. A US democratic rule in Seoul in South Korea (ROK) under Syngman Rhee and a USSR communist rule in Pyongyang in North Korea (DPRK) under Kim Il-sung. Two contrasting ideologies were implanted into the minds of Koreans, which were to become the seeds of the long conflict between the Koreans.

On June 25, 1950, the Korean war between the two Koreas broke with the North Korean forces along with USSR and China occupying the southern half of the peninsula to reunify Korea under

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communism (see Figure 1). The US intervened fearing that a communist takeover of Korea could have wider implications for the US. The war lasted until the Armistice Agreement on July 27, 1953.

The Armistice Agreement was signed by Mark W. Clark (U.S. Army General and commander of the U.N.), Peng De-Huai (commander of the Chinese People's Volunteers) and Kim Il-sung (Supreme commander of the Korean People's Army). South Korea refused to sign it because President Syngman Rhee did not agree to the armistice and instead insisted on unification through conquering the communist North by force. The armistice hardened the division of the Korean Peninsula. Hence, opposing ideologies (Communism versus Capitalism) were a key factor of the division of Korea, under the influence of the two Cold War superpowers. Although the Cold War has ended, Korea remains divided into two opposed regimes by a heavily equipped De-Militarised Zone (DMZ) and represents one of the last remnants of the Cold War legacy.

![Figure 1: Demarcation line fixed at the end of the Korean War](http://www.infoplease.com/encyclopedia/history/korean-war.html)

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9 Loc cit.
The establishment of two separate countries in the Korean Peninsula started the erosion of Korean national identity. The countries were founded on two completely opposite political ideologies and started to deteriorate the identity of the Korean people through different approaches to modernisation.\textsuperscript{13} They have kept the Korean language intact, but they have adopted some different words and grammar. Their respective territories have blocked mutual communications and transportation.

The most serious damage to Korean national identity had been imposed on Korean culture. Korean culture developed into two different ways, influenced by Western democratic and capitalist culture in the South and totalitarian and communist culture in the North. Some North Korean observers think that Western culture has been progressively leaking into the North and will ultimately weaken the North Korean political system.\textsuperscript{14}

**2.2. Tracing North Korea's and South Korea's relations during the last four decades**

Despite North Korea and South Korea being politically separate entities, the governments of North Korea and South Korea have proclaimed to restore Korea as a single state. On July 4, 1972, the North Korean and the South Korean governments made a joint announcement that a representative of each government had secretly visited the capital city of the other side and that both sides had agreed to a "North-South Joint Communiqué", outlining the steps to be taken towards achieving a peaceful reunification of the two Koreas.\textsuperscript{15}

In this Joint Statement both Koreas began to discuss their problems of diplomacy and on how to improve their relations and unify the divided nation.\textsuperscript{16} With the common hope of achieving peaceful reunification, the two sides exchanged views and came to a mutual understanding during these talks.

The two sides reached the following principles as a basis of reunification: (1) reunification must be solved independently without interference of external powers; (2) reunification must be

\textsuperscript{14} Loc cit.
obtained peacefully without the use of armed forces, and; (3) ethnic unification is required transcending differences in ideologies.\textsuperscript{17}

On August 18, 1976, the Axe murder incident at Panmunjom occurred in the Joint Security Area (JSA) located in the Korean DMZ.\textsuperscript{18} The incident occurred by a pack of axe-wielding North Koreans killing two US Army officers for being part of cutting down a tree that limited the visibility of the US soldiers working at checkpoint.\textsuperscript{19} Thereby, the incident intensified inter-Korean relations and the North failed to keep the promises of joint statement.

On December 13, 1991, the two Koreas signed a "Basic Agreement" on nonaggression, reconciliation and a joint declaration on the denuclearisation of the Korean Peninsula. The agreement prohibited both sides to produce and test nuclear weapons and prohibited the possession of nuclear reprocessing and uranium enrichment facilities.\textsuperscript{20} On January 30, 1992, DPRK signed a nuclear safeguards agreement with the International Atomic Energy Agency (IAEA), but it failed to reach an agreement on the main issue of creating a bilateral inspection regime.\textsuperscript{21}

After the Korean War separated the Korean families, the two Koreas held their first family reunions in 1985.\textsuperscript{22} However, the family reunions were not repeated until June 15, 2000, when the two Koreas agreed to have regular reunions during the Sunshine Policy (which was the foreign policy of South Korea towards North Korea).\textsuperscript{23} On December 13, 1991, the two Koreas signed a "Basic Agreement" on reconciliation, nonaggression, cooperation, and a joint declaration on the denuclearisation of the Korean Peninsula.\textsuperscript{24} The "Basic Agreement" offered cultural and sports exchange between the two Koreas and also prohibited both sides to produce and test nuclear weapons.\textsuperscript{25} On March 25, 1991, a unified Korean team used the Korean

\textsuperscript{17} Lee Hu-Rak. \textit{Op. Cit.} np.
\textsuperscript{19} \textit{Loc cit.}
\textsuperscript{20} McKercher, B.J.C., 2011. Routledge Handbook of Diplomacy and Statecraft. \url{http://books.google.co.za/books?id=dGypAgAAQBAJ&pg=PA413&dq=On+13+December+1991,+the+two+Koreas+signed+a+%22Basic+Agreement%22+on+nonaggression%2C+reconciliation+and+a+joint+declaration+on+the+denuclearisation+of+the+Korean+Peninsula.&source=bl&ots=pqEm0&hl=en&sa=X&ei=QelIU7SnKsW77QnASkxwfg&ved=0CCoQ6AEwAA#v=onepage&q=On%2013%20December%201991%2C%20the%20two%20Koreas%20signed%20%22Basic%20Agreement%22%20on%20nonaggression%2C%20reconciliation%2C%20and%20a%20joint%20declaration%20on%20the%20denuclearisation%20of%20the%20Korean%20Peninsula.&f=false}. Accessed on April 14, 2014. p.413.
\textsuperscript{21} \textit{Loc cit.}
\textsuperscript{23} \textit{Loc cit.}
\textsuperscript{24} McKercher, B.J.C. \textit{Op. Cit.} p.413.
Unification Flag at the World Table Tennis Competition in Japan. However, on January 30, 1992, when DPRK signed a nuclear safeguards agreement with the IAEA it failed to reach agreement on the main issue of creating a bilateral inspection regime.

On June 15, 1999, the First Battle of Yeonpyeong took place by DPRK naval boats crossing the Northern Limit Line (NLL) in the Yellow (West) Sea. The South Korean navy conducted bumping operations to force the ships back across the NLL, sinking one torpedo boat and killing number of the North Korean armies. Thereafter, on June 13 to 15, 2000, the first Inter-Korean Summit was held between the DPRK President Kim Jong-il and the ROK President Kim Dae-jung, they began to discuss the lack of formal communication between the two Koreas, which made it difficult to discuss political and economic issues. The Inter-Korean Summit outlined the following: the end of the Korean war, the massive operation of troops at the DMZ, and the development of nuclear weapons in DPRK. However, on June 29, 2002, the Second Battle of Yeonpyeong took place by the North Korean patrol boats intentionally crossing the NLL and started fire on a South Korean patrol boat which resulted in the deaths of six South Koreans.

A South Korean democratic activist, Kim Dae-jung, became President of South Korea in 1998. He instituted Sunshine Policy (1998-2007) to promote reconciliation between North Korea. As part of this policy, the South Korean government began to improve its economic and trade relations with the North through cooperation as the North was recovering from a devastating famine. The Sunshine Policy was principled on separating humanitarian assistances and economic cooperation's from political issues. Regardless of mutual distrust between North Korea and South Korea, building trust gradually through economic means and humanitarian exchanges could help them overcome their problems. Soon after the Sunshine Policy, North Korea shattered South Korea's hope by testing new ballistic missile in violation of multiple international commitments.

27 Loc cit.
29 Loc cit.
The Sunshine Policy outlined three basic principles of the South Korean national security: (1) the ROK actively wants cooperation, (2) the ROK will not accept armed provocation by the North, and (3) the ROK will not absorb the North or undermine its government. As part of this policy, the South Korean government began to improve its economic and trade relations with the North through cooperation as the North was recovering from a devastating famine. Soon after the Sunshine Policy, South Korea's hopes of the Sunshine policy was shattered with North Korea successfully conducting its first underground nuclear test in Hwaderi near Kilju city on October 9, 2006. Consequently, on October 14, the United Nations Security Council (UNSC) imposed sanctions against DPRK, limiting arm trade, humanitarian aid as well as obliging an end to its ballistic missile tests.

The declaration on the advancement of the North-South Korean relations, peace and prosperity was signed on October 4, 2007 by Kim Jong-il and Roh Moo-hyun. In the peace declaration, South Korea's bilateral aid and humanitarian assistance to North Korea was increased to show goodwill. This declaration provides seven agreements between North Korea and South Korea: (1) resolving the question of reunification independently and through the joint efforts of the Korean people; (2) working for mutual respect and trust in order to overcome the differences in ideology and system; (3) reducing military tensions and resolving tensions in the inter-Korean economic cooperation; (4) ending the current armistice and establishing permanent peace; (5) creating a peace zone in the Yellow Sea; (6) forming of a West Sea Economic Center in the North Korean port city of Haeju, and; (7) developing cooperation in the language, education, technology and social sectors. However, the next President of South Korea Lee Myung-bak, did not implement these agreements.

The Six-Party Talks (2003-2007) fundamentally aimed to find a peaceful resolution to prevent North Korea's nuclear development through negotiations involving the US, Japan, ROK, DPRK,
USSR, and China. In the Six-Party Talks both the Koreas aimed to repair the following issues: (1) building security guarantee, (2) normalising diplomatic relations, (3) constructing light water reactors of North Korea in return for its closure of nuclear power plant programme at Yongbyon, (4) promoting cooperation in the peaceful uses of nuclear energy under Nuclear Non-Proliferation Treaty (NPT), (5) removing economic sanctions of the US towards the North, and (6) completely disarmament of North Korea. However, some members of the Six-Party Talks have disagreed on the last point.

The US and Japan wanted North Korea to completely dismantle its nuclear programme, while ROK, China and USSR have settled for less severe actions and preferred to exchange fuel aid with DPRK's nuclear facilities since they feared the US assaulting on their soil and also a sudden collapse of the North Korean regime would generate major refugee influxes in their country. Subsequently North Korea withdrew from the NPT in 2003. The North Korean and the South Korean governments have not been involved in high-level political negotiations since the armistice negotiations had ended the Korean War.

On November 23, 2010, North Korea attacked South Korea's Yeonpyeong island by killing two civilians and two armies. On February 29, 2012, the US and North Korea announced their "leap day" agreement. In this bilateral agreement, North Korea agreed to suspend its nuclear activities and allowed the return of IAEA inspectors to Yeonpyeong, while the US restarting its food aid to the North. However on April 6, 2012, North Korea once again failed to implement its promise by launching another long range rocket into space. Furthermore, during the US and ROK training exercises of "Foal Eagle" in 2013, DPRK threatened to discard the 1953 Korean Armistice Agreement, arguing that the exercises of the US and ROK threatened DPRK with...
nuclear weapons and that the US was unwilling to negotiate a peace treaty to replace the armistice.\textsuperscript{47}

Thereafter, on April 9, 2013, DPRK warned ROK with threats of war as a result of its anger of joint US-ROK military exercise.\textsuperscript{48} However, an actual nuclear strike from DPRK had caused more disorder in the Korean Peninsula since the US has a joint military exercises involving nearly 200,000 troops in the region.\textsuperscript{49} On April 4, 2014, DPRK rejected ROK's offer on family reunions, "followed by the North firing a dozen short-range missiles".\textsuperscript{50} North Korean war games shows that until the US forces are completely and permanently withdrawn from South Korea, it will be almost impossible to establish peace on the Korean Peninsula. The only way to the peace and peaceful reunification of Korea is to implement the idea of the Peace Declaration without relying on foreign forces.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{chart.png}
\caption{The ups and downs of North Korea and South Korea relations towards reunification, 1972-2014}
\end{figure}


\textsuperscript{49} Loc cit.

As indicated in Figure 2 and shown in the timeline of Koreas four decade relations, the Korean Peninsula has seen rise of tensions in the wake of the North Korean regime's provocative actions as seen in 1976, 1992, 2002, 2004, 2010, and 2014; and also the South Korean regime not keeping its promises in 1999 and 2013. North Korea's provocative actions can be linked to the continuous joint military exercise of the US and ROK as well as the influence of the external powers in the Korean relations. Over the years, North Korea's unpredictable nuclear actions lead to economic sanctions from the UNSC which deepened the North's economic crisis and famine.

