



Policy Forum 99-07F: Change in North Korea



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Change in North Korea

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I. Introduction

This is the fourth in a series of articles on the recent developments in US-DPRK relations. John Feffer and Karin Lee are the representatives for the East Asia Quaker International Affairs Program of the American Friends Service Committee. They are based in Tokyo, Japan.

The authors argue that opponents of engagement with the DPRK miss signs of genuine change within the country. They maintain that change in the DPRK should not be compared with that of other countries, as the DPRK remains primarily concerned with preserving its sovereignty. Nonetheless, they argue, the changes are real and long-term, and understanding them will enhance the ability for the US to engage the DPRK in a mutually beneficial manner.

II. Essay by John Feffer and Karin Lee

The recent negotiations between the U.S. and North Korean governments mark another step toward detente between the two countries. North Korea's aims in these talks have been quite clear. It has been pushing for the U.S. to lift economic sanctions to honor commitments made during the 1994 Agreed Framework. North Korea needs fresh sources of funds and investments - from U.S.

businesses, but more importantly from governments and businesses in Asia and Europe that generally follow the U.S. lead in these matters.

What does the U.S. government want from detente with North Korea? Ostensibly the Clinton administration seeks to counter the North Korean "threat." The 1994 Agreed Framework capped North Korea's nuclear program; the current deal (at least temporarily) puts the brakes on the long-range missile program; and the administration hopes for a future agreement to stop missile sales. On the face of it, then, this is a straightforward exchange: economic potential for military potential.

There is, however, a profound asymmetry to these negotiations that is in part a reflection of the relative size of the negotiating parties. On a purely military level, the U.S. is demanding that North Korea undertake unilateral initiatives. The U.S., after all, is not pledging in return to decommission any of the nuclear weapons that can strike North Korea, decrease the very lucrative U.S. trade in military technology, give up joint military maneuvers with South Korea, remove U.S. troops from the Korean peninsula, or even step back from experimental research into Theater Missile Defense.

Perhaps a more fundamental asymmetry, however, revolves around the issue of change. North Korea has demanded that the United States change several policies, such as sanctions or military presence in South Korea. The current U.S. administration has a much more comprehensive goal - that North Korea change its system. This is not very different from U.S. government policy toward the Soviet Union and other communist states during the Cold War. The State Department has identified North Korea as a "rogue" state, a threat to regional peace and stability, and a violator of human rights on a large scale. Engagement with North Korea is an attempt to influence its behavior internationally, but also to encourage change within the country as well.

Not everyone in the Clinton administration is enthusiastic about engaging North Korea. And the approaches to engagement are, in fact, quite diverse. Many engagement advocates, however, look to the "Chinese model" as their lodestone. They imagine that North Korea, like China, will introduce market mechanisms, develop a more flexible and open foreign policy, and begin a very gradual loosening of central political control. Few of these advocates believe that the North Korean government desires to implement such change overnight or even in the near term. Rather, North Korea must be alternatively prodded and enticed in this direction. Such a carrot-and-stick approach - and there is a spectrum of opinion on the "correct" mixture of rewards and punishments - conceives of North Korea as a rather stubborn mule. The mule might resort to various clever stratagems. It might eat the carrots, avoid the sticks, and stay in one place. Yet these engagement advocates believe that once the "fuel" is mixed in the right proportions, North Korea will move forward.

A second group of engagement advocates includes those who are motivated by humanitarian concerns and disavow any underlying agenda. Aid organizations are urging the world to work with North Korea in order to end the famine, rebuild the North Korean economy, and reduce the risk of war in the region. Some humanitarian organizations inevitably raise "structural" concerns, such as the need for more widespread changes in the way North Korea grows food or manufactures products. But for the most part, these organizations acknowledge the North Korean government's aversion to outside manipulation and thus concentrate on nonpolitical work, often within North Korea itself.

