
South Korea's Sunshine Policy: Progress and Predicaments

SUNG CHUL YANG

In this article I will focus on two core issues of South Korea's Sunshine Policy, its essential features and heretofore progress, and its current and potential predicaments.

Let me first explain the current state of North-South Korea relations. President Kim Dae-jung of South Korea, the first recipient of the Nobel Peace Prize in the new century, has been working very hard to improve relations between the two countries by easing tensions and building peace on the Korean peninsula.

Upon assuming the presidency, Kim launched the Sunshine Policy, known officially as the Policy of Reconciliation and Cooperation toward North Korea. This policy is fundamentally different from all the previous policies of South Korea in several important ways.

First, it encourages our allies and friends to actively engage North Korea. Since the inauguration of the Kim Dae-jung government, North Korea has established diplomatic relations with several countries—South Africa (8/10/98), Brunei (1/7/99), Italy (1/4/00), Australia (5/8/00), and the Philippines (7/12/00). During the Asian European Summit Meeting (ASEM) held in Seoul in October, Germany, the United Kingdom, Spain, and the Netherlands expressed—either openly or indirectly—their intention to establish diplomatic relations with North Korea. Canada and New Zealand are also talking with Pyongyang on normalizing relations.

SUNG CHUL YANG IS AMBASSADOR OF THE REPUBLIC OF KOREA TO THE UNITED STATES, AND A WELL-KNOWN POLITICAL SCIENTIST AND AUTHOR WITH A LONG AND DISTINGUISHED CAREER IN ACADEMIA AND POLITICS. UNTIL HIS APPOINTMENT AS AMBASSADOR HE SERVED AS A MEMBER OF THE KOREAN NATIONAL ASSEMBLY. IN ACADEMIA, HE HAS SERVED AS THE SECRETARY-GENERAL OF THE ASSOCIATION OF KOREAN POLITICAL SCIENTISTS IN NORTH AMERICA AND PRESIDENT OF THE KOREAN ASSOCIATION OF INTERNATIONAL STUDIES. HE HAS TAUGHT AT UNIVERSITIES IN THE U.S. AND KOREA, AND HAS AUTHORED SEVERAL BOOKS, INCLUDING *The North and South Korean Political Systems: A Comparative Analysis*.

Second, the Sunshine Policy addresses North Korea's economic and humanitarian needs rather than responding to its strengths. Specifically, it attempts to help North Korea address its chronic shortages of food, energy, and hard currency, which have been created by inherent systemic defects stemming from the failures of totalitarianism. North Korea registered negative economic growth for nine consecutive years from 1990 to 1998. In 1999, it grew by about 6.2 percent by our estimate, but its GDP still remained at about 75 percent of that in 1989. Per capita income was estimated at \$714 whereas South Korea's was \$8,581 in 1999.

Trade volume for North Korea in 1999 was a meager \$1.48 billion—\$520 million in exports and \$960 million in imports—compared to South Korea's exports, which totaled \$143.7 billion and imports, \$119.8 billion. Industrial facilities in North Korea operated at 30 percent capacity or less. Power generation in 1999 was 18.6 billion kWh, while South Korea produced 239.3 billion kWh—a decrease of 10 billion kWh from 1990.

Outside the U.N. framework, various organizations, including the International Federation of Red Cross (IFRC), provided humanitarian assistance worth \$70,106,806 (as of October 13, 2000). The World Food Program (WFP) provided North Korea with 198,235 metric tons of food aid, worth \$79,402,813. Japan contributed 100,000 tons, worth \$35,225,756 (44.36 percent), and the United States 60,000 tons, worth \$18,055,297 (22.74 percent). Due partly to repeated flood damages and droughts, North Korea's crop harvest for 2000 is expected to suffer another 5 to 6 percent decrease over that of last year. At the request of North Korea, the South provided 600,000 tons of food and grain, and 300,000 tons of fertilizer this year. Major donor countries of humanitarian assistance (including food aid through WFP) are Korea, which provided \$53,809,287 worth of aid (35.99 percent), Japan (\$35,225,756 or 23.56 percent) and the United States (\$18,055,297 or 12.08 percent).