As the North Korean economy continued to weaken, the North deteriorated to become a so-called failed state that could not maintain its military. These economic crises did not concern the North Korean government to discontinue its nuclear development. According to the Secretary General of Korean Association of Social Scientists, Ri Song Chol, "the more US imposes sanctions on us the more courageous people we will rise. The US implemented troops on our borders and to protect our nation we had to develop our nuclear weapons. Even if the US imposes further sanctions on us, we will carry on developing our nuclear weapons thus leading our economies behind. For us to develop our economy, the US should lift these sanctions and the UN should treat all the countries equally rather than being manipulated by the Western powers".

The Korean relations had, and continue to have a lot of ups and downs. Most of the Korean peace negotiations failed for the following reasons: (1) The North Korean government feels threatened by the existence of the US troops in South Korea, simultaneously the South Korean government feels threatened by North Korea's nuclear enrichment; (2) North Korea aims to be independent without being subject to external imposition of interference which directly weakens its alliance with South Korea; (3) the Western powers did not offer North Korea with sufficient incentives and failed to implement their promises; and lastly (4) North Korea secretly launched new ballistic missile technologies and refused to denuclearise after the Six-Party Talks which escorted to the failure of the peace talks.

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52 Ri Song Chol, the Secretary General of Korean Association of Social Scientists, interviewed by Betul Onugoren, at Wits University Johannesburg, October 21, 2014.
The ambiance between the two Koreas is filled with mutual distrust that was built over the years. North Korean nuclear weapons represent a significant issue determining the international relations with South Korea as well as with the US. Both the Koreas need to change their approach, form reliance by negotiations in order to enable mutual understanding. But the Korean reunification process is not dependent on Koreans themselves, it is rather dependent on the big powers such as the US and China. Both North Korea and South Korea planned unification by diplomatic means without using force, but South Korean joint military exercise with the US and North Korean nuclear mission has increased military battle and further complicated a win-win situation through negotiation. Lack of a common regional institution in North East Asia has made the procedure for reunification even more complex. As a result, both the Koreas need to be independently capable of building a unified Korea without the interference of external forces in their domestic problems.

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North Korea-South Korea Relations Towards Successful Reunification

3

The Initial Transition: The Need to Define the Parameters of Different Views

This chapter discusses disparities in unification policies of the two different systems, including the ideologies and beliefs in Korea. It further looks at North Korea's and South Korea's views on reunification, specifically looking at the thoughts of Ri Song Chol, the Secretary General of Korean Association of Social Scientists, and the thoughts of Yong Man Jo, the North Korean Ambassador in South Africa. Subsequently this chapter gives a survey of the North Korean refugees (in 2011) and the South Korean refugees (in 2012) in China on the issue of reunification that was carried out on the South Korean public TV network, named Korea Broadcasting System (KBS). This review helps us to understand the thoughts of both the Koreans on the issue of unification.

3.1. The disparities in Unification Policies between the two different Korean Systems and Ideologies

The division of Korea augmented the existence of two different ideologies and systems, North Korea as a socialist regime and South Korea as a capitalist regime. Under Kim Il-sung, North Korea developed the "Juche" ideology also referred to as "Kimilsungism". The importance of establishing Juche was emphasised in building national defence and self-reliance, and avoiding the repetition of foreign domination after the liberation of Korea from Japan. According to Ri Song Chol, the ideology of Juche has been driven by the forces of colonialism which allowed North Korea to be master of their own destiny by maintaining the spirit of self-reliance.

Historically North Korea was more developed than the South. North Korea's reluctance to reform and pursue the reliance on "socialist trade" was North Korea's first barrier to development. In fact, North Korea's production declined after the 1990's (see Figure 3). The very remote nature of the North Korean people and very highly centralised nature of the government would indicate

that the main principles of democracy and a market economy would be unfamiliar and intricate for North Koreans to acknowledge.⁵⁹ This is best shown by the extremely united and open South Korean people against an extremely separated and controlled North Korean people.⁶⁰ Even if a peaceful society is formed among the Koreans, bringing about the change to democracy and a market economy to the North Korea society would be difficult.

![Figure 3: Development of North Korean and South Korean Output](image)

The result of firm devotion to Juche and the military first policy has been reflected in the continual state of the North Korean economy. During this time, South Korea emerged a robust democracy and became the eleventh largest economy in the world since the beginning of the 21st century.⁶² In other words, this motivational asymmetry can compensate the "inferiority" of North Korea by its nuclear power capabilities as a tool of defending itself against the "superiority" of South Korea which is supported by the imperialist US.⁶³

On October 10, 1980, Kim Il-sung announced his last version of "Formula for Creating the Democratic Confederal Republic of Koryo".⁶⁴ The North Korean government has instructed the

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⁶⁰ Loc cit.


following preconditions to create an integration: (1) the US must draw out its armed forces from the South; (2) South Korea must remove fascist laws like Anti-Communist and National Security Law; (3) the armistice agreement must be changed with peace treaty, and; (4) the current South Korean government must be replaced by a democratic people's government. Options (2) and (3) are seen as reasonable, except (1) and (4) are seen as impossible.

Under this formula Kim Il-sung suggested that the reunification of Korea can be attained under the principles of "interdependence, peace, and national unity," and at the same time both North Korea and South Korea preserve their existing political ideologies and systems. Kim Il-sung also believed that "Supreme National Confederal Assembly" should be formed with an equal number of representatives of both Koreas to act as a confederal government managing the two independent states and military forces to follow issues related to national interest.

South Korea's unification method is based on understanding the two different political ideologies and governing systems of Korea. The South Korean government supports a slow integration approach toward unification through a "Korean Commonwealth" as a transitional system. With this approach, the two sides would enhance their economic cooperation and mutual exchanges in order to understand the basis of each other's political ideologies and governing systems. Thereafter this would help to rebuild a national community and eventually a unified democratic nation via elections.

The unification policies of North Korea and South Korea differ enormously not just in their approach to unification but also in the gradual form of unified state. As previously mentioned, the North Korean government wishes the coexistence of two different systems as a confederation state. It is obvious that this kind of state of affairs cannot be seen as a legitimate unification and it is not accepted by South Korea because the idea of socialist economy has been rejected in agreement of the free market economy. Thus, the Juche thought is naturally contradictory in an

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66 Loc cit.
67 Loc cit.
inter-reliant global economy. The North Korean government has shown an inconsistency in its own unification policy by showing that it is willing to make incomplete revisions.\(^68\)

### 3.2. North Korea’s View towards Reunification

Towards the end of the 1980's, particularly since the wake of the unification of Germany, the North Korean view of national unification has been defensive, rather than offensive. This was seen in 1991, when Kim Il-sung clarified that he is against the "way of eating and being eaten" — specifically, unification by means of absorption — calling for national unification under the so-called Koryo Confederation System.\(^69\)

With regards to the Korean unification, North Korea has maintained two unchanging views after the division of the peninsula. The first is that the division was the result of external forces or the imperialist forces. According to Ri Song Chol, because of the imperialist powers Korea was divided into two.\(^70\) The second is that the issue of unification is a problem of recognising the independence of the nation as a whole.\(^71\) As a result, the North Korean government claims that it would like to see reunification, on the basis of five conditions: (1) the US must not interfere in Koreas internal affairs, (2) the US must provide assurances of nonaggression, (3) South Korea must expel anti-unification forces such as the US and Japan, (4) the US must agree not to impede the DPRK’s economic development, and lastly (5) the "By-Our-Nation-Itself" independence model must be recognised without the interference of external forces. The 'nation' that North Korea speaks of implies the term used in the "Chosun Nation First Policy", an isolated 'nation' imbedded with class connotations.\(^72\)

The North Korean leaders' perception of the political situation is based on the fear of having been surrounded by imperialists since the Korean War, and the greatest imperialist threat comes from the US. In the Cold War era, North Korea stated that "there is no place on the earth that is not affected by the evil influence of the US and there is no country that does not feel the threat of

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\(^{69}\) The change is reflected in the "Five-point Guidelines for the Reunification of the Fatherland" (May 1990) and the "Ten-point Guiding principle for All-Korea Unity" (April 1993).


violence from the US; the US once threatened the North with military assault and is interfering with its national reunification".\textsuperscript{73} In fact, North Korea predicted the collapse of the US empire, representing the fall of imperialism as an objective law of historical development.

North Korea has perceived South Korea from the perspective of its linkage with the US. South Korea has been described as "a fascist colonial regime of the imperialist US".\textsuperscript{74} North Korea's unification policy has maintained such perspective throughout the Kim Il-sung regime, Kim Jong-il regime, and the present Kim Jong-un regime. On January 1, 2014, Kim Jong-un underlined that in order to resolve the problem of unification, "external forces must be denounced and the views of our people ourselves must be firmly adhered to".\textsuperscript{75} From this perspective, it can be assessed that North Korea's unification policy has shown consistency since the division to this day.

The North has suggested that South Korea should create a revolutionary democratic base in order to turn the entire Korean Peninsula to a communist country, suggesting two different unification plans: unification by military force and unification by joining the aid of South Korean anti-government activists in changing the South. The North has also started to implement double-edged unification policies; irregular military aggravation, and the pursuance of the "united front" strategy toward unification.\textsuperscript{76}

It is difficult to say that North Korea has totally given up the idea of unifying Korea by force of arms. Continual military aggression, the improvement of military forces and Kim Jong-il's propaganda calling for change of North Korea into a military giant, all indicate a persistence of past hopes.\textsuperscript{77} Despite the tensions between the two Korea's, North Korea wanted to have reunification by all means and their motto is that "division must perish; unification must prosper and live in peace".\textsuperscript{78}

\begin{footnotes}
\item[	extsuperscript{74}] Loc cit.
\item[	extsuperscript{75}] Loc cit.
\item[	extsuperscript{76}] Loc cit.
\item[	extsuperscript{77}] Park, Young Ho. Op. Cit. p.7.
\item[	extsuperscript{78}] Yong Man Jo, the North Korean Ambassador in South Africa, interviewed by Betul Onugoren, at Wits University Johannesburg. March 26, 2014.
\end{footnotes}
The main concern of North Korea is the existence of the US troops in South Korea.\textsuperscript{79} The US holds 28,500 troops in South Korea and maintains a heavy naval presence in the Pacific. According to Yong Man Jo, the North Korean Ambassador in South Africa, "as long as the US troops remain in Korea the reunification efforts will not succeed".\textsuperscript{80} The existence of the US in the region, lead North Korea to modernise its nuclear weapons. Thus their act is self-defensive deterrence to protect themselves from the US forces.\textsuperscript{81}

The North Korean government believes that their act is just a self-defensive deterrence in order to protect themselves against the US forces.\textsuperscript{82} One advantage of reunification would be enhanced regional security through the restoration of peaceful alliances. Currently "the unpredictable (conventional and nuclear) threat and aggression potential of North Korea represents the highest risk in the area of security policy in Northeast Asia".\textsuperscript{83}

In 2011, the KBS channel carried out a review between North Korean refugees in China on the issue of reunification. The results were as follows:\textsuperscript{84}

<table>
<thead>
<tr>
<th>1. Would you like to see a unified Korea?</th>
<th>Very much 92%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Possibly 8%</td>
</tr>
<tr>
<td></td>
<td>Not at all 0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2. If you would like to see reunification – what is the most important reason?</th>
<th>&quot;We are one people&quot; 42%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Better life 45%</td>
</tr>
<tr>
<td></td>
<td>To remove the enmity or tension between the two countries 5%</td>
</tr>
<tr>
<td></td>
<td>Possibility of freedom to travel 8%</td>
</tr>
</tbody>
</table>

\textsuperscript{79} Jayshree Bajoria, and Beina Xu. Op. Cit. np.
\textsuperscript{80} Yong Man Jo. Op. Cit. np.
\textsuperscript{81} Loc cit.
\textsuperscript{82} Loc cit.
\textsuperscript{84} Cf. KBS special, "The Grand Plan for Reunification", first broadcast Part 1, 3 Dec 2011; Part 2, December 04, 2011. All translations from the Korean by Dr. Young-yoon Kim. 102 people were surveyed.
3. In your opinion when do you think reunification might be possible?