In a third group are those in the Pentagon, National Security Council and Congress who oppose engagement policy altogether. They favor a hard-line approach to North Korea, all sticks and no carrots, and generally adhere to Jeane Kirkpatrick's understanding of "totalitarianism." Such systems, according to Kirkpatrick, are incapable of change. They either "muddle through" or they collapse. Anything that looks like change is either window dressing or a result of pressure from below (and therefore a sign that the system is about to fall apart). Those in favor of the

"totalitarianism" approach had great difficulties understanding Gorbachev's reforms; they are currently struggling to interpret contemporary China; but they believe they've found a textbook example of their theories in North Korea.

Not all of these motivations are transparent or publicly acknowledged, and they are for the most part built on an incomplete and shifting understanding of North Korea. It is of course very difficult to know how "change" is understood within North Korea itself. While seeking to preserve its own existence, the government has acknowledged that international circumstances have changed dramatically. There is no longer a communist trading bloc. The Non- Aligned Movement is weak. China has embarked on its own reforms. North Korea has begun to adjust its policies and engage in the global economy even if its goals -- to be a kangsong taeguk (powerful and prosperous nation) - remain the same.

North Korea understands this adjustment, however, according to its own standards - not Chinese or Western standards. At a time when globalization is accelerating economic and cultural change in countries -- at the hands of transnational institutions and corporations and at the expense of national sovereignty -- North Korea has continued to reject foreign penetration. North Korea's entire history is predicated on the successful battle against imperialism, first Japanese, then U.S. (North Korea's sense of injustice regarding these successive colonizations and wartime losses continues to undergird the government's policies.) Even the more subtle Chinese and Soviet attempts to control North Korea were ultimately resisted. North Korea is struggling to change and at the same time preserve its sovereignty. This is not a unique dilemma in the world today.

Why is it even important to discuss this process of change in North Korea?

First of all, to identify changes in North Korea is to challenge the picture painted by the advocates of containment. Those who favor the all-stick approach to North Korea deny that North Korea is changing or that change is indeed possible within the country. Their arguments for increasing the military and economic pressure on North Korea are in fact predicated on this static understanding of the country.

Second, when proposing policies for engaging North Korea, whether at the level of governmental relations or at the basic level of humanitarian aid, it is important to have a clearer picture of what is taking place in the country - how North Korea is adapting to new domestic and global circumstances. As former U.S. Secretary of Defense William Perry put it in a recent television interview on PBS Newshour with Margaret Warner, "We have to deal with the North Korean government not as we wish they would be, but as in fact they are."

Finally, by looking at the changing nature of North Korean policy, the differences between the North Korean experience and the Chinese experience come into focus. To understand how North Korea is changing, we should look not to its neighbors but to North Korea itself. We should compare North Korea today with North Korea ten or fifteen years ago. We should pay particular attention to the changes that the North Korean government itself has made public. Only then will we understand the nature of change and its pace.

After acknowledging these three reasons for undertaking the task - to counter the "totalitarian" model, to construct better policy, and to better understand North Korea in its own terms - we can identify three broad categories of changes. In the spheres of the economy, international relations, and North-South relations, the North Korean government has deliberately shifted its policies in significant ways.

In the economic sphere, over the last fifteen years, the North Korean government has gradually

changed the shape of the socialist economy. In 1984, the government began to permit moonlighting (the August 3 Consumer Goods Production Movement); in 1987, it began to allow factory workers to farm on small plots of unused land; and produce from these patch-farms can be bought and sold at farmers' markets (which have been permitted since the 1960s but which became more widespread in the last five years). It would be inaccurate to call these market reforms. These were, simply, changes in the structure of the North Korean economy.

The North Korean government has also altered its approach to international capital. Early experiments in this direction in the 1970s led to an influx of loans and investments and eventual default. In 1984, with the law on joint ventures, the government began to establish a more systematic approach to international investors and business ventures. The opening of the free-trade zone in Najin-Sonbong in 1991 was a second step, though it has not yielded the scale or quality of investment that the government anticipated. The government subsequently opened a business school in Najin-Sonbong. It has also enacted new laws on property and relations with foreign business (for instance, the external economic arbitration law and the constitutional changes that Haksoon Paik points to in his response to Eberstadt in PFO9907E [https://nautilus.org/fora/security/9907E_Eberstadt_Discussion.html]). In other words, North Korea has moved from viewing foreign capital as purely instrumental - a sort of lever for economic advancement - to a more integral part of building up the economy. Again, this is not "market reform" as it is understood in Washington or Warsaw. This is not the Chinese path. It is, however, an attempt to square the new international economic reality with the requirements of North Korean sovereignty and the need to reinvigorate the economy.