Third, President Kim's policy focuses first on the tasks and problems that both sides can easily resolve and overcome, while setting aside intractable issues for future consideration. It separates not only non-controversial from controversial problems, but civilian from governmental tasks, the short-term from the long-term agenda, and the domestic from international areas. Even among the tasks for the government, functions of security and military affairs are differentiated from those of other ministries and bureaus.

The Sunshine Policy also promotes peace and mutual prosperity, not mutual enmity and conflict. In previous administrations, dialogue and cooperation with North Korea stopped altogether whenever an incident broke out between the two countries. Such incidents have also occurred in the current administration. For example, a North Korean submarine infiltrated the territorial waters of the South in 1998, and North Korean navy vessels confronted the

South Korean navy off the West coast in June 1999. Such incidents, however, did not stall the process of engaging North Korea. While responding with appropriate countermeasures against these acts of provocation, the South Korean government continued the programs for humanitarian assistance, including those initiated by the private sector. By doing so, South Korea was able to keep the momentum of reconciliation alive. The Sisyphian dilemma, which stood in the way for decades, was now over and North-South reconciliation could move forward instead of constantly rolling back down the hill.

Fourth, the Sunshine Policy consists of two tracks: dialogue and deterrence. The Kim Dae-jung administration pursues a *carrot* policy firmly based on a *stick*, not simply a carrot-or-stick policy. Let me elaborate a bit on this two-track approach. While maintaining a strong defense posture based on its military alliance with the United States, South Korea tries to help create an environment in which North Korea can feel safe in opening up and pursuing political and economic reforms.

The central premise of this policy is that North Korea is not on the verge of collapse any time soon, and that its transformation into a market economy is inevitable, as the world has witnessed in China and Vietnam, not to mention Eastern Europe and Russia. It also presupposes that unless North Korea changes fundamentally, its bellicose doctrine of threat against the South will not change.

By visiting each other freely and exchanging views, both Koreas will be able to achieve peace instead of war, reconciliation instead of confrontation, and cooperation instead of hostility. This, in turn, would help North Korea with its efforts to reform, improve inter-Korean relations, and establish a foundation for peaceful unification.

INTERIM PROGRESS

As a result of this fundamentally different policy of the Kim Dae-jung government, there have been many changes in inter-Korean relations in recent years.

1. The policy of separating politics from economic activities greatly increased inter-Korean trade and investment. In 1999, the two-way trade volume recorded \$330 million, and South Korea became the third-largest trading partner of North Korea, whose total trade was \$1.5 billion.

2. Tourism has seen an increase. About 360,790 South Koreans toured Mt. Kumgang, one of the North Korea's most scenic mountains. Investment for the development of Mt. Kumgang amounted to \$348 million last year—\$148 million for facilities and \$200 million for long-term development.

3. Humanitarian aid is also on the rise. South Korea provided 300,000 tons of fertilizer to North Korea at the governmental level and an additional \$80 million worth of food and medicine at the civilian level.

4. Contacts and exchanges have increased. More than 11,000 South Koreans visited the North. (This is four times greater than the number of visitors over the past nine years). There were 322 reunions of separated family members in third countries, 1,535 exchanges of letters, and 904 confirmations of whereabouts of family members.

The Korean people can draw lessons, not only from the German experience of *Ostpolitik*, but also from the European integration process. Just as the current EU began as the European Coal and Steel Community in the early 1950s, the two Koreas can first try to build a national economic community and, as their economic inter-dependence deepens, they can then proceed toward the ultimate goal of political unification.

For the past 50 years, South Korea's policy toward the North under the previous administrations was, by and large, a negative and passive policy of peace-keeping tantamount to maintaining the status quo. But President Kim is utilizing the current favorable international environment and South Korea's relative strength vis-à-vis North Korea to pursue a policy of positive and active peace making.