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within 10 years</td>
<td>26%</td>
</tr>
<tr>
<td>Within 20 years</td>
<td>6%</td>
</tr>
<tr>
<td>Within 30 years</td>
<td>23%</td>
</tr>
<tr>
<td>Never</td>
<td>45%</td>
</tr>
</tbody>
</table>

4. Under what kind of political system should reunification take place?

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalism</td>
<td>2%</td>
</tr>
<tr>
<td>Socialism</td>
<td>58%</td>
</tr>
<tr>
<td>The &quot;Chinese model&quot; (two systems within one country)</td>
<td>40%</td>
</tr>
</tbody>
</table>

5. How do you view South Korea?

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>As an enemy state</td>
<td>3%</td>
</tr>
<tr>
<td>As our brothers</td>
<td>37%</td>
</tr>
<tr>
<td>As a colony of the USA</td>
<td>60%</td>
</tr>
<tr>
<td>As an independent state</td>
<td>0%</td>
</tr>
</tbody>
</table>

6. What do you think of the South Korean economy?

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>It offers the possibility of a much better life than in North Korea</td>
<td>80%</td>
</tr>
<tr>
<td>It offers the possibility for many people to become rich, but with huge differences between rich and poor</td>
<td>16%</td>
</tr>
<tr>
<td>It results in people there being poorer than in North Korea</td>
<td>4%</td>
</tr>
</tbody>
</table>

7. What should South Korea do to bring about reunification?

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achieve independence from U.S. rule</td>
<td>50%</td>
</tr>
<tr>
<td>Give support to the people of North Korea</td>
<td>28%</td>
</tr>
<tr>
<td>Drop hostile policies towards North Korea</td>
<td></td>
</tr>
<tr>
<td>22%</td>
<td>Put pressure on North Korea 0%</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>8. Which country do you like the most?</td>
<td>USA 4%</td>
</tr>
<tr>
<td></td>
<td>Russia 0%</td>
</tr>
<tr>
<td></td>
<td>South Korea 29%</td>
</tr>
<tr>
<td></td>
<td>China 66%</td>
</tr>
<tr>
<td></td>
<td>Japan 1%</td>
</tr>
</tbody>
</table>

This short survey shows a good review of North Koreans' thoughts. However, one must take into account under what conditions the North Korean people were questioned in China when considering the importance of these results. That being said, there are a number of stable North Koreans thoughts towards reunification that point to the determination of long-term attitudes and opinions gathered from a socialist upbringing. This is particularly clear in the high link of positive answers that match to North Korean state policy, and also in the favoured option of reunification under a socialist system, the strong dislike of the US and the related poor opinion of South Korea.\(^8\)

Despite all the criticism, there is also a clear respect for what South Korea's economy has to offer, and a clear aspiration for better material conditions in North Korea. As 80 per cent of North Koreans believe the quality of life in South Korea to be "much better" than their own. This shows that North Koreans are evidently capable of distinguishing their quality of life from others regardless of the fact that their country is cut off from the outside world. It also implies that the guarantees made by the state's leaders that things will get better are not likely to be believed forever. The fairly careful or even pessimistic estimations of when reunification may take place imply a high degree of realism. Though, an assessment of these answers must also take into account that North Korea itself generates an environment which gives rise to such beliefs.

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\(^8\) Eschborn, N. and Young-yoon, K.  \textit{Op. Cit.}  p.86.
3.3. South Korea's View towards Reunification

From 1948 to 1960, the South Korean former leader Rhee Syngman aimed to establish a unitary state through general elections based on liberal democracy and the market economy, but at the same time included unification by 'the use of armed forces' as a possible means.\(^86\) Thereafter on August 15, 1970, the preceding President Park Jung-hee proposed the "8.15 Declaration" to build a foundation for peaceful unification which became the diplomacy guidelines for the South Korean government.\(^87\) His official unification policy was a three-phase unification approach: (1) a phase of reconciliation and cooperation, (2) a phase of the Korean Commonwealth, and (3) a phase of unified Korea of "one country, two systems". However, this system will only solve the external issues of one Korea, not the internal issues of different social systems.\(^88\) After unification, the political and economic systems of each side will develop in their own ways.

The newly-elected president Park Geun-hye on February 25, 2013, daughter of the former president Park Chung-hee, believes the lack of basic trust in Korean relations is the main reason for the current problems between North Korea and South Korea.\(^89\) Park believes that the "Trust-building Process" on the Korean Peninsula could build a basis for national unification.

During Park's visit to Dresden (former East Germany) from March 25 to 28, 2014, she came up with the "Dresden Doctrine".\(^90\) In her doctrine, Park stressed upon three key areas, namely: "humanity, co-prosperity and integration".\(^91\) Park believes that Germany defeated the after-shocks of unification quite rapidly and attained the level of integration of today because of the continued people-to-people interaction that took place before unification.\(^92\)

Drawing similarities to inter-German cooperation and contact earlier to unification in 1991, Park's roadmap to unification is initially to reunite the separated families, restore a sense of common nationhood, broaden humanitarian aid, and as trust builds between the two states then

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\(^{86}\) Park, Young Ho. \textit{Op. Cit.} p.3.
\(^{87}\) Ibid. p.6.
\(^{92}\) \textit{Loc. cit.}
they will start economic programmes and invest in social infrastructural projects in telecommunication and transportation in North Korea.\textsuperscript{93}

Park also stated that "Working together from sowing to harvesting will enable South and North Korea not just to share the fruits of our labour, but also our hearts. As the bonds of trust begin to burgeon between the two sides, we can start to look at larger forms of development cooperation".\textsuperscript{94} I agree with Park when she said, "What we need is not one-off or promotional events, but the kind of interaction and cooperation that enables ordinary South Koreans and North Koreans to recover a sense of common identity as they help each other out".\textsuperscript{95} As a result, recovering their common identity by working on their mutual interest and security, will lead to a successful reunification.

Unlike other policies, Park is willing to enlarge cultural and humanitarian exchange with the North without preconditions particularly on its nuclear, which should serve as the source for enduring alliance. However, Park also believes improving peace and security on the Korean region automatically means finding a solution to the problem of North Korea's nuclear weapons.

There are three main strands to Park's position: the South Korea's North Korea policy must be further developed, both North Korea and South Korea must be prepared to change, and South Korea's North Korean policy should not be overhauled every time there is a change of government.\textsuperscript{96} Although, in January 2013, the first doubts started rising in the media as to whether South Korea's North Korean policy during Park's time in office would really be able to effect change. Added to this is the worry that "trustpolitik" could once again be dictated by those who favour use of the military force over dialogue when it comes to the concept of "defence versus dialogue".\textsuperscript{97}

\textsuperscript{94} Loc cit.
\textsuperscript{95} Chang Jae-soon. Op. Cit. np.
\textsuperscript{96} Eschborn, N. and Young-yoon, K. Op. Cit. p.96.
\textsuperscript{97} Ibid. p.97.
The KBS channel carried out another survey in August 2012, on the issue of reunification between South Koreans. The results of this second survey were as follows:\footnote{Cf. 24th research edition of the KBS programme on reunification, "Examination of people's attitudes to the reunification of Korea 2012", first broadcast, October 15, 2012. 1,027 people were surveyed.}

<table>
<thead>
<tr>
<th>Question</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. How interested are you in the reunification of Korea?</td>
<td>Extremely 24.6%</td>
</tr>
<tr>
<td></td>
<td>Very much 49.2%</td>
</tr>
<tr>
<td></td>
<td>Not very 22.8%</td>
</tr>
<tr>
<td></td>
<td>Not at all 3.4%</td>
</tr>
<tr>
<td>2. What is your attitude towards reunification?</td>
<td>It should definitely happen 25.4%</td>
</tr>
<tr>
<td></td>
<td>It is desirable as long as it doesn't put too big a burden on South Korea 43%</td>
</tr>
<tr>
<td></td>
<td>Both Korean states should co-exist on the basis of mutual cooperation 24.6%</td>
</tr>
<tr>
<td></td>
<td>It should definitely not happen 7%</td>
</tr>
<tr>
<td>3. What would be your biggest concern in the event that reunification takes place?</td>
<td>Massive financial burden on the people of South Korea 54.1%</td>
</tr>
<tr>
<td></td>
<td>Social unrest, unemployment, crime 18.5%</td>
</tr>
<tr>
<td></td>
<td>Political and military conflict 15.3%</td>
</tr>
<tr>
<td></td>
<td>Mass migration from North Korea to South Korea 11.1%</td>
</tr>
<tr>
<td></td>
<td>International diplomatic difficulties 1%</td>
</tr>
<tr>
<td>4. What is the most important goal of reunification?</td>
<td>Economic cooperation, cultural exchange, reuniting of families, and travel</td>
</tr>
<tr>
<td>5. Which other country could be useful in helping to bring about reunification?</td>
<td>None 51.7%</td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td></td>
<td>China 21.6%</td>
</tr>
<tr>
<td></td>
<td>USA 19.5%</td>
</tr>
<tr>
<td></td>
<td>Japan 2.6%</td>
</tr>
<tr>
<td></td>
<td>Russia 2.1%</td>
</tr>
<tr>
<td></td>
<td>Other countries 2.5%</td>
</tr>
<tr>
<td>6. How willing are you to bear the costs of reunification?</td>
<td>Not willing at all 39.6%</td>
</tr>
<tr>
<td></td>
<td>Less than 1% of my annual income 41.4%</td>
</tr>
<tr>
<td></td>
<td>1-5% of my annual income 15.7%</td>
</tr>
<tr>
<td></td>
<td>5-10% of my annual income 2.6%</td>
</tr>
<tr>
<td></td>
<td>More than 10% of my annual income 0.6%</td>
</tr>
<tr>
<td>7. When do you think reunification might be possible?</td>
<td>Within 10 years 17.1%</td>
</tr>
<tr>
<td>Time Frame</td>
<td>Percentage</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Within 11-20 years</td>
<td>35.7%</td>
</tr>
<tr>
<td>Within 21-30 years</td>
<td>21.2%</td>
</tr>
<tr>
<td>After more than 30 years</td>
<td>14.8%</td>
</tr>
<tr>
<td>Never</td>
<td>11.2%</td>
</tr>
</tbody>
</table>

This survey shows that the overall view of South Koreans and the majority of interviewed people believe that this historic progress could still happen within their life. Financial concerns seem to be a general concern when it comes to South Koreans' feelings towards reunification and overshadow even the fear of social tensions if the two Korean nations reunite. Unpredictably China is seen as a possibly more cooperative ally than the US when it comes to reunifying Korea, even if only by a small margin.⁹⁹

All main studies point that those who accept the main liability for forming reunification – recent South Korean generation in the age of 30's – are generally uncertain or even refuse the reunification since they do not feel it has any significance to their own lives and future views.¹⁰⁰

In 2012, the current conservative government recognised the reality of this problem and illustrated it with an unusual degree of transparency: "Unfortunately, today we are at a point in time when younger South Koreans enjoy a greater degree of prosperity than any other generation of South Koreans lived before them. The prosperity has made them become complacent while being less conscious of the need for national unification. In the meantime, those who have focused on the cost Germany had to pay for its unification became hesitant to support Korean unification".¹⁰¹ This statement indicates that the current government has done little awareness to increase the South Korean public's consciousness of the advantages of reunification.

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Observers note that there has been lack of knowledge and education in schools and universities on the factual Korean history. This results today's younger generation in the South to slowly move away from the common idea of reunification.

3.4. China's View on the Korean Reunification

From all the powers in Asia, China is the main status quo power in the region. The Korean Peninsula is at the heart of Northeast Asia and its' strategically and geographically import because of its trade route for cross-border investment. Thus, it is in both China and the US interest to stabilise the Korean region and to sustain both Chinese and American prosperity, as conflict or intense security competition would limit economic development and reduce cross-border investment and trade.

When Chinese leaders look at the situation in North Korea they are reminded of their own experience, when they were economically and politically isolated from the international community decades ago. Historically, China has always sustained its relations with Korea and hopes that united Korea will keep its economic and diplomatic relations with China even after reunification. China is anxious about possible threats and its status quo in the region after reunification of Korea. The prospect of a reunified Korea with a possible nuclear capability, and hegemonic US presence in Korea would cause great worry to the political and military leadership of Beijing.