In the foreign policy realm, North Korea has shifted its focus away from the communist bloc and the Third World and toward the United States, Europe, Japan, and South Korea. This is a pragmatic reading of the balance of power in the world. At one time, close relations with communist countries meant considerable trade and military advantages; leadership in the Non-Aligned Movement gave North Korea access to and power in international organizations. Today, neither of these strategies accrues as many benefits as before (though a close relation with China remains useful). Instead, North Korea has identified the United States as the chief power broker in the Asia-Pacific region and accordingly focused attention on concluding a bilateral deal. Numerous high-level visitors have returned from North Korea to report genuine interest in rapprochement with the U.S. This seems to represent a significant shift in foreign policy, rather than an attempt to create "breathing room" until the next dip in relations.

Finally, North Korea has adjusted its attitudes toward the South. South Korean business representatives have been visiting the North for the last decade. But North-South business ventures, led by Hyundai, promise to expand exponentially in the next few years. North-South cooperation in the Korean Energy Development Organization (KEDO) also marks a major shift (the notion of South Koreans working in the North would have been unthinkable a decade ago). Meanwhile, tourism and civic exchanges between North and South are proliferating (artistic exchanges, sporting events, meetings in Beijing). True, the North Korean government has expressed great skepticism toward Kim Dae Jung's "sunshine policy," which it views as patronizing, an older brother reaching out to help a young brother, the stronger extending charity to the weak. Moreover, conflicts still break out between the two countries, such as the recent naval confrontation over crab fishing in the Yellow Sea. A great deal of suspicion remains on both sides of the DMZ. Nevertheless, at a concrete level, North-South relations are improving dramatically.

There have been changes that don't fall into these three categories. English, for instance, is now being routinely taught. Once an "imperialist" language and now an "international" language, English will enable North Koreans to engage more fully with the international community. The move away

from Marxism-Leninism and greater emphasis on *juche* (or self-reliance) - which can be seen in the constitutional changes beginning in 1972 and culminating with the removal of the Marxism-Leninism from the 1992 constitution -- also indicates the greater importance of sovereignty over foreign ideology.

Are these changes merely temporary, the result of an accommodation to unexpected circumstances such as the ongoing food crisis? Analytically, it can be quite difficult to distinguish between changes that any government deliberately makes and changes that have been dictated by circumstances. The food crisis has indeed altered North Korea. What was once a heavily mechanized agriculture has been reduced, from lack of energy and spare parts, to a labor-intensive enterprise. This reversion in techniques is not a deliberate government policy. It is also not likely that North Korea would solicit aid from international organizations unless compelled by these circumstances. Yet most of the changes identified above predate the food crisis. Where they represent a response to external conditions - such as the collapse of the communist economic bloc - these conditions are not likely to be reversed. Therefore, these changes in policy are neither temporary nor *ad hoc*.

In the recent Berlin talks and elsewhere, the U.S. has consistently underestimated the importance of sovereignty for the North Korean government. The U.S. has insisted that its allies - Japan, South Korea, the Philippines - accept agreements that diminish their sovereignty in the interests of "regional security" (which civic groups in the various countries have vigorously opposed). It might seem like a logical extension to demand that North Korea do so as well. But North Korea is not an ally of the U.S. and sovereignty is perhaps its most precious commodity.

North Korea is changing. It is changing according to its own yardstick and it is changing in accordance with the demands of sovereignty. If the US government - and other governments - recognize these changes and the motivations behind them, then the prospects for engagement beneficial to both parties will be greatly enhanced.

III. Nautilus Invites Your Responses

The Northeast Asia Peace and Security Network invites your responses to this essay. Please send responses to: napsnet-reply@nautilus.org . Responses will be considered for redistribution to the network only if they include the author's name, affiliation, and explicit consent.

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