Some people allege that South Korea is too optimistic about the prospect of North Korea's change and too naïve in believing that North Korea can be trusted. The fact is that the Kim Dae-jung government and the South Korean people are cautiously optimistic; they only want to encourage North Korea to change because it is the best possible alternative. Nor do they trust North Korea completely. They trust only their good will supported by solid deterrence, which will melt the ice of deeply rooted mutual mistrust bit by bit. They also believe that building mutual confidence is the key to achieving peace and unification.

Above all, South Koreans must do away with their old defeatist attitude that entrapped them in the cocoon of the Cold War mentality. They should neither overestimate the threat of North Korea, which depends on a defensive survival strategy, nor underestimate the destructive capabilities it still possesses.

The key principles underlying the Sunshine Policy are, in short, functional separability, peace and mutual prosperity, flexible reciprocity, gradualism, and solidarity with allies. This new policy has already resulted in the historic summit between President Kim Dae-jung and Chairman Kim Jong-Il who met in Pyongyang last June, the first government leaders to do so in 55 years of Korean division. North Korea's attitude has changed substantially since the June Summit, as evidenced by several occurrences.

For example, North Korea has stopped broadcasting hostile propaganda against the South and on its side of the demilitarized zone (DMZ). It returned a South Korean fishing vessel, which accidentally crossed into the North's territorial water. North Korean fishing vessels no longer intrude into the South's waters off the West coast. North Korea has cancelled its annual month-long anti-American

campaign and the victory commemoration ceremony. The August 15, 2000 pan-national congress, which had been held every year in the North Korean side of Panmunjom city as a part of the unification front strategy, was also cancelled and the government did not invite pro-North South Koreans to visit Pyongyang.

Joint North-South projects to promote reconciliation and confidence building are underway. Visits by 200 separated family members (100 from each side) took place on August 15, the National Liberation Day. Two more rounds of reunions are planned for 2000. The South has returned to the North 63 long-term communist prisoners who never relinquished their communist ideological convictions. Some 50 owners of South Korean mass media companies have visited North Korea and met with its leader, and the Pyongyang Symphony Orchestra has visited Seoul and held a joint concert with the South Korean orchestra.

The dialogue at the government level has seen much progress and entered a new dimension. At the Association of South East Asian Nation (ASEAN) Regional Forum in Bangkok last August, the North Korean Foreign Minister met with the South Korean Foreign Minister as well as the U.S. Secretary of State for the first time. Soon after the June summit, North-South ministerial level talks were established, and there have already been three meetings. A fourth ministerial meeting was scheduled to be held in Pyongyang at the end of November.

North-South transportation links are being established. Talks are underway on reconnecting the 24-kilometer stretch of the Kyonggi (Seoul-Shinuiju) railway through the DMZ, and on building a four-lane highway—5.5 kilometers in the South and 12 kilometers in the North—running alongside the railway between Kaesong, North Korea and Munsan, South Korea. The restored railway would link the ports of Pusan and Mokpo in South Korea to Pyongyang, and as far as Europe through the TCR (trans-China) and the TSR (trans-Siberia). As President Kim said, once the Kyonggi railroad is reconnected and expanded into double-track, Korea will become a hub linking the Pacific Ocean to the Eurasian continent and serve as an outpost for advancing from the continent to the ocean.

Additional headway has been made through the reopening of the South-North liaison office at Panmunjom on the DMZ. Seoul and Pyongyang are now connected by an optical cable network and a military hotline between South and North Korea. The South is negotiating with the North on introducing such institutional mechanisms as investment guarantees, avoidance of double taxation, a dispute resolution process, and a clearing account, which will foster a stable environment for investments by South Korean firms.

Militarily speaking, confidence between the two nations is slowly being built, but substantive progress has yet to be made. Last September, defense ministers of the South and North had a first-ever meeting on Cheju Island, off the southern coast of South Korea. A second meeting was scheduled to take place in

Pyongyang in late 2000. For now, South Korea is pursuing elementary measures for confidence building that will enhance transparency, such as installing a South-North hotline, exchanging information on troop movements, military drills, and personnel exchanges.