According to the survey above, 21.6% of the South Koreans believe that China will be useful in helping to bring about reunification in Korea. Although, China has always maintained the belief of Korean reunification by peaceful means, it has been interpreted that in fact China has no real interest in Korean reunification. Instead, China wants to keep North Korea as a de facto buffer state between itself and the US troops in the South, and also to avoid influx of refugees into its own borders in the event of sudden unification. However, if the Korean Peninsula is unified by

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Seoul, China will try its level best to create a good relationship with South Korea and reduce the US influence in the peninsula.\textsuperscript{105}

The role of China in the Korean unification process sort of prolongs it since Beijing has increased their energy and food aid in recent years. China's increasing interest in Korea is caused by at least three reasons: (1) China wants to secure its interest and security in the region by stabilising its relations with the North and its neighbouring states, (2) China is challenged by the possibility that the US may continue to implement forces on the region after unification, and (3) China fears that South Korea and the US could implement unilateral actions to oppose instability in the North that could weaken China's long-term hegemonic political, economic and security interests.\textsuperscript{106}

Economically, China would benefit a great deal from having a leadership role in the core of the world's fastest growing economic region. And regardless of the initial costs of reunification, Chinese analysts expect that a unified Korea would increasingly become a regional economic powerhouse.\textsuperscript{107} China clearly tries to maintain a considerable ability to shape its long lasting regional outcome. But such prospects underline the further need for much closer talks between China, South Korea, and the US.\textsuperscript{108}

### 3.5. The US's Hegemonic Goals in Asia

The US has two planned goals in its relations with South Korea. The first goal is to protect its territories from the Chinese and the Soviet threat, to secure economic success by limiting communist worldwide growth, to preserve democratic principles and values in the free world, and to create a world order suitable to the US.\textsuperscript{109} Although the US-South Korea alliance has changed eventually,\textsuperscript{110} the main component of their relations for the US carried on to contain

\textsuperscript{110} South Korea and the US are important economic partners. Almost 60 billion dollars of trade volume between the two states show their economic interdependence. However the export volumes to the US has declined 20 percent in 2002 while the share of export to Chinese market has increased, which led Beijing to become number one export destination for Seoul.
China and the USSR. Therefore, Seoul has been a major security provider to the US in Northeast Asia, in exchange for the US to protect South Korea against the North Korean military.

The second goal is to protect South Korea against the North Korean threat. With the stability given by the US defence commitment, South Korea democratised and deterred an invasion from North Korea. For this reason, South Korea increased its reliability of alliance with the US, and the US's role and commitment in military support in an event of war. Additionally, South Korea believes that the US existence is needed for preserving balance of power in Northeast Asia, as the previous South Korean ambassador to the US, Hong Hoo-hyun, said: "The South Korean president added it would be better for the US forces to be kept in South Korea to prevent Japan and China from engaging in efforts to gain hegemony in the region". As a result, both South Korea and the US share a hegemonic goal in their relationship: the deterrence of North Korea for South Korea's security.

The US security plan in the East Asian region has the following four aims: (1) encouraging human rights and democracy; (2) preventing violence and endorsing peaceful resolution of conflicts; (3) improving economic incorporation and regulations based on trade, and; (4) supporting non-proliferation of nuclear weapons objectives and access to the security of sea lines of communication in cooperation with its associates. According to the National Security Strategy in 2000, the US "seeks a peaceful resolution of the Korean conflict with a democratic, non-nuclear, reunified peninsula that will enhance peace and security in the East Asian region". The US firmly relies on partners in the region who all share similar objectives that would permit regional stability. "The greatest and most fundamental future challenge to the US in the Asia-Pacific region may simply be to maintain a presence". Although, "One of the principal US

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112 Loc cit.
The concerns is that the perceived regional stability would lead to a call for the withdrawal of US forces based in Northeast Asia.\textsuperscript{116}

Due to the rising possibility of insecurity and all of the main powers interests in the peninsula, it is important that some type of communication and intention is in position before crisis explodes on the region. Without such means of communication, there is incentive for unilateral action on all sides with unchanging outcomes.\textsuperscript{117}

\textsuperscript{116} Ibid, p.122.
As Korea remains divided to this day, this chapter attempts to find an ideal political and economic process as well as conditions that will allow Korea to achieve successful reunification. In order to do so, this chapter carries out case studies on reunification experiences of the three reunited countries, namely; Germany, Vietnam, and Yemen.

This section will bring together a collection of formerly divided nations — Germany, Vietnam and Yemen. There is a large variety of differences between the three countries in terms of their geographical locations, historical backgrounds, and the international roles that they have played. However they all have shared at least one common characteristic, these formerly divided countries have similar political, social, and economic ideological differences and are products of the Cold War. Thus, they all have to answer a sequence of questions with regard to the current Korean disagreement.

In general, the scenarios of unification for the Korean Peninsula can be divided into three types: (1) unification by absorption, which East German and West Germany achieved successfully on January 18, 1871; (2) unification by force, which North Vietnam and South Vietnam achieved successfully on July 2, 1976, and; (3) unification by consensus, which North Yemen and South Yemen achieved successfully on May 22, 1990.118

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4.1. The Case of Germany

![Map of Germany after its Division](image)

*The Division of Germany. Germany was divided into four zones by the victors at the end of World War II. Berlin was in the heart of the Soviet zone, East Germany, and the city itself was divided between East and West sectors.*

**Figure 4: Map of Germany after its Division**

The division of Germany was a product of a collision of ideologies and a struggle over power between the US and the USSR. After World War II, the US and the USSR could not reach an agreement on how to manage the post war situation, which then escalated in the so-called Cold War era. Thereafter Berlin wall was built in 1961 and secured the border between the West and the East of Germany (see Figure 4). Germans were not allowed to go to either side freely until the fall of the Berlin wall in 1989.

There were two ways of unifying the German economy. One was to slowly unify the economy and the other was to quickly expand Western policy in East Germany. Germany decided to use

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120 Loc cit.
the rapid economic unification method which increased unemployment and the collapse of the previous East German economy. However prior to the unification, East Germany and West Germany had a lot of problems such as differences in currency levels, in housing and food products, in property rights, in development level of agriculture and industries, and so on. As a result, when the financial support was removed, East Germans tackled economic difficulties with high costs.

The strong West German economy played an important role in rebuilding the new German society and in financially assisting the repatriation of USSR troops. The Federal Republic of Germany addressed this issue by presenting a document named "Joint Measures to stimulate the economy" on March 03, 1991 to endorse higher profits and social security system in order to proceed the national wellbeing and prevent social conflicts. Germany invested 12 billion in the same year to produce employment and sponsor investments. With this system, Germany was able to create 11,000 jobs in the early 1990s.

The process of German reunification progressed much more quickly than it had been imagined. The breakdown of the communist government and the USSR control in East Germany made the reunification even more possible. The reunification was still peaceful due to the majority of the economic and political problems that were solved prior to the declaration of the united Germany and the outcomes of the post-reunification process, regardless of several economic crises in Germany.

The experience of German unification process is a good example for Korea. Korea should bear in mind that if reunification does take place it will not be an easy process. The process of German unification has been very costly in terms of employment, manufacturing output and rebuilding the former East German economy. Nevertheless any major structural change is a costly process. There are five reasons that made the economy worst in the case of Germany because of the policies that were used during the process of unification, which Korea could learn from.

123 Ibid. p.54.
124 Ibid. p.23.
125 Loc cit.
The first includes Korea should form a democratic political system in at least one side of the divided nation. In this case, South Korean politics should be peacefully settled so that North Koreans have a "South Korean dream" and come together to fight for their freedom from Communism and dictatorship in North Korea. Secondly South Korea should continue to develop its economy and show strong leadership since reunification will cost a huge amount of money. South Koreans will then need to be financially secured in order to build infrastructural projects and other developmental projects in North Korea.127

The third lesson is that Korea must actively prepare flexible and peaceful reunification strategies that correspond to the changes in the international political sphere. Fourthly Korea should maintain good relationships with neighbouring countries and participate in international organisations and meetings. In order to do so, Korea will need to cooperate with each country and build trust with them by peaceful means, and; lastly Korea will need to be able to resolve any concerns from neighbouring countries regarding Korean unification. Like Germany, Korea will need to secure peace in the Korean Peninsula, follow the regulations and objectives of the United Nations (UN) when unification takes place, remove its bad human rights record, and stop its nukes by easing the tension in Northeast Asia.128

After reunification, Germany faced economic downfall for some time, however they eventually achieved economic growth and mended the aftermath of the reunification peacefully without any violence among themselves. Bearing this in mind, a comparison between both Koreas per capita income illustrates that South Korea's income is at least 16 times higher than the North. This difference is much more than that in the start of a reunited Germany.129

The Korean reunifications financial impact shows much more than that of German reunification, because of the bigger gap in productivity among the two Koreas and North Korea's much bigger populace of the unified Koreans.130131 The predictable big economic load on South Korea is attributable to the fast increase in social spending for North Korean occupants, rather than to the

128 Ibid. p.27.
131 See future recommendation: point number 29, page 70.
direct restoration cost of the North Korean economic structure after the breakdown of its previous economic system.\textsuperscript{132}

Reunifying radically two different Korean economies will be a costly process that will require all Koreans, specifically South Koreans, to make sacrifices. South Korea's social aims must revolve around promoting understanding and acceptance. The social obstacles may be the hardest to overcome depending on how the South Korean citizens treat the North Korean refugees. Economically, South Korea should focus on breaking the overpowering dominance of business monopolies and on cheering the development of new business plans.\textsuperscript{133} Seoul must productively organise the economy of reunified Korea to ease the harsh economic differences. With a more steady economy, South Korea will be able to monetarily endure the arrival of a new work force including the unskilled North Korean refugees.

Economic cooperation between the two Koreas could help North Korea to alleviate its economic burden and to increase its productivity.\textsuperscript{134} North Korean infrastructure is in need of major advancement since the regime's focus is on military means and a major lack of investment in public infrastructure. A programme of rebuilding North Korea's infrastructure would create large investment and employment opportunities to put in the overall cost of reunification.\textsuperscript{135} The South Korean government is well aware of the seriousness of economic development to shape a market economy and social security policies. Recently, the Gaeseong Industrial Complex in North Korea receives a lot of investment by companies in the South which also allows employment opportunities for the North Korean population.\textsuperscript{136} This sort of collaboration offers a helpful model for reunification efforts.

The German experience has shown that fiscal management and policy effort would be needed to overcome the problems of infrastructural development and income inequities, over a long period of time.\textsuperscript{137} While the South Korean government seems willing to fund the reunification effort and


\textsuperscript{134} Ibid. p.28.


has thought of starting a mechanism to fund reunification, a plan to take on support from the international society and associated institutions, like the International Monetary Fund (IMF), would need management and growth as a priority.\(^\text{138}\)

If the German-like unification comes true, the unified Korean government will then provide the North Koreans with significant help to guarantee their basic standard of living. Under a complete unification, the labour markets and the basic needs of North Koreans will be met, but incomes of South Korean companies would rise, leading to lower profits for companies doing business in the North. Consequently, this will slow down the industrial growth and the speed of job creation in North Korea. For this reason, high unemployment rate was one of the biggest problems in East Germany after reunification; this would be sterner in the case of North Korea. Moreover, a huge amount of government support could also weaken the poor’s willpower and entrepreneurship to advance their lives independently. The poor could then rely only on the government without even attempting to look for a job.\(^\text{139}\)

It goes without saying that to achieve the most peaceful Korean reunification, rearranging the institutional structures and sustaining South Korea’s domestic life must become the most important priority. As South Korea is the country that is most like to be absorbing the other, South Korea must be prepared to get the impact of the fall when the North Korean government collapses.\(^\text{140}\) Whilst operating such duty is not an easy task, if the Korean people can stick to the fundamental economic, political and social aims, then attaining positive domestic situations for reunification is surely foreseeable.

4.2. The Case of Vietnam

Figure 5: Map of Vietnam after the 17th Parallel Division \(^{141}\)

In 1954, Geneva agreement in Sweden signed by Viet Minh and the Indochina French colonial government agreed on dividing Vietnam into two by the 17th Parallel (see Figure 5).\(^{142}\) The North Vietnam became Vietnamese Democratic Republic under Ho Chi Minh setting up Communist forces (anti-Western), and the South Vietnam became Republic of Vietnam under Ngo Dinh Diem setting up anti-communist forces (pro-Western).\(^{143}\) In 1976, the North Vietnam

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\(^{143}\) Loc. cit.
took over the South Vietnam by force and merged to form the modern-day Socialist Republic of Vietnam.

