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**THE KOREAN UNIFICATION : THE PROCESS,
IMPEDIMENTS AND IMPLICATIONS**

INTRODUCTION

The problem of Korean unification has attracted considerable attention of world leaders, politicians and scholars of international relations. The protracted division between North and South Korea has not only seriously impaired the two but also affected the security and stability of the world in general and of the Asia Pacific region in particular. The partition itself was marked as much by the bloody Korean War as by intensification of superpower rivalry within the region and beyond. The superpowers have so far used the partition in fulfilling their respective strategic objectives in the Asia Pacific region. The corresponding rivalries and divergent interests of the two Koreas have over the years contributed to the build-up of tensions and instabilities in the region. Massive military and even suspected nuclear arms build-up took place in the Peninsula jeopardizing the prospect of peace and stability on the one hand and impeding the process of economic development on the other in an otherwise thriving region.

However, the end of the cold war between super powers, collapse of the Soviet Union and the global set-back of the communist ideology have not only opened the prospect of reduction of tensions in this region but also strengthened the possibilities of unification of the two Koreas. The worldwide renewed emphasis on economic imperatives has also significantly

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changed the situation of Korean Peninsula. It appears that all concerned parties are interested more than ever before, in ensuring a peaceful and stable political environment conducive to unhindered economic growth in the region and at their respective levels. And for that the unification of the two Koreas is considered to be catalytic. In this context the present paper makes an attempt at reviewing the process of unification and analyzing the impediments against the same. It also examines the implications of the eventual unification for united Korea as well as for the region. What factors have so far contributed to the efforts of normalising the relationship between the two Koreas? How far progress has been made in the process of unification? What are the major factors that are still impeding the ultimate unification? What would be the implications if the two Koreas become united? These are among the questions that are dealt with in the paper.

The first section of this paper presents a brief background of the partition of the Korean Peninsula which is followed by an analysis of the process leading to the normalisation of the relationship, reduction of tensions and confidence building between the two Koreas. The major obstacles which are impeding the process of unification have been identified and analysed in Section II. In section III, an attempt has been made to study the implications of the unification issue. And lastly, some conclusions have been drawn in Section IV.

I. THE PROCESS OF UNIFICATION

The Korean Peninsula became a Japanese Protectorate in 1905 and in 1910 it was formally annexed by Japan and was renamed Chosen.¹ For 35 years, Korean Peninsula remained under Japanese yoke, until it was liberated by US and Soviet troops at the end of the World War II. The Japanese capitulation in August 1945 was followed by an arbitrary division of Korea

1. Robert H. Taylor (ed.), *Handbooks to the Modern World, Asia and the Pacific*, vol. 1, (New York and Oxford: Facts on File, 1991) p. 145.

along the 38th parallel. The Allied High Command decided that the Japanese troops north of the 38th parallel could surrender to the Soviet armed forces, and those south of the parallel to the U.S. forces. A country that had been a unified political entity for more than 1200 years was thus split into two halves. The immediate implication of the division was the adoption of a communist form of government supported by former Soviet Union and China in the North, while in the South a capitalist form of government was established with the help of the United States.

Despite hostilities that marked inter-Korean relations ever since the Korean War, several efforts were made by both sides, supported or influenced by super powers, and considerable progress towards unification was made. In retrospect, both internal and external factors prompted the two sides to initiate the unification efforts. We make a brief account below of major factors which have so far contributed to the progress towards normalisation of relations and unification.

Contributing Factors

The internal factors that prompted North Korea to proceed towards unification were to a great measure rooted in the political system that the country adopted. The over-centralized political structure made the North Korean people more aspirant for change in the political arena. The entire political structure has been designed in such a way that the domination of one party and one leader remained unchallenged. The political structure of the DPRK has been basically defined by the 'Socialist Constitution' of 1972. Some basic features of this unique constitution are as follows: ²

— All power and authority are centered in the President of the state and Central Peoples Committee directly under him.