In early October, North Korea's First Deputy Chairman of the National Defense Commission, Vice Marshall Jo Myong-rok, visited the United States. He held talks with Secretary of State Madeleine Albright and Secretary of Defense William Cohen and was greeted by President Clinton at the White House. This, again, was another unprecedented event in the rapidly unfolding North-South Korea and North Korea-U.S. peace processes. As a follow-up, Secretary Albright visited North Korea in late October and met with Chairman Kim Jong-Il for six hours. At the time of this writing, President Clinton himself has not completely ruled out the possibility of visiting North Korea during his tenure, if the conditions are right.

Thus, the peace process is accelerating, not only between North and South Korea, but also between North Korea and the United States. President Kim's Sunshine Policy initiative, undertaken in close consultation and coordination with the U.S. and Japan, has done much to trigger this process. At a closer look, however, considering the fact that the Korean peninsula is the last vestige of the Cold War and is the only divided nation remaining among those partitioned in the wake of World War II, one can assert that this process had been too slow and even stagnant until President Kim launched his new policy.

ACTUAL AND POTENTIAL PREDICAMENTS

Although President Kim's Sunshine policy has done much to promote peace and reconciliation across the DMZ and across the globe, there are four actual and potential predicaments or caveats to implementing the policy—natural policy divide, popular and policy gap, the triple peace process and decision making hiatus.

NATURAL POLICY DIVIDE

Setting aside the common values shared by Korea and America (or Japan for that matter) of the wonders and weaknesses of democracy and the miracles and mischief of a market economy, there remain differing policy perspectives between the Republic of Korea and the United States, which any serious analysis of the Korean question must take into account. The policy perspective of the South Korean government runs from local to regional to global. That is, it focuses on inter-Korean affairs first, then regional (Northeast Asia) issues, next wider areas of concern (Asia as a whole), and finally it focuses on global matters. By

contrast, the strategic perspective of the American government, being the only superpower wielding both soft and hard powers, starts with a global projection, then moves on to the regional power calculus, and finally focuses on local issues. The Korean question is not and will not be an exception in this regard. To put it differently, global strategic interests and regional power dynamics come first in America. Only within such context will the United States consider South Korea an ally of vital interest. But to Koreans, the Korean question is the first and foremost concern.

Robert L. Gallucci, the U.S. Chief Negotiator of the 1994 U.S.-North Korea Geneva Agreed Framework has also recognized the predicament of policy divides. He has stated that, "Japan, South Korea and the United States have substantial common interests and common objectives, but very often different perceptions and perspectives." More concretely, he points out that all three nations lack "a shared focus on the threat from the North, particularly with respect to the separate elements of the threat. We don't all agree on how to assess the threat from nuclear weapons, the threat from ballistic missiles, and the conventional threat." Gallucci further explains that in South Korea there is a latent fear that:

The United States would sell out the South if it could do so and achieve its strategic objectives with respect to ballistic missiles and nuclear weapons. There is a concern that the U.S. will forget that the essential issue is the political confrontation between North and South, that the United States in its policy prescriptions will forget the absolute necessity of keeping the North-South dialogue central to our objectives, that we will instead focus on the objectives we have with respect to the threat that could reach the continental United States.¹

This differing orientation is more or less a natural policy divide rather than a deliberate policy disagreement. In the short to medium term, the policy goals of South Korea and the U.S. (or of China, Japan, and Russia), regarding the Korean peninsula, are fundamentally similar, if not identical. For example, all parties concerned advocate the reduction of tension and maintenance of peace on the peninsula. They also support the three-way rapprochement of North Korea with South Korea, the United States, and Japan. However, on the question of realizing the Korean reunification, the policy projections and interests of the U.S. and South Korea are bound to diverge and differ, as will those of China, Japan, and Russia.