During the Vietnam War a great number of the US inhabitants opposed the US involvement in South Vietnam. Some activists within the peace movement supported a unilateral removal of US forces from Vietnam. Opposition to the Vietnam War gathered groups that opposed the imperialist US. Anti-war protests ended with the last removal of troops after the Paris Peace Accords were signed in 1973.\textsuperscript{144} South Vietnam was left to defend itself independently on December 13, 1974, when North Vietnamese forces attacked Phuoc Binh region in the South.\textsuperscript{145}

At the beginning of 1975, the South Vietnam had thrice as many weaponry of the North Vietnam. But because of the rising oil prices the South could not use much of its weaponry. While North Vietnam was well-determined and funded by the communist bloc, the South faced increasing chaos since their economy was too dependent on the US financial support and the presence of a large number of US troops in the South. On April 30, 1975, North Vietnamese troops entered the city of Saigon.\textsuperscript{146}

After briefly examining the case of Vietnam, to avoid issues such as economic chaos and war in Korea, both North Korea and South Korea need to avoid the influence of external forces. If Korea relies too much on the foreign influences, then the cost of unification will be too severe and destructive. Korea should focus more on increasing agricultural production and resolving food shortages by dismantling communal farms and implementing the family farming system in North Korea. Korea should also reduce poverty and profit gap between the Koreans by equalising between rural and urban areas and should continue to expand into other industries, such as trade, construction, and manufacturing, to create new businesses and business opportunities.\textsuperscript{147}

The conventional understanding about the economic improvement in Vietnam is that the open door policies were the most successful outcomes for economic expansion. Open door policies consist of creating foreign direct investment (FDI), starting special economic zones (SEZs), and

\textsuperscript{145} Loc cit.
\textsuperscript{146} Loc cit.
encouraging exports.\textsuperscript{148} It is apparent that these policies were essentially good by carrying positive outcomes. However, domestic change and development is a requirement for thriving open-door policies. Consecutively for North Korea to develop, it should first reform the overall domestic structure.

Domestic reform policies in Vietnam brought great result in a short period of time, at the same time it took longer period of time for the open door policies to attain thriving outcomes. Both previously separated countries set up SEZs, but they were unsuccessful to draw foreign companies’ awareness at first with little influence on the economy as a whole. Only once they opened more provinces, stated their purpose to draw more foreign companies, and more notably, encouraged outsiders that their reform and open door policy would not vary, foreign direct investment came in deep. It took about 10 years after they affirmed opportunity and transformation.

If the Vietnamese-style unification is implemented in the North to slowly develop their economic growth, the deprived North Koreans could then use entrepreneurship more practically.\textsuperscript{149} I think reform and entrepreneurship by North Koreans themselves would be a much better option to form a better society, than development driven by South Koreans and foreign entrepreneurs.

If open policies are made only for foreign companies, the impact would be limited. Foreign companies invest in low-income country like Vietnam because they want to exploit low-wage workers and bring most of their materials, equipment, and parts from their home country to produce them for export purposes. In this 'processing trade' model, wages are the only income of the countries who received FDI. South Korean companies are currently doing business in the Gaeseong Industrial Complex in the same way; as a result the income of North Koreans is not as big.\textsuperscript{150} Thus North Koreans should form a network with national allies and do overseas trade with them to achieve major gains in their economy. This way North Korea could have open-door policies with advanced market economies such as South Korea, China, and Japan, to see faster results than Vietnam.\textsuperscript{151}

\begin{flushleft}
\textsuperscript{149} Ibid. p.258.
\textsuperscript{150} Ibid. 259.
\textsuperscript{151} Loc. cit.
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What we should bear in mind is that an economy cannot be developed by a handful of foreign technocrats. Countries and international organisations who wish to help North Korea from the outside should primarily support the internal reform efforts by North Koreans themselves. A large-scale aid in the start is likely to weaken their independent efforts for reform. Foreign aid should take a secondary position of sustaining the achievement of internal reforms. In addition, foreign aid should also focus on transfer of knowledge and technologies, rather than material and financial support. This will promote North Koreans to make intended efforts for economic change and development.152

4.3. The Case of Yemen

![Figure 6: Map of Yemen after its Division](image)

The division of North Yemen and South Yemen started from a treaty between the British and Ottoman empires in 1904. North Yemen became independent from the Ottoman Empire in 1918 and the British left the area around the port of Aden that became South Yemen in 1967 (see Figure 6).154 North Yemen became a theocratic monarchy, governed by the Imam Yahya of Zaydis Shiite community, while South Yemen was governed by a socialist regime and adopted a Marxist orientation which led to a great migration of people from South Yemen to North Yemen.155

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Yemen's unification process was greatly influenced by the discovery of oil in the North in 1984 and by internal separations that damaged the South in 1986.\textsuperscript{156} Yemen's oil deposits near the North-South border were reserved by the rules of the region, but they offered incentives for the South to help in joint examination.\textsuperscript{157} The power-sharing principle throughout the transitional period of two and half years that aimed to stabilise political power between North and South until the country's first democratic elections, which did not work out seeing that the country faced a Civil War in 1994.\textsuperscript{158}

After the reunification Yemen experienced a civil war in 1994 and more protests in the South, known as the "Southern Movement".\textsuperscript{159} While the circumstances under which the reunification was attained and the outcomes were less than ideal, Yemen still accomplished its reunification by giving each state equal authority through 50-50 power sharing method and remains a united country to this day.\textsuperscript{160} Despite these internal conflicts, Yemen eventually achieved reunification without one side actually splitting from another.

Yemen's way of consensual unification shows that the two states attained an incomplete agreement without resolving their main differences prior to unification. The result of this scenario, lead to a collapse by North Yemen occupying South Yemen by force in 1994. When considering the significant differences between the two Koreas, including political systems, economic capabilities, and social structures, consensus might be more difficult than absorption.

Bearing in mind the contradictions between consensus and absorption, it is important for Korea to understand what could happen at each stage of the process ahead. This may begin with awareness of the current understandings that prevail in South Korea. Absorption looks at a short timetable and usually does not think of the outcomes after unification, whereas consensus looks at a moderately longer timetable and thinks of the outcomes after unification.\textsuperscript{161} However if consensus is unrealistic and absorption seems foreseeable, the North would have no reason to join in consensual unification with the South. Such doubts imply the existence of many serious

\textsuperscript{159} The Southern Movement in Yemen represents the necessity of a political solution, instead of using military or counterterrorism, and a peaceful national reconciliation.
\textsuperscript{160} A Joo Kim. Op. Cit. p.47
questions that leave people wondering whether unification through consensus on the Korean Peninsula is really possible.\textsuperscript{162}

Given that South Korea offered peaceful coexistence with North Korea in its unification plan, the view of absorbing the North has become more underlined. After all, the South conceives a unified Korea as a state with a democratic political system and a capitalist economic system.\textsuperscript{163}

This means that even if unification occurs by consensus, the South would still unify Korea by absorbing the North. With this in mind, the North has criticised the core of the South's policy, stating that unification by consensus is no more than an illusion for absorbing the North. According to Pyongyang, Seoul's "destructive" logic would make capitalist values and liberal democratic values penetrate the North's society, disordering social unity and generating regime collapse.

However, just like Germany, it is very important for Korea to construct good economic and political collaboration with external powers. With regards Yemen, the Arab states often intervened in the conflicts between North Yemen and South Yemen and gave financial help when needed. They even believed Yemen unity as Arab unity. In the case of Korea, the external powers would be the US, Japan, China, and the USSR. Although neither of these states enthusiastically encourages Korea's reunification, there are numerous economic and political collaboration attempts among Korea and these states.

Both Koreas need to identify the other side as an independent country and gradually build trust among each other. Regardless of both the Koreas membership in the UN, North Korea and South Korea does not identify each other's autonomy but instead antagonism exists among them. Then the two states should continue social and economic cooperation and more frequently grasp reunification negotiations in diplomatic and non-violent way. And finally, the agreements should be attained not only among the governments, but also among the citizens. The number of


reunification processes Korea goes through does not matter if the citizens themselves do not wish to reunite; it would be difficult to form a sense of united society between the public.164

The analysis on the above mentioned reunified countries shows that some political, economic, and social factors play a vital role in laying down an ideal process towards successful Korean reunification. Improving peace and security on the Korean Peninsula automatically means finding a solution to the crisis of North Korea's nuclear weapons, if only because a united, but nuclear Korea "is the last thing regional powers want to see on the Korean Peninsula".165 A unified Korea would have a major effect on the existing balance of power in the region and South Koreans believe that the six-party talks can tackle the allegations of such reunification.

In the long term unified Korea can generate a multilateral security planning for the East Asian region as a whole. Any development in this way would have to consist of the replacement of the existing Korean War ceasefire agreement with some sort of peace agreement. Although this too will only be possible with the help of the US, Japan, China, and the USSR that have major interests related with the Korean Peninsula, and South Korea are well aware of this fact. For Seoul "it is of paramount importance, inter alia, to develop the Korea-China strategic cooperation in harmony with the Korea-US alliance"166 – something that will need a real balancing act to be accepted by the two rival major powers.167 However, one may conclude that a peaceful international environment is important for the resolution of rising conflicts like those starting out of national divisions that were initially caused by the external powers.

Korean Reunification: Four Possible Scenarios

After studying and examining the reunification processes of Germany, Vietnam, and Yemen, this chapter provides four possible scenarios for the Korean reunification. These scenarios could unfold depending on the context in which some economic, political, and military events happen. Hence, unification could happen with few early signs, or it could be delayed for years or even decades.

Despite the risks and costs of reunification, the scenarios of how reunification is likely to be achieved need examination as to which scenario will be the best option for Korea. How Korea should prepare itself for reunification depends on how reunification will be brought about. There are at least four possible scenarios that could be used in the reunification of Korean and these are as follows: (1) unification by step-by-step (process of reconciliation, cooperation and peaceful coexistence); (2) unification by absorption (process of the South taking control over the North after the collapse of the Northern regime); (3) unification by conflict (invasion of the land by either North Korea or South Korea), and; (4) unification by external intervention (China interfering in North Korea's regime before South Korea's interference).

5.1. Scenario One: Step-by-step Unification by Reconciliation, Cooperation and Peaceful Coexistence

The most peaceful method of uniting Korea would be through step-by-step process and gradual integration. This process is a "multistage process in which economic and political union will be gradually achieved through negotiations [reconciliation, cooperation and peaceful coexistence] between North and South Korea". Such a process would mainly focus on encouraging cultural exchanges and slow integration among the two nations. In other words, major socio-cultural

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barriers would have to be conquered before such a process could even be considered, and a wish to form "one national homogenous population" would have to be encouraged.169

The step-by-step process needs some time before the actual reunification can occur. It needs active collaboration between both countries and a long-term planning to gradually restore the national common identity by recreating the economic, political, cultural, and social boundaries that segregate the two people. There are three steps to step-by-step unification: the first step is reconciliation, the second step is cooperation, and the last step is peaceful coexistence.

The first step in this scenario is seen as the most optimistic scenario, but it would be extremely difficult to achieve. To achieve peaceful integration, the inter-Korean development would entail steps such as: an initial acceptance of the status quo by the two Koreas and by four major powers, the US, Japan, China and Russia.170 This step would form a long sought national integration, and can be seen as a two plus two model since a mutual recognition is essential.

The second step would involve a formal peace treaty. A period of peaceful coexistence and understanding before these steps are taken into action. The incorporation of Koreas would involve levelling of each other's economic, political and social policies.171 In such case, the most difficult part would follow, not only for the governments' administrators but also for the two societies: structural change growing along the lines of a "one nation, two systems" approach evident in previous South Korea's proposals for unification.172

This step could be achieved through economic interdependence between North Korea and South Korea. The greater the economic ties between the two powers, the more both sides will have a strong interest in avoiding conflict, keeping peace and facilitating good relations. By increasing trade and tying North Korea's economy tightly to South Korea and the rest of the world, North Korea could hesitate to initiate war for fear of economic repercussions. The economic interdependence between North Korea and South Korea already serves to create a strong mutual interest in maintaining peace and with the exception of a major disruption relations between the

171 Choi, Perspectives on Korean Unification and Economic Integration 245
two will probably draw them closer together, constraining any tendencies towards conflict (see Figure 7).