— Direct subordination of regional political organisation to the centre.

2. For details, see Moti Tamaki, "Open Policies of North Korea - Prospects and Political Structure", in Masao Okonogi (ed.) *North Korea at the Crossroads*, (Tokyo: The Japan Institute of International Affairs) pp. 33-44.

—Industries are under the direct control of the party and agriculture is under undefined state administrative control in the village unit.

— The people are placed in the service of the party and the revolution.

— The President is the Supreme Commander of the entire armed force of the DPRK and Chairman of the National Defense Commission and shall lead and direct all the armed forces of the nation (Article 93).

The above characteristics of the DPRK ruling structure are clear indications of excessive concentration of power in the hands of the President and the party hierarchy, typical of a communist system, which is recognised as the fundamental reason for its collapse in the former Soviet Union and East Europe. In case of North Korea too, popular dissatisfaction and frustration have been building up over the years and the unification with the South was perceived to be the instrument of correcting the situation. The interest and fascination of the people of DPRK in developments in the ROK began to grow considerably with increasing participation of various social groups. This to a great extent accounted for North Korea's efforts to adopt more open policies and normalise its relationships with the South.

North Korea's conciliatory overtures might be seen as an attempt to overcome its international image as a terrorist country, acquired after the Rangoon incident in 1983. Pyongyang appears to have sought ways to show its sincere and peaceful intent to ease tensions on the Peninsula. Seoul had nothing to lose by accommodating North Korea's overture which incidentally coincided with political unrest in South Korea. Park was assassinated in October 1979 and the subsequent emergence of a military regime in December led by Major General Chun Do Hwan, student protests, the expansion of dissident forces and the bloody Kwangju massacre in May 1980, all made the South's political situation unstable. Political unrest made the situation extremely volatile and this could have calmed down, albeit temporarily, had the dialogue brought about tangible results, and the unpopular Chun regime could have exploited the development by linking it to political performance and legitimacy.

South Korea's attempts at unification were indeed articulated once it managed to establish political stability within the country. Until the mid - 1980s, South Korea was seen by its citizens and by outsiders as a country with a prosperous economy but an oppressive authoritarian government. South Korean politics, many people assumed could be explained by a "vicious circle" theory.³

The event that became the turning point for the prospect of democracy in Korea was President Roh Tae Woo's epoch-making declaration of support for democratic reforms in June 1987, which set the stage for the election of the South's first fully legitimate government. It was the subsequent defeat of the ruling Democratic Justice Party (DJP) at the polls that convinced people of democracy's arrival. When the DJP came out of the 1988 National Assembly election with less than a majority of the seats, the public felt assured that the days of the authoritarian system and governments that would rig ballots to ensure their victory, had finally come to an end. After this election, the ruling and opposition parties laid the groundwork for the joint drafting of domestic and foreign policies which has reflected new and changed attitude towards North Korea. And in 1990 Roh launched his new ruling party, the Democratic Liberal Party with two of the three major opposition parties. Local elections are scheduled for the near future which are expected to help to increase political participation at the grass-roots level.

The progress that the South has made in the political arena has installed a new sense of self-confidence in its people. And this has led them to adopt

3. "That is the typical regime in Seoul was an authoritarian government, one trying to perpetuate its hold on power. The only way to install a new regime was through a revolution or coup d'etat. Because of the tense confrontation with the North, the South's military was on constant guard against political protests, but its heavy hand only served to provoke popular discontent. When the discontent reached serious proportions, the military would respond with a putsch, and the new government, installed for the purpose of restoring law and order, would have to be even more authoritarian than the one it replaced. The prospect for democracy would recede even further, and the people's frustration would become even sharper, leading eventually to another coup and a yet more oppressive government". Sato Kenji, "Korea: Sour Grapes and Reality Alteration", *Japan Echo*, vol. XVIII, No. 1, Spring 1991, p.48.

a more positive approach to unification. The Democratic atmosphere began to prevail after the 1987 election; students and intellectuals were granted more political freedom and began to voice their aspirations for unification, as did various social groups and the general public. Meanwhile, the unification became an issue in domestic politics of South Korea as the radical wing of the student movement demanded unification on North Korean terms. The regime was thus under considerable pressure to make progress towards unification by way of containing challenges to its authority and gaining popular support.