From this perspective, the agreement reached between President Kim Dae-jung and Chairman Kim Jong-il during their historic June summit of 2000 on the necessity of the continued presence of U.S. forces on the Korean peninsula is both intriguing and promising. It is intriguing because a continued presence of U.S. forces in the Korean peninsula beyond the Korean reunification presupposes

not only an understanding between the two Koreas but, ultimately, the decision of the U.S. At the same time it is promising because now neither Korea poses a roadblock to the presence of U.S. forces on the Korean peninsula beyond reunification. Noteworthy in this regard was President Clinton's statement at the 2000 APEC meeting in Brunei that Asia is even more important to the U.S. after the Cold War, and "there is no longer any doubt our connections to this region are permanent, not passing."² That included, he said, the presence of large numbers of troops in South Korea and Japan.

Closely related to the differing and divergent goals and perspectives between South Korea and its allies, is the uncertainty and/or unpredictability of North Korea's goals and objectives in the peace process. As Gallucci astutely observed, "We are ignorant of North Korea's basic strategic calculations." According to him, we can assume two things about North Korea; one defensive and the other offensive. If we believe that North Korean strategy is defensive, and that it aims at deterrence for the purpose of defense and is "simply looking for a way to stop an overwhelming onslaught from the South, then North Korean nuclear weapons and ballistic missile programs were and are for sale." He continues that if the North thought it could use the sale of these programs to buy a new relationship with the United States, South Korea, Japan, or the rest of the world, and if the price for these programs was high enough to meet their defense needs, boost their sagging economy, and help them toward economic reform, the present engagement process is reasonable and acceptable.

By contrast, if North Korean strategy is offensive, that is, their nuclear and missile programs are designed to undercut the alliances between the U.S. and Japan, and the U.S. and the Republic of Korea, the problems become much more serious.³ However, I believe the probing of North Korean strategy is not an either/or question. Rather, it is a unified Washington-Seoul-Tokyo approach to persuade and even to compel North Korea to adopt the first and abandon the second. Whether such persuasion and compellence should include buyouts in response to North Korean programs for sale is another question to be dealt with.

POPULAR AND POLICY GAP

The gap between popular perception and policy priority will increasingly be a problem. Specifically, as the North-South Korea and the North Korea-U.S. peace processes unfold, the South Korea-U.S. military alliance will become more, not less, crucial. Namely, the faster the pace of the two-way peace process, the more important will be the solidarity and security preparedness between South Korea and the United States toward North Korea.

The North-South dialogue and the North Korea-U.S. rapprochement depend on deterrence through alliances, i.e., the U.S.-South Korea and the U.S.-Japan

alliances as well as the U.S.-Korea-Japan policy coordination and cooperation with the Trilateral Coordination and Oversight Group (TCOG). As the dialogue pace accelerates, it becomes harder for the policy makers to persuade the general public, let alone the last remaining Cold War warriors, that deterrence is pivotal in the dialogue process. To quote Samuel Berger's recent essay in *Foreign Affairs*, "The policy we have pursued with South Korea offers the best framework for encouraging peaceful change while dealing with the military threat that remains. But we must be ready for potential crises down the road."⁴

THE TRIPLE PEACE PROCESS

The three peace processes between North and South Korea, North Korea and the U.S., and North Korea and Japan pose two questions. First, what is the pace of each process, and should each be a process of coordinated cooperation? Second, what is the possibility, if not probability, that North Korea may exploit one process against the other to its advantage? All three processes aim to begin coupling with North Korea, which may, in turn, abuse the coupling process and attempt decoupling. For example, South Korea could be decoupled from the United States or Japan, and Japan from the United States, and so on. Thus far, such a misdirected North Korean gambit has not been unequivocally exposed. Still, any attempt by North Korea to take advantage of the peace process must be preempted and prevented.

The most effective way of disarming a North Korean stratagem to disrupt the peace process would be first and foremost, to convince North Korea that the North-South peace process is paramount and that rapprochement with the U.S. or Japan is meant to support the effort to untangle the Korean knot. Thus, any attempt by the North to exclude the South from the dialogue process is not only futile, but also counterproductive. The United States and Japan must openly and unequivocally reject or veto any such attempts by North Korea. To that extent, close and tight-knit coordination and consultation among the three nations in TCOG, the trilateral ministerial, and heads of state summit meetings are essential.