The third step would be that any reunification must be peaceful and non-threatening. This means that the military aspects of the reunification process must be addressed as well as the economic and social elements. Through reconciliation and cooperation, the inter-Korean military relations will be marked, which will allow personnel exchanges, confidence building and greater transparency between the Koreans. However, if unification is achieved by the following stages of reconciliation, cooperation and peaceful coexistence, a number of unexpected concerns that may arise will be less than the case of a sudden collapse of the North, since this step will allow the armed forces of the Koreas to slowly get used to each other. Thus, "backward mapping" should be used to identify what North Korea and South Korea should do in military affairs under phased unification.

\[\text{Figure 7: Integration and Negotiation}\]

Once reunification is rational, the newly formed country can be controlled in one of the following two ways:

Firstly, this unification process can take place by South Korea applying a level of reform to allow North Korea accept Chinese style free market laws in an attempt to apprehend its

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174 *Loc. cit.*
175 *Loc. cit.*
constricting economy.\textsuperscript{177} Simultaneously, "no attempt should be made to democratise the North Korean government. In fact [...] a Chinese model of economic development requires an authoritarian central government to impose economic reforms from above".\textsuperscript{178} Such reforms need to be aligned by a gradual enlargement in economic cooperation between Pyongyang and Seoul, "while military confidence-building measures would be put in place to reduce both the cost and size of respective force structures. These measures may then allow the relationship to progress through a commonwealth-type arrangement that would eventually lead to complete federation".\textsuperscript{179} However, before North Korean and South Korean economies can unify peacefully, North Korea should widen its transition to a free-market-oriented economy. Secondly, the joint national government would be ruled by the South due to its larger population and stronger state potentials. Successfully seizing the North Korean nation under this rule, South Korea would implement democracy and most probably discard the North Korean system and ideology of Juche.\textsuperscript{180}

In order for this scenario to unfold, both North Korea and South Korea will have to start reflective alterations in their approaches and suppositions about each other and temporary steps should be introduced to allow bigger changes.\textsuperscript{181} The 1953 Armistice Agreement should be replaced and a permanent peace treaty must be signed.\textsuperscript{182} At the same time, the future of the UN Command, the Combined Forces Command, and the subordinate command roles and future missions must be examined and reformed. The changed strategic conditions of a reunified Korea would mean that the US forces would have to withdraw their troops from the Korean Peninsula and a new security mechanism would be positioned to match the development of a consolidated Korean defence force.

\textsuperscript{179} A typical model proposed for a unified Korea is by Kim Hak-Joon, a South Korean. He advocates the creation of a systems commonwealth approach based on the principle of "One Nation, Two Systems" in which both North Korea and South Korea maintain their sovereign right to conduct international relations and resolve bilateral differences within a commonwealth framework. When fully mature, a commonwealth could then progress to complete federation. Kim Hak-Joon, pp. 287-289. Another model is the installation of a "peace regime" on the peninsula underpinned by a complete range of state-to-state and people-to-people relationships all focused on improving security and cooperation between the two Koreas. Goodby, J.E., 2006. Creating a Peace Regime in Korea, in The Brookings Institution. www.brookings.edu/opinion/2006/0530northkorea_goodby.aspx. Accessed on May 13, 2014. pp. 1-2.
\textsuperscript{182} Loc. cit.
Peaceful unification can be achieved by the cessation of armed aggressions, military threat, and ideological oppositions, eventually allowing the creation of a unified Korean state. But first, North Korea and South Korea need to accept each other as full negotiating partners and as equal legal entities before starting a chain of compromises that would lead to a mutually required political settlement. Then both sides must mutually agree to the settlement, during and after unification process, in order to form a functioning, unified state.

5.2. Scenario Two: Unification through Collapse and Absorption

Since the late 1980s, when the official unification formula of the South Korean government was introduced as a response to the initiatives that marked the end of the Cold War, as North Korea's economy fell into deep crisis and widespread famine, it emerged that the South had a good chance to absorb the North but instead the Kim Young-sam regime chose consensus over absorption and helped the North to sustain its regime.183

There are two different arguments to unification through absorption by South Korea. First is that the North Korean regime is too easy to collapse and second is that the North Korean regime has the ability to overcome absorption by the South.

The following six points indicate why the North Korean regime collapse would be an easy process. (1) North Korea will collapse because of quick reform since a considerable amount of foreign assistance will only be given dependent on North Korea's systemic change; (2) The Kim Jong-un leadership has no ability to turn its economy around;184 (3) The worse the economic problems become, the more traitors and breakages within the leadership will happen; (4) The authority of the Kim Jong-un regime will be at risk once the citizens realise the insolvency and insincerity of the ideology of the Juche; (5) As the citizens struggle increase, a military coup or other kind of upheaval from the top will occur, and; (6) Change in the economic and political systems will precipitate the end of the state eventually.185

185 Yong-Sup Han. Op. Cit. p. 61
Conversely, some Chinese and North Korean leaders and experts strongly believe in the power of the North Korean regime, and they provide four points in their counterarguments against those who believe that the North Korean regime can easily collapse. These are as follows:

(1) The North Korean radical domestic control over the inflow of external information can detect any type of instant grassroots resistance movement; (2) North Korean scholars believe that the North Korean political regime is quite stable in comparison to the South Korean political regime; (3) The military is extensively integrated around the Kim Jong-un regime that it is almost impossible for any military coup to take place; (4) The North Korean regime has a strong faith in overcoming the South in a war, and; (5) The North Korean people are used to severe famine, and are tremendously compliant to their leadership. Thus, the North Korean regime has achieved their goal in controlling its citizens without any obvious battle.\(^\text{186}\)

Weighing out these two counterarguments, if the North Korean regime cannot preserve successful economic, political, social and military control. This eventually would lead to the end of the state. Unification through collapse could occur in three different ways: (1) a collapse where political insecurity is out of control and where the descendant regime is incapable to start or preserve successful governing power led either by the military, the party, or the bureaucracy; (2) a collapse that results in closure of the ruling power, which a descendant regime managing to maintain political and military control, and; (3) a collapse that could begin by some type of internal conflict or triggering event, in the shape of partial military clashes with the current leading powers or externally in terms of border clashes with the South or wider military acts directed in opposition to South Korea.\(^\text{187}\)

If any of these triggers occur, then international forces including the US may intervene to restore order. After Korea benefitting from the support of the external forces, negative sentiments are possible to arise towards the existence of the US troops in the region. That said; the conditions under which North Korea could collapse are difficult to predict. However, unification by collapse and absorption could be a possibility if the South refuses to supply food to the North, increasing economic crisis in the North, a sudden collapse of the North Korean regime could be possible. Although, this scenario could have economic disadvantages for South Korean citizens

since there are huge disparities in their economic capabilities, political systems and social structures; but with collaboration and understanding of South Koreans, economic difficulty could eventually be defeated.

Within North Korea’s devotion to Juche and military would mean that Pyongyang would be incapable of making changes for its survival. As a result of the worsening economy and increasing humanitarian crisis, economic breakdown would lead to political instability and then to state collapse.  

While the North Korean regime has revealed an extraordinary ability to endure the severe economic difficulties, this ability has relied heavily on external financial support from China and the USSR. But if North Korea experiences more economic setbacks, and if it cannot obtain external financial support to sustain its military establishment, the following situation might differ from that of the past (see Figure 8).

![Figure 8: Collapse and Absorption](image)

Depending on the nature of regime collapse in North Korea, numerous transformations could happen. The regime might be unable to support its military and maintain order and control throughout North Korea. Divisions may appear within the party leadership, and Kim Jong-un's rule may come to an end. However, the important issues are not whether the future government

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will be led by the military, the party, or an alliance including leaders from the party and the military. The main issue is whether the successor government will be able to (1) keep authority and faithfulness throughout the system, (2) declare successful domestic control, (3) endorse economic reforms, and (4) preserve control over main military benefits.

Moreover, if communication between the military establishments of the North and the South had previously take place, such communication could have been expanded into some form of cooperation between the respective militaries. With enough financial encouragements, this in turn might lead to some sort of denuclearisation of the North, and to set the North Korean and South Korean systems. Instead, the resulting circumstances may lead to the rise of regional warlords and conflict between them — these circumstances might then relate to the third scenario of unification through conflict.

5.3. Scenario Three: Unification by Conflict and Occupation

Unification by conflict is what all military planners and leaders of South Korea dread. The most severe threat in this scenario would be the option of North Korea using its Weapon of Mass Destruction (WMD) capabilities. This scenario could theoretically be a repeat of the North invasion of the South in 1950.191 Although this time the US and ROK forces are prepared to absorb a North Korean attack and then start on a combined counterattack.

This scenario might occur from any sudden incident, either by the North invading the South or by the South using preventive strike towards the North (see Figure 9). For instance, there could be a North Korean invasion of the South based on a provocation from the South or the US; or by "preventive" intervention into the North from the South to prevent threatening events in the North.192 In any of these conditions, both the US and China would cooperate — either tacitly or overtly — to end the conflict by using their own military forces to restore and preserve order and particularly to prevent further escalation.193 It is also likely that if the conflict progresses, it

192 Each of the illustrative scenarios can be thought of as a set or category rather than a single scenario, with multiple permutations possible within each of the three sets.
193 Of course, this optimistic prognosis might be supplanted by more pessimistic ones.
would result in a large damage imposed on South Korea's capital stock, which would raise renewal costs in the South and possibly also the direct capital costs of unification in the North.\footnote{Charles Wolf, JR. Op. Cit. p.6.}

Currently, the North Korean regime has four objectives: (1) preserve the military capabilities and maintain strategic momentum so that advance operations can be successful before the arrival of US reinforcements; (2) use massive firepower against ROK-US Combined Forces Command (CFC) through its weaponry, multiple rocket launchers, and surface to surface missiles; (3) isolate ROK and arrest all air and naval facilities capable of maintaining US support, and; (4) widespread internal confusion in the population of the South, thereby forming domestic pressures in the South for a settlement on terms beneficial to the North.\footnote{Pollack, J.D. and Lee, C.M. Op. Cit. p.71.}

If the last scenario takes place, in which North Korea chooses war against the South but eventually loses to the South Korean and the US mutual forces, military integration could be achieved with the least possible for future conflict between the given three scenarios. However, this does not mean that unification under this scenario is desirable. Previous South Korean President Park Chung-hee did not believe that war was the answer and instead believed in the uses of unification projects and diplomatic means.\footnote{Stahl, A.C. Op. Cit. np.} If war were to break out, the economic,

\begin{figure}[h]
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\end{figure}
political, social and cultural damage caused by war would be so destructive that unification by war should be the least likely scenario.\textsuperscript{198}

North Koreans are adjusted to severe famine and are extremely obedient to their regimes. But, (a) their leadership has no ability to turn its economy around;\textsuperscript{199} (b) the legality of the Kim Jong-il leadership will be in jeopardy due to extensive and strong struggle once the general population identifies the economic failure and duplicity of the Juche ideology; (c) the worse the economic problems become, the more traitors and cracks within the leadership will happen; (d) North Korea will collapse as a result of fast reform as a large amount of foreign aid will only be given dependent on North Korea's systemic change; (e) once North Korean's struggle is put in order, a military coup or other type of revolution from the top will take place, and; (f) change in the economic and political systems will eventually end the state.\textsuperscript{200}

5.4. Scenario Four: Unification by External Intervention

Considering that a regime collapse could happen in the case of North Korea and a proceeding regime comes into power but is incapable to deal with the economic issues, how would the US and South Korea deal with weakened yet lasting North Korean regime? As well as assuming that China could extend its military and political support to North Korea, what policy objectives would then the US and South Korea implement?

From China's view, if the North Korean regime collapses, it would weaken China's long-term security and political interests. Bearing these possible outcomes in mind, Chinese intervention in North Korea similar to the Korean War could be a possibility, given: (1) the previous task of DPRK as a buffer zone for Beijing and the possibility for massive refugee flows into north-eastern China; (2) the possibility that the US might carry on positioning forces on the region after unification; (3) the economic and political outcomes of a unified Korea directed by the ROK under the imperialist US, and; (4) the consequences of a strong US-Japan security association to a stronger US-ROK relations in the aftermath unification phase.\textsuperscript{201}

\textsuperscript{198} Yong-Sup Han. Op. Cit. p.61.
\textsuperscript{200} Yong-Sup Han. Op. Cit. p.61.
\textsuperscript{201} Pollack, J.D. and Lee, C.M. Op. Cit. p.80.
Under these conditions, Beijing may choose to position security forces across the border to avoid the burst of North Korean citizens. If DPRK remains economically unsteady, China will try and fix the situation in North Korea by sending energy and food supplies in order to control any immigrants into Beijing. Although, if North Korea becomes too dependent on China and its affecting their economy, China might then decide that a collapse followed by absorption by South Korea is a more favourable choice.