On the economic front, there have been notable changes in North Korea towards revising the ideological basis of development. The North Korean leaders are no more hesitant to induce new thinking in its established ideology on 'juche'(self reliance). For example, Pyongyang has been keen in ensuring Japanese capital and technology to provide a new boost to its moribund economy. Party technocrats such as Premier Yon Hyong Muk, is advising Kim to accept Japanese aid, arguing that North Korea can copy China's model of opening the economy while keeping the country politically shut. The idea of "development oriented authoritarianism" has a powerful appeal to technocrats in Pyongyang. In May 1991, Kim Jong Il, the son and designated heir of Kim Il Sung, unleashed a new propaganda campaign on the theme that capitalism breeds social decay and corruption but also brings material rewards.⁴ The message seemed to be that changes in the management of the economy were not impossible provided the party remained on guard against bourgeois evils. There are even hints that juche, the official ideology which stress self-reliance, might have its name changed to 'kimilsungism'.⁵ While appearing to stress continuity this would also imply a shift from xenophobic self-reliance to cooperation with outside powers such as Japan. In this context, unification with South Korea is viewed as an instrument to ensure that Japan takes a flexible attitude toward North. Hence North Korea's new perception on its juche ideology in the face of changing economic imperatives contributed to its initiatives for

4. *Far Eastern Economic Review*, 22 August, 1991. p. 22.

5. *Ibid*.

bridging the gap with the South.

Although the Korean Peninsula is divided for more than four decades, the people of two Koreas are socio-culturally too close to each other to remain divided. They have the same culture, origin, language, religion which are crucial factors for unification. Increasing contacts between the people of two Koreas including family visits, cultural and sports events and exchanges, have contributed to the strengthening of popular opinion in favour of the unification. The Korean population, which is ethnically and culturally homogenous, never discarded the goal of a United Korea. After 1984, exchange of visits of Korean families between the two at the initiative of Red Cross brought sentiments into sharper focus. The social and cultural bindings intensified which also prompted the two sides to take specific measures that would eventually promote unification. In order to facilitate socio-cultural cooperation between the two Koreas, the two governments signed a socio-cultural protocol (side by side with political, economic and military) on 17th September 1992. These protocols established the framework for four commissions to deal with a broad range of projects including military, economic, political, social and cultural cooperation.

The Peninsula was basically divided as a part of the super powers play in the region. The former Soviet Union wanted to make the entire peninsula a communist enclave protecting its own strategic interests and the U.S. tried to bring it under its own influence which in turn could serve the socio-economic, political and strategic interest of the U.S. in the region. North Korea was economically and militarily supported by the former Soviet Union. China also extended similar support at the initial stage of partition, while South Korea received economic, and military backing from the U.S. Japan also came in support of South Korea to prevent communist expansion in the North East Asia region. The rivalry of the two superpowers and their corresponding regional allies had influenced the two Koreas enormously in building up their mutually antagonistic relations over the years. For obvious reasons, therefore, recent changes in the attitude, positions, policies of the major powers also altered the two Korea's stands

vis-a-vis each other. The end of the cold War and the fall of Soviet Union followed by new diplomatic initiatives in the region including positive moves towards arms control have contributed to the winds of change in the North East Asia region. Economic compulsions have forced the major powers to come closer to each other forgetting their past hostilities. Such kind of changes have significant bearing upon both North and South Korea in terms of strengthening efforts towards improving relations.