The outstanding agendas that the three countries have to improve relations with North Korea, along with the means for achieving them, differ substantially. In the case of South Korea, one of the top priorities is the issue of separated families. Another is reducing tensions and building confidence in order to establish a peaceful regime on the Korean peninsula. A more concrete priority is the reconnecting of the railway and building of a highway through the DMZ. North Korea's cooperation in these projects will be one of the acid tests that will determine whether or not Kim Jong-il is serious and sincere about the peace process initiated by President Kim Dae-jung.

Japan's agenda includes the resolution of such issues as the suspected Japanese Red Army faction groups, allegedly abducted ethnic Japanese living in North Korea, and North Korea's missile and nuclear weapon programs. The handling of these issues is more or less a precondition to any serious progress in their peace process. North Korea, on the other hand, demands reparation and/or monetary compensation from Japan for the latter's colonial exploitations and injustices. Each party's grievances will be hard to satisfactorily resolve anytime soon. The U.S. agenda includes the removal of weapons of mass destruction and the lifting of North Korea from the terrorist list.

DECISION-MAKING HIATUS

In dealing with North Korea, two fundamentally different decision-making processes have the potential to create serious problems. For instance, South Korea, Japan, and the U.S. are working democracies and their decision-making process is open, accountable, and complex and, thus, naturally slow. In democratic societies, public policy decisions are the products of a procedural mix of various relevant ministries and legislative deliberations subject to the scrutiny and filtering of public opinion and vociferous interest groups. In Gallucci's words, both the United States and the Republic of Korea "should be wary of the vulnerability to domestic attack."⁵ It is a truism that building and mobilizing domestic consensus on the peace process in both the United States and South Korea is much more difficult and demanding than trying to induce the North to the peace table.

By contrast, North Korea is one of the few remaining totalitarian communist states and its decision-making process is basically autocratic. Thus, both adoption and abandonment of policy depend largely upon one man whose decisions, in the absence of countervailing political forces and concerns over public opinion, can be made at the snap of a finger.

However, even though Kim Jong-Il's decisions can be made easily and quickly, the forces and means to implement and deliver such decisions may be much harder to assemble and slower to acquire. On the other hand, in South Korea, Japan, and the U.S., the decision-making process itself may take a long time, but once decisions are made, the implementation and delivery process is relatively quick and smooth. This is a crucial difference that must be taken into account in dealing with North Korea.

CONCLUDING REMARKS

Let me now conclude by emphasizing two points. First, domestically South Korea is still struggling with economic problems. Although it has overcome the

initial financial crisis of 1997 created by the sudden depletion of foreign reserves, it has yet to achieve reforms in four sectors—financial, corporate, labor, and public. President Kim Dae-jung is firmly convinced that the completion of these reforms is the only way the South Korean economy can successfully survive in the highly competitive global market.

Second, the inter-Korean peace process which is currently unfolding will certainly encounter ups and downs, let alone temporary setbacks and stalemates. With vision and determination, however, President Kim and the Korean people will succeed in removing the Cold War glacier from the Korean peninsula to pave the way for the eventual realization of national unification. In the end, as one of Aesop's Fables goes, not the North wind, but the sunshine will triumph in removing the stranger's overcoat. In Korea, the stranger has been the arbitrary, artificial, and abnormal partition of the peninsula, which still remains at the dawn of this new century and millennium. ■

NOTES

¹ Robert Gallucci, "Remarks Presented at the International Conference in Commemoration of Two Years of the Kim Dae-jung Government, February 25, 2000" *Georgetown East* 8 (Summer 2000): 3-4.

² *New York Times*, November 15, 2000, A12.

³ Gallucci, 3-4.

⁴ Samuel R. Berger, "A Foreign Policy for the Global Age," *Foreign Affairs* 79(6) (November/December 2000): 36.

⁵ Gallucci, 3-4.