Nevertheless, if Beijing chooses a direct intervention, it would make sure that any US forces and advantages will not be sustained in the region. On the other hand, Beijing could also aim to persuade ROK to sign a peace and alliance treaty in return for its implicit support for unification under the support of South Korea, while trying to limit the possibility of future US-ROK security alliance (see Figure 10).

![Disturbance, Intervention, Impasse Diagram]

**Figure 10: Disequilibrium and Intervention**

In context of regional and global politics, this reunification process is very challenging and difficult. If one state collapses slowly and other state practices its power on the falling state, it will produce a universal predicament. If any of the states show a start to a war against another, it will automatically become regional or international nuclear war, it will also create worldwide

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problem. Everyone has something to lose if the two states reunify in anytime through war. So, to avoid the upcoming crisis the world community should carry on helping to support the voice of mass people of Korea.

Regardless of which scenario derives a unified peninsula, the economic impact on South Korea will directly influence, and most probably deduct from the South Korean standard of living. Issues based on security and economy will be the two most urgent problems that Korea will have to deal with after reunification. How South Korea responds to these challenges will set lasting course to the Korean strategic landscape.
6 A Difficult Path: Challenges for a Reunified Korea

This chapter examines the challenges likely to be faced by a reunified Korean Peninsula. It provides future prospects of reunified Korea which allows us to question whether a post-reunification process will be successful considering the quality of life between the two countries. This chapter further looks at the two aspects of post-reunification: the issues of security and the economic costs and prospects of the Korean reunification. Furthermore, it allows us to question whether or not a unified Korea would survive in the world economically. However, it does not speculate on how such reunification might eventuate, other than noting that the discussed scenarios range from military conflict to peaceful reintegration. Despite the conditions that drive reunification, it makes the point that each scenario would bring different challenges, costs and starting points.

6.1. Post-unification Dynamics

The Korean reunification has been the topic of important discussion and thought. In spite of the conditions that make reunification, there would be noteworthy problems that would need to be prevailed to ensure success.

Establishing a stable economic environment after unification will be slow and difficult, given the significant differences between the two economies, although these differences could narrow in a well organised step-by-step unification policy. In the beginning, North Koreans may be less materialistic than South Koreans, but as they see major quality of life differences in comparison to South Koreans, they will demand for improvements. As a result, the South Korean government should sponsor investment in the north to avoid major refugee influxes to the South.203

Unification may damage South Korea's economic growth in the near-term, but the basics of Korea's economy should provide a base for development, assuming the society carefully continues to implement market economy principles and practices. Unified Korea should quickly move to expand trade with China and other countries on the Eurasian land mass. The aim of

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unified Korea should be to expand its markets and reduce extreme dependence on any trading partner.\textsuperscript{204}

Following political unification, Korea's major task should be to help North Koreans adopt to a completely new society and rebuild unified Korea's social institutions.\textsuperscript{205} Building unified Korean society will involve numerous changes to shape new family, educational, religious, political, and economic institutions in the face of major cultural differences. This procedure will be demanding for all Koreans and particularly for North Koreans, as unified Korea is more likely to include democratic South Korean values.

Even as some North Korean values may continue, South Korean values are likely to take over because of demographics and demonstrated success. The level of tension and social disorder will possibly depend on the speed of unification. The collision may be moderately small, if the two societies mature together gradually rather than merge more rapidly.\textsuperscript{206}

The North Korean economic improvements may increase mass politics that will place great demands on the North Korean government and may abrupt reunification much more quickly. Major tasks facing the new unified Korean society will be to improve the quality of life for Koreans, create the government's authority throughout the Korean Peninsula, foreign economic and security policies suitable to the body politic, and develop common social values throughout the unified society.

Important cultural disparities between the Koreans most important social institutions will drastically influence domestic and foreign policy formulation by the new unified Korean government and may prove intricate for Koreans to overcome rapidly. Success will mostly depend on South Koreans understanding these disparities and developing policies not only to manage them but also to implant common values about families, education, religion, government and economics.\textsuperscript{207}

\textsuperscript{204} Chamberlin, P.F.  \textit{Op. Cit.} p.34.
\textsuperscript{205} Ibid. p.35.
\textsuperscript{206} Ibid. p.36.
\textsuperscript{207} Ibid. p.37.
6.2. Problem of Security

Security and economic related issues will be the two main concerns that Korea will have to deal with after reunification. How South Korea responds to these challenges will place the long-term course for not only Korea but also for the whole peninsula.\(^{208}\) In common terms, South Korea will be faced with three post-reunification security options: neutrality, autonomy, or alliance.\(^{209}\)

An enduringly neutral Korea, in which Seoul joins itself to neutral actions at all times, is recommended by some as a solution to a post-unified Korea's security needs.\(^{210}\) Although, this approach has a variety of weaknesses and is more suitable to small states and, as such, is unsuitable to the post-reunification environment since Korea's middle power status and the related interests of the great powers in the region.\(^{211}\) In various ways, a neutral Korea could weaken regional security as "any move made by a neutral Korea could be perceived as favouring one or more of the great powers".\(^{212}\)

Autonomy gives rather more realistic choice than neutrality. In a unified Korea, where justification for the maintenance of US troops on its land would be no longer permissible, South Korea may seek to understand the long kept desire for independence. Within this option, Korea could follow some sort of dual equivocation approach where it helps to preserve evenly good affairs with China and the US, and in doing so, play each against the other.\(^{213}\) The risk to this option is that it may stimulate a repulsive type of Korean nationalism, particularly if Seoul is equipped with ex-North Korean ballistic missile or even nuclear abilities that could pose a threat and weaken regional security within them.


\(^{209}\) Various combinations of these options are suggested by a range of commentators. See, Pollack, J.D. and Lee, C.M. Op. Cit. p. 11.


Alliance is the most likely security option for a unified Korea. To a large extent, which alliance option Korea chooses will depend on which scenario ultimately brings reunification and the role of the US and China in that process. If Korea decides to ally with the US, the root of the alliance will have to transform to fit the new post-reunification environment. If that happens, the basics of the strategic land in the region will stay unchanged. On the other hand, if Korea leans to China, the basics will permanently change. One reason to complicate this strategic plan will be the abilities of the unified Korean military. From nearly each view, "a unified Korea with a declared nuclear capability would lead to a serious deterioration in regional stability, greatly fuelling latent strategic rivalries".

6.3. Economic Costs and Prospects of the Korean Reunification

Over the last seven decades, North Korea and South Korea have been going down very different routes. These differences are one of the reasons why the South Korean community doubts the reunification of the two different nations. Although, there is also public debate about the fact that reunification is becoming an inescapable historical challenge for Korea. As South Korean Finance Minister Bahk Jaewan said in 2012 that "we must remember that our fear may come from our ignorance". By this statement he means that the extensive ignorance within Korean society of the political reasons and financial costs of unification.

The prior President Lee Myung-bak said that "Unification costs would be substantially big, but certainly smaller than the tremendous amount of the cost we have to pay to maintain peace and stability under the divided nation. We have also clarified that unification costs are a one-time payment, while the benefits of the unification will be generated over a long period of time into the future".

Considering the significant disparities between North Korea and South Korea in terms of per capita income, standard of living, growth and size of citizens, it is rational to think that South Korea would have to pay the costs of reunification and that these costs would be drastically

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higher than was the case in Germany. For this reason, a study of the economic benefits of reunification becomes more important when trying to evaluate the trade-offs and revisits of such an investment.

The interest for Korean reunification fuelled by what emerged to be a quick and efficient German reunification, have been considerably diminished by the awareness of the high costs of reunification. Although comparisons with the German experience were clear, in observation the two states have far less in common than first thought.\textsuperscript{218} Despite these differences, international experts have criticised the insufficient and lack of economic modelling approved out by South Korean think tanks and economists.\textsuperscript{219} They argue that a few lessons from the German experience, particularly regarding property rights, monetary union, and privatisation of industries, will be applicable to the Korean condition.

Estimates of the cost of Korean reunification vary widely, usually lying in the range between 500 to 3,200 billion US dollars, or an annual spending of between 7 and 12 per cent of South Korea's Gross Domestic Product (GDP) for a period of anywhere between ten and forty years.\textsuperscript{220} Some of these approximations were attained by just doubling the known costs of Germany's reunification, based on the supposition that Korea's reunification would be twice as expensive since North Korea's economic potential is much lower than that of the Global Depositary Receipt (GDR).\textsuperscript{221}

Nevertheless, in the early stages of reunification, South Korea will be incapable to take up the economic cost itself and will need the support of the international financial organisations such as the International Monetary Fund and the World Bank, even if the two-thirds of the costs were reduced by transfer payments from Seoul to Pyongyang.\textsuperscript{222}

As a result, within four decades the GDP of a unified Korea could surpass those of Germany, France and probably even Japan.\textsuperscript{223} But unlike "instant German-style unification", this could be achieved on by a gradual integration of North Korea and South Korea. While the North Korean


\textsuperscript{219} E.g. the economist Michael Funke, who teaches at the University of Hamburg, during the conference Unification and the Korean Economy.

\textsuperscript{220} A detailed breakdown will not be provided at this point as there are many sources currently available on the internet.

\textsuperscript{221} Escobion, N. and Young-yoon, K. Op. Cit. p.103.

\textsuperscript{222} Coghlan, D. Op. Cit. np.

planned economy may be declining, it has unused potential in the form of valuable raw materials together with vast potential for growth in productivity.

North Korea's human resource potential also guarantees its GDP, since North Korea's population is growing twice as quickly as that of the South and that its working population will grow at a rate of 1.4 per cent per annum over a period of ten years, while South Korea's will actually begin to reduce in size after 2013.\(^\text{224}\) The military could also give a major increase to the workforce, as it currently represents around 16 per cent of the country's males between the ages of 15 and 64.\(^\text{225}\)

With the move in the international economy towards East Asia, this mixture of capital, raw materials and human resources may well turn a unified Korea into a major driver of growth in the peninsula and simultaneously further increase its geopolitical importance. For instance, the overland transport of goods between Eurasia and the Asia Pacific region could become faster and safer. The development of North Korea's domestic economy could also act as an inducement to neighbouring countries such as China and Russia to incorporate their underdeveloped regions around the borders with North Korea and operate a useful cross-border structural policy.\(^\text{226}\)

\[^{224}\text{Goohon Kwon. Op. Cit. np.}\]
\[^{225}\text{Loc cit.}\]
\[^{226}\text{Eschborn, N. and Young-yoon, K. Op. Cit. p.104.}\]
7

Future Recommendations: Alliance, Integration and Cohesion

After examining the history behind the Korean relations and the influence of the big powers in the peninsula, this chapter provides recommendations on how to improve the Korean relations and to achieve successful reunification in the near future. These prospects for the future can help both the Koreas to make the right decision and come to terms by going back to their origins and finding a common identity.