The Progress Achieved

The first crucial effort towards establishing contacts at government level between North and South Korea was made in August 1971 when Seoul proposed a joint Red Cross conference to discuss the issue of separated families. North Korea promptly agreed and these nonpolitical talks led to a series of working level meetings and secret contacts between the two. However, no concrete outcome was achieved. Both sides blamed each other and missed the historic opportunity because of the conflicting interests of the respective rulers.

The major turning point came with the North-South Joint Communiqué of July 4, 1972 in which both sides agreed on three basic principles for unification⁶: independence from foreign interference, unification through peaceful means, and promotion of "grand national unity." Both also agreed to establish a North South Coordinating Committee to resolve differences on the unification issue and to implement various agreements according to these three principles. Various negotiations on their implementation were held in 1972-73 but these talks only confirmed the incompatible attitudes of the two sides. Seoul's approach was in favour of gradual progress with economic and cultural exchange programs given priority while North Korea wanted to tackle political and military issues first. They showed a remarkable differences in their interpretations of the agreed principles of unification. Independence to the

6. Kyung Ae Park and Sung-Chull Lee, "Changes and Prospects in Inter-Korean Relations", *Asian Survey*, vol. XXXII, No. 5, May 1992 (U.S.A. : University of California Press) p. 431.

North for example, meant withdrawal of US forces, while to the South it meant that unification should be settled by the efforts of Koreans themselves.

In October 1980, at the Sixth Congress of the Workers Party, Pyongyang proposed a Democratic Federal Republic of Koryo(DCRK) which was an elaborated version of the 1960's confederation proposal.⁷ This plan allows each side to keep its own system under the principle of "one nation, one state, two systems and two governments". There would be an equal number of representatives from the North and the South in a Supreme National Confederal Assembly.⁸ But the South Korean government did not accept the plan. To counter North Korea's confederation proposal, Chun announced in January 1982 a new unification plan, the Formula for National Reconciliation and Democratic Unification. To implement this formula, South Korea proposed 20 pilot inter-Korean projects designed to promote reconciliation and mutual trust.⁹ However all efforts leading to the normalisation of relations and unification were severely hampered after the Rangoon Bombing incident in October 1983, which caused the death of 17 South Korean officials. North Korea was suspected of being involved in the bombing case.

Roh Tae Woo after becoming President, introduced a new policy in July 7, 1988 that was more conciliatory and accommodative than any previous initiative.¹⁰ Its six points were aimed at promotion of people's visits and trade between the two sides, cessation of diplomatic competition and confrontation, mutual acceptance of each other as part of the national community and not adversary and South's assistance to the North in the latter's efforts to improve ties with U.S. and Japan.

In 1990, for the first time since the division of the Korean Peninsula, three rounds of Premier's talks were held in September, October and

7. *Ibid.*, p. 432.

8. Kim Byong Hong, "Korean Reunification" in Frank J. Macchiarola and Robert B. Oxnam (eds.) *The China Challenge: American Policies in East Asia*, Proceedings of the Academy of Political Science, vol. 38, No. 2 (New York: 1991) p. 118.

9. Kyung Ae Park and Sung - Chull Lee, *op.cit.*, p. 432.

10. *Ibid.*, p. 433.

December alternatively in Seoul and Pyongyang. The meetings failed to yield any concrete result because both sides reiterated their respective positions and again failed to narrow the differences. South Korean Prime Minister Kang Young Hoon emphasized a gradual approach for confidence building, beginning with economic and people-to-people contacts while North Korean Premier You Hyong Muk stressed on political and military issues including problems of arms reduction, withdrawal of U.S. forces and nuclear weapons, and nonaggression declaration.

A significant development came in September 1991 with the two Korea's simultaneous but separate entry into the United Nations. When Seoul unilaterally announced its intention to apply for U.N. membership, Pyongyang dropped its long-standing objection to recognition of two Koreas and decided to apply as well. North and South Korea took a major step toward reconciliation on 13 December 1991 by signing a historic accord calling for peaceful coexistence. Before the signing, the two nations issued a statement pledging to work toward a nuclear free Korea.¹¹ In signing the agreement, North Korea for the first time officially recognized the existence of South Korea. The 25 point accord includes wide-ranging proposals on reconciliation, non-aggression, economic cooperation and exchanges. In a further effort to normalise their relations, the two Koreas on December 31, 1991 initialed a nuclear accord aimed at making the divided Peninsula free of nuclear weapons. The six point declaration requires the two Koreas not to possess nuclear reprocessing and uranium enrichment facilities. The accord also called for a ban on possession and development of nuclear weapons, joint inspection of nuclear facilities and formation of a joint verification committee.¹² Following nuclear accord and Seoul's announcement of cancellation of the 1992 'Team Spirit' military exercise with U.S., North Korea finally signed the long delayed nuclear safeguards agreement with the International Atomic Energy Agency (IAEA) on January

11. *The Bangladesh Observer*, 14 December, 1991.

12. *Korea News Review*, 4 January, 1992, p. 14.

30, 1992, to allow international inspection of its nuclear facilities.¹³ The process of normalisation of relations between the two Koreas went further ahead when South and North Korea signed The Agreement on Reconciliation, Non-aggression, Exchanges and Cooperation at the Sixth South North high level talks in Pyongyang in February 1992. This joint declaration paved the way for Korean unification in gradual process. This agreement aims at reducing tensions, establishing diplomatic relations on mutual basis and advancing common national interests.¹⁴

North and South Korea inched closer towards detente on 17 September 1992 by reaching three agreements in Pyongyang, after the North compromised and deferred by key sticking points for future discussion.¹⁵ The protocol established the framework for four commissions to implement a nonaggression and reconciliation treaty reached in December 1991 and hailed as the greatest breakthrough towards detente. The Commission will deal with broad range of projects, including military, economic, political social and cultural cooperation.

II. MAJOR IMPEDIMENTS AGAINST UNIFICATION

Although significant developments have taken place towards the normalisation of relations and unification of the two Koreas, there are still some basic factors which are acting as obstacles towards unification. Both sides have made significant concessions signaling a drastic change from their previous positions, but remain far from the desired stage of unification. The two governments are still adhering to many of their previous positions which, as will be evident from the following discussion continue to impede the process of unification.

North Korea's continued adherence to maintaining a closed system, though in a much relaxed form as discussed earlier, is a leading impeding

13. Kyung Ae Park and Sung-Chull Lee, *op.cit.*, p. 436.

14. *The Bangladesh Observer*, 5 October, 1992.

15. *Bangkok Post*, 18 September, 1992.

factor. North Korea is faced with the dilemma of the need to open herself to the world for economic survival, while preventing external influences from eroding the authority of Kim's regime, very much built on the cult of personality. The decision by Moscow and Beijing to trade in hard currency with their former ally starting in 1991 has added to North Korea's economic woes, rendering the successful completion of the Third Seven-year Plan by 1992 seemingly impossible. Meanwhile, a worsening food shortage has reached critical proportions, requiring emergency supports not just from Seoul, but also from Thailand. While the regime has no escape from such developments, these are also viewed to be the gateway to growing external influence and some of revisionist tendencies.

To prevent revisionism from seeping into the system, Kim for example, recalled home more than 2000 students and scientists from Eastern Europe and the Former Soviet Union, at the risk of keeping North Korea a backward country. Internally, the ruling Workers Party of Korea (KPK) has also postponed relaxing internal travel restrictions.¹⁷

In a gesture to mollify potential rebellion by the younger generations, the party has been reinforcing ideological indoctrination of students and youths.¹⁸ Measures have also been adopted to restrict contact of the North Koreans, particularly youth and students with foreign visitors. As an example of the regime's inertia against outside contacts, members of the former East German delegation to the 1989 International Youth Festival in Pyongyang were kept in a seaport apartment and prevented from private contacts with North Koreans for the whole period of their stay, according to former East German Ambassador to Pyongyang, Hans Marattzki. "The system in North Korea is essentially a war communism such as Stalin maintained, fanning belligerent psychology among the population - even in the absence of war," he told a gathering of students in Seoul in April, adding: "North Korea is a trench society."¹⁹

16. For details see *Ibid.*

17. *Far Eastern Economic Review*, 30 May, 1991. p. 36.

18. *Ibid.*

19. *Ibid.*, p. 37.

Constant exhortation to guard against all kinds of ideological heresies, such as revisionism, "flunkeyism" (fawning to foreign powers for support) sectarianism and even opportunism, creates arms schizophrenia within the country. The Orwellian system is maintained by carting off to concentration camps ("zones of special dictatorship") any one who dares to deviate from the party line. Amnesty International and other human rights organizations believe North Korea holds more than 100,000 political prisoners.²⁰

Analysts in Seoul detect few indications of open resistance to the regime or the succession process. But they do note an increasing level of paranoia as the top leadership seeks to seal off the country from outside developments. *Kulloja* (Workers), the party's theoretical journal reflected it this way: "In view of generational change taking place in the midst of a complex international situation, the entire party must enforce an iron-like discipline around the Party Centre (a codeword for Kim Jong Il) under Kim Jong Il's unitary leadership".²¹

The Juche concept will constitute the greatest stumbling block as North Korea endeavours some day to unlock itself from the Kim dynasty, an effort it has to make if it wants to catch up with the unbridled capitalism of South Korea. The North Korean leaders have been recently showing some flexible attitude towards the outside world, but internally they are trying hard to maintain the closed system with its rigid political and economic structure. As long as North Korean leaders would adhere to this approach, the ultimate success of the unification process would remain doubtful.

The North and South hold differing ideas and approaches on unification. Shortly after the Korean War, North Korea repeatedly proposed a confederation of North and South Korea as a solution to the Korean question. As opposed to the situation in South Korea, the political situation at home was stable at a much earlier stage for the North Korean regime as

20. *Ibid.*

21. *Ibid.*

Kim Il Sung had successfully eliminated his opponents by the end of the 1950s. Since then, his aim was to achieve the unification which was not achieved by military means via elections in both Koreas without the intervention of other states or organizations. According to this concept, the two existing systems should be replaced by a new federal system, called the Democratic Confederal Republic of Koryo, for which an all-Korean flag and national anthem should be introduced.²² Representatives of the two systems (Confederal Standing Committee) and representatives of the people (Supreme People's confederal Assembly) should take the first concrete steps toward releasing the concept and elaborate a new constitution. Although this North Korean unification concept has often been modified over the years, the fundamental demands and preconditions always remained the same:²³

- Withdrawal of American troops from South Korea;
- Conclusion of a peace treaty between the North and South;
- Reduction of armed forces on both sides to the level of protective forces needed to maintain internal security and order;
- termination of military agreements drawn up with other countries; and
- "liberation /democratisation" of social and political life in the Republic of Korea.

South Korea, on the other hand, came up over the years, with various ideas and plans on unification. In a declaration on 7 July 1988, President Roh Tae Woo formulated a new policy 'Nordpolitik' towards North Korea under which the latter is no longer viewed as an enemy but as a member of the same ethnic community. South Korea wanted to help the other Korean state break the latter's isolation. This is to be achieved through concrete

22. Mark B. M. Suh, "Normalisation and Unification Prospects in Korea", *Aussen Politik, German Foreign Affairs Review*, vol. 43, 3rd Quarter 1992. p. 260.

23. *Ibid.*

steps, such as increased trade and more contacts between the two as well as helping North promote economic ties with the USA.

On 15 August 1989, President Roh Tae Woo outlined the new unification policy, called "Korean National Community Unification Formula" in a speech to parliament on 11 September 1989.²⁴ The first step towards implementing this plan was to adopt a "Korean National Community Charter" in a summit between the two Presidents. Through dialogue and contacts, national unity should be created during the transition stage towards the "Korean Commonwealth". Representatives of the two governments should prepare unification step by step. A detail structural adjustment was proposed for materializing the policy of Roh for unification. This policy of South, however, was not accepted by the North, nor was there much progress towards bridging the gap.

Many of the South Korean academics, government officials and economic planners flocking to Germany these days to study the German unification experience have been alerted by an obvious lesson: be prepared with a lot of cash, and be prepared for refugees, economic disruption and unemployment.

The huge economic cost that Germany, particularly former West Germany, is having to bear for its unification estimated at several trillion German Marks, that has prompted South Koreans to adopt a go slow policy on unification. A quick German style integration is neither possible nor desirable for South Korea, says Yoon Byung Ik, analyst for the National Unification Board of South Korea.²⁵ A provisional report submitted to president Roh Tae Woo by a group of research organisations has come up with a figure of US \$ 400 billion, nearly twice the GDP of South Korea, for the likely overall economic costs to the South of a German-style unification of Korea.²⁶ Financial experts have been discussing how to generate such huge resources. One suggestion is to impose a new

24. *Ibid.*, p. 261.

25. *Far Eastern Economic Review*, 22 August, 1991, p. 24.

26. *Ibid.*, p. 22.

Unification Tax. Other ideas include the creation of a special fund from government revenue surpluses. The Seoul government would face tremendous resistance from South Korean people if it tries to introduce such measures. This may even threaten the stability of the regime.

On the need for a monetary union with the North, officials are skeptical if it should be quickly enforced as happened in Germany. Academics and experts suggest Seoul should eschew Bonn's model of exchange parity between the West and East German Marks. The difference between income levels of the North and the South is much greater than in Germany. The per capita income of South in 1991 was US \$ 6500 while it was US \$ 1038 in the North.²⁷ The North's population is 50% that of the South. These factors would make the integration of the two economies a lot more difficult including the prospect of forcing the South to surrender for several years much of its hard earned prosperity in order to bring the North to its level of economic development.

Some of the proposed measures associated with the unification including the unification tax are already viewed as a burden and many South Koreans are beginning to perceive unification more as a nightmare than a blessing. South Korean people fear that South Korea would be overwhelmed by the tasks of absorbing millions of economic refugees from the North. Seoul has adopted a more cautious strategy also because of the concern that a sudden collapse of the North Korean regime would sweep the South with a myriad of economic and financial difficulties. The trend of normalisation between South and North Korea nor the overall international change have not yet led to sufficient reduction of tension in the North East Asia region. Despite notable positive impact, the change in the international climate has not resulted in any major reduction in arms build-up in the Peninsula. It may further escalate if the two Koreas remain divided. The chances of another war breaking out on the Korean Peninsula have agreeably reduced

27. *Dialouge* (A Dhaka Weekly), 9 October, 1992. p. 10.

considerably, but North Korea's continued military buildup, supported by a quarter of its US \$ 23 billion GNP remains a matter for concern. The peninsula is indeed one of the most volatile regions in the post-Cold War era. The North maintains 1 million men under arms while Seoul's armed forces total 650,000.²⁸ The number of North Korean troops increased from 1,111,000 in 1990 to 1,132,000 in 1991.²⁹

The nuclear issue is of much greater international concern. There seems little doubt that nuclear weapons program is well advanced in the North. Numerous reports that North Korea would be able to produce between three and six nuclear weapons by 1995 have not been contradicted by official sources.³⁰ The basic tactic of North now is to link its acquisition of nuclear capability to the presence of US tactical nuclear weapons in the Korean Peninsula.

Moreover, on 24 August 1992, South Korea signed normalisation agreement with China which marked a historic turn in the region's strategic scenario. North Korea is viewing this development with suspicion. The North Korean government fears that it would effect its