1. Both North Koreans and South Koreans should build a new form of security in the Peninsula by addressing mutual vulnerability concerns;
2. Both countries should overcome their mutual distrust and the potential for conflict;
3. South Korea should get external help to provide North Korea with food and financial aid to lessen famine. Economic growth and management would be necessary to overcome the substantial economic injustices between North Korea and South Korea. The establishment of North Korea and South Korea economic collaboration can improve the quality of Korean lives and guarantee the development of an independent national economy. Careful planning and consideration of the main challenges by the Koreans would raise the possibility of success;
4. South Korean firms should start manufacturing or service facilities in the North to employ North Koreans and improve their working skill abilities;
5. South Korea should considerably increase the quantity of funds that are collected to prepare for a probable unification;
6. North Korean economy should be restored by harnessing the international capital market since it will be less of a burden on Korean taxpayers;\(^\text{227}\)
7. Policymakers should think about how to use North Korea's natural resources and attract private foreign direct investment from South Korea, Japan, the US and other countries to

promote economic growth and investment in the North. The growth of productivity in North Korea should speed to ease its economic burdens;228

8. Foreign direct investment should support business activities in the northern provinces, including infrastructure projects, specifically with respect to energy generation and distribution, telecommunications, food production, railroads and highways;

9. The suspended transport and communication between North Korea and South Korea should reopen by pledging free use of transport and communication means throughout the entire country;

10. Unity should be achieved on the rule of endorsing co-existence, co-prosperity and common interests;

11. Understanding, trust and unity should be formed among the Koreans by exchange, interaction and cooperation;

12. The fear of invasion by either North Korea or South Korea should be dismissed;

13. Both Koreas should value democratic system and form groups en route to national reunification without refusing one another due to different systems and ideologies;

14. South Korea should teach the North Korean workers and managers about how a market economy works, highlighting specific job-related issues;229

15. Steps should be taken to tackle the economic disparities between the Koreas in order to prevent a group migration of workers from the poor North to the economic opportunities of the South;

16. Despite all the ideological and other differences of the political systems, national unity should be formed by forming more family reunions and easier access to either side since transportation is a key factor in pre and post-unification;

17. Unification should be implemented in a peaceful manner by reconciliation and cooperation, without the use of any arms;

18. Combined national army and military defence force capabilities in unified Korea should be kept only to deal with external threats and regional security issues;


19. Unified Korea should join western economic system, start economic coastal zones, change foreign trade system, encourage foreign investment and joint ventures, and develop tourist industries;

20. Unified Korea should develop new understandings of itself as an independent nation-state, without optioning dysfunctional nationalism;\textsuperscript{230}

21. South Korea should remove the US troops from the region, yet still keep its economic ties with the US to fulfil their economic relations;

22. North Korea should change the concept of Juche to fit the needs of unified nation, if completely removing the highly nationalistic concept proves to be too contentious regardless of its clear contradictions with globalisation. If so, the new society and generation could replace the Juche term with another;\textsuperscript{231}

23. The cultural differences should be dealt by the South Korean government starting educational programmes based on economy and politics for the North Korean refugees to change their actual circumstances found in North Korea, given the opacity of the regime;\textsuperscript{232}

24. Unified Korea should use South Korea's liberal educational system to educate individuals who can improve Korea's ability to thrive in the global economy and overcome the pressure of unification;

25. Unified Korea should take urgent measures to stabilise the socialist economic concepts, as well as apply economic principles of the free market trade to promote long term economic growth and become part of Eurasian market with Pusan, Paris, Moscow and Beijing;\textsuperscript{233}

26. Unified Korea should be pluralistic in terms of religion, although in DPRK Confucianism has been mixed with socialist values, which in fact formed the cult of Kim Il-sung. While in the ROK Christianity gained a lot of popularity, the government would probably outlaw Kimilsungism religious practices and would encourage some Christian missionaries and others promoting commonly accepted religions;\textsuperscript{234}


27. Unified Korea should develop friendly relations with all countries of the world by practicing a peaceful foreign policy;

28. A reunified Korea could take better advantage of its central geographical location as an intermediary base for trade by being the entry point from the Pacific Ocean to China and a connecting point between Japan and the mainland of Asia.\textsuperscript{235} In particular, entraée to seaports in the North (near the border between Russia and China) offer vital location for transporting goods more efficiently. This would increase Korea's role in international trade and bring more business opportunities for Korea by creating new jobs and trade relations with other countries, and;

29. In order for a country to be independent by its domestic market, its economic scale must be supported by 100 million people.\textsuperscript{236} According to the World Bank in 2014, South Korea's population is 50.22 million and North Korea's population is 24.9 million.\textsuperscript{237} Reunification would thus increase the size of the Korean population and generate a larger pool of cheap labour that promotes foreign investment and domestic market expansion.

Given these recommendations, a range of prospects, challenges, and opportunities is presented to stakeholders and leaders in the Korean Peninsula in order to implement these resolutions in North Korea and South Korea cooperation to achieve successful reunification.


\textsuperscript{236} Loc cit.

Conclusion: Underlying Assumptions and Step-by-step Unification

This chapter provides final remarks tying up all the arguments made throughout the paper. It shows that reunified Korea would face significant challenges however, with time and support from the international community, it would ultimately be successful. Although on the one hand unification would cause a fiscal burden on South Korea, but on the other hand with proper planning and international support, the Korean unification would be a great success. Thereby, my conclusion agrees with the latter, that slow economic advancement of North Korea prior to unification would lead to a stable, unified Korea over the following years.

For many years, North Korea and South Korea have been struggling for political legitimacy. North Korea has tried to authorise itself by the Juche ideology and trying to implement it to the South by advocating unification prior to peace. South Korea has been trying to keep cooperation with North Korea so that peace can be pledged before unification and achieved through mutual agreement. In other words, the North still refuses to accept the South as a legal state while the South is ready to recognise the North as a partner for a joint North-South Commonwealth.

The very nature of the North Korean political system and ideological differences is a distinctive aspect of the Korean relations. The Korean relations are always in between negotiation and disagreement. Disagreement in the future seems expected only if the two different systems struggle to find security and legality. Resuming dialogues and negotiations between the two countries is an important factor to build mutual peace and trust. Once North Korea and South Korea decide to reconcile their differences through negotiation, it will be easy for them to reach agreement on issues such as economic cooperation, nuclear weapon, arms control, cross-recognition, and reunification on the root of common interests. However, if both the Koreas do not solve their problems of differences in their systems and ideologies, unification will not be achieved peacefully.

239 Loc cit.
240 Loc cit.
Korea's position is now different from the beginning of the 20th century.\textsuperscript{241} Especially South Koreans, who have the ability to decide their own future since they have developed their country into one of the world's leading economies. Although the passion for Korean reunification that was apparent during the 1990s has weakened mainly because of the resilience of the Seoul regime's fear of the enormous cost of reunification and the impact that it will have on South Korea.

Both Koreas need to understand that division greatly increases their status of dependency in the region. If the great powers such as the US, Japan, China and Russia try to influence what happens on the Korean Peninsula in their own interests, Korea will continue to be a fault line in Northeast Asia and will bring further instability to the region.\textsuperscript{242} As such how the big powers in the region plan and react to reunification will set the future strategic landscape in Northeast Asia. In order to attain peace and stability not only in the peninsula but also in the region, Korea should be unified in a way that primarily reflects the wishes and interests of the Korean people of both sides, and not those of the bigger conflicting powers.

Even though Korea went through a lot of meetings, conferences, and agreements in attempt to reunite, and still did not thrive in their attempt. However, looking at the reunification experiences of Germany, Vietnam, and Yemen, Korea can set a perfect process toward unity and an ideal economic, political, and social conditions suitable for both the Koreas. These conditions can be found by examining each reunification case and how they have kept constant cooperation and good diplomatic relationships with their neighbouring states, recognised each other's sovereignty, formed democratic political atmosphere and economic development, and built trust and mutual agreements between the people and the states.\textsuperscript{243}

A comparative case study analysis between Korea and Germany reveals that if Korea were to follow Germany's rapid market-based absorption model, an intolerable social cost and a large increase in the economic load for existing and future generations of South Korea could challenge

\begin{footnotes}
\item[242] The North Korean regime is well aware of the bad memories of the trusteeships administered by the US and the USSR from 1945 created a divided peninsula for the Korean people. However, during the process of unification, cooperation with outside powers and using their help without their interference in Korea's domestic issues in the future is acceptable. South Koreans firmly believe that the unification process should be determined by the Korean people themselves.
\end{footnotes}
the future of reunified Korea. The Korean post-unification economic impact seems much larger than that of Germany because of the bigger gap in productivity between the two Koreas and North Korea's much bigger share of unified Korea. The estimated major economic burden on South Korea is attributable mainly to the fast increase in social welfare spending for the North Korean occupants, rather than to the direct reconstruction cost of the North Korean economic system after the disintegration of its Juche and old economic regime.

The main argument is that these negative socio-economic outcomes can be reduced if the process of alteration is gradual such that it exploits freedom and lessens dehumanisation. This social development approach to reunification implies building a common social welfare policy regime that ensures social rights as an empowerment policy. The German style reunification model can still be followed by the South Korean government to mitigate the same problems and mistakes that arose during the German reunification process. The probability of making such mistakes can be controlled in the reunification process favoured by many South Koreans: that is, a slow integration of North Korea and South Korea rather than an "instant reunification" that occurred in Germany.

German style reunification, it seems very improbable that Korean unification will unfold in a conflict-free and predictable manner. The main dispute in conceptualising future scenarios on the Korean Peninsula is the gap between the final goal and the means to attain it. In sum, a quick and peaceful reunification seems impossible, unless the North suddenly collapses; but this would be the least preferable option due to its immense repercussions. Without prior normalisation there can be no peaceful reunification. Both Koreas should rather focus on the common cultural inheritance and understand that the division very much increases their position of dependency.

Despite the outcomes of predictions and four different scenarios presented in the paper, some conclusions can be drawn to guide stakeholder approaches to reunification and beyond. The most peaceful method of uniting Korea would be through step-by-step process and gradual integration. The step-by-step approach is a "multistage process" that needs some time before the actual reunification can occur. It needs active collaboration between both countries and long-term planning to gradually restore the national common identity by recreating the economic, political, cultural, and social boundaries that segregate the two people.
There are three steps to step-by-step unification: the first step is reconciliation (an initial acceptance of the status quo by the two Koreas and by four major powers, the US, Japan, China and Russia), the second step is cooperation (a formal peace treaty signed by both Koreas to facilitate good relations and level each other's economic, political and social policies), and the last step is peaceful coexistence (the inter-Korean military relations will be marked through reconciliation and cooperation, which will allow personnel exchanges, confidence building and greater transparency between the Koreans).

In order for the step-by-step unification to unfold, the following needs to be addressed: (1) both North Korea and South Korea will have to start reflective alterations in approaches and suppositions about each other and temporary steps should be introduced to allow bigger changes;244 (2) The 1953 Armistice Agreement should be replaced and a permanent peace treaty must be signed.245 At the same time, the future of the UN Command, the Combined Forces Command, and the subordinate command roles and future missions must be examined and reformed; (3) The changed strategic conditions of a reunified Korea would mean that the US forces would have to withdraw their troops from the Korean Peninsula and a new security mechanism would be positioned to match the development of a consolidated Korean defence force;

(4) Solidarity must ensure co-existence, co-prosperity and common interest for the ultimate goal of unification, and; (5) National unification must be implemented by normalising situations between the Koreans and establishing a federal nation-state that prevents absorption by either side in order to restore mutual trust. As a result, such procedure could lead to cooperation, then confederation, and finally unification.246 Simultaneously, the various stages of economic transition must not be so slow as to allow the process to deteriorate into "marginal incrementalism".247 Instead it must be tight enough to force each side to stretch a little to meet it.

If both North Korea and South Korea wish to avoid a sudden unification, they must start planning for reunification in advance. But first, peaceful unification can be achieved by the cessation of armed aggressions, military threat, and ideological oppositions, eventually allowing

245 Loc cit.
the creation of a unified Korean state. Second, North Korea and South Korea need to accept each other as full negotiating partners and as equal legal entities before starting a chain of compromises that would lead to a mutually required political settlement.

Third, both sides must mutually agree to the settlement, during and after unification process, in order to form a functioning, unified state. Fourth, both sides need to come up to terms which are agreeable to both sides. Proceeding according to the speed demanded by their political and economic contexts, they could ultimately build the common identity needed for the reunification procedure. 248 Fifth, they need to agree that reunification will be peaceful and non-threatening. This means that the military, social and economic aspects of the reunification process must be dealt with prior to unification. Sixth, they must use the Chinese model of political development. Any attempt to democratise and force to use free market economy in the early stages of the reunification process would be threatening to the North Korean regime. And last, the economic side of reunification must be realistic and step-by-step process.

Once reunification is rational, the newly formed country can be controlled in one of the following two ways: Firstly, South Korea applying a level of reform to allow North Korea to accept Chinese style free market laws in an attempt to apprehend its constricting economy. Secondly, the joint national government would be ruled by the South due to its larger population and stronger state potentials. Successfully seizing the North Korean nation under this rule, South Korea would implement democracy and most probably discard the North Korean system and ideology of Juche.

Regardless of which given scenario derives a unified peninsula, the economic impact on South Korea will directly influence, and most probably deduct from the South Korean standard of living. Issues based on security and economy will be the two most urgent problems that Korea will have to deal with after reunification. How South Korea responds to these challenges will set lasting course to the Korean strategic landscape.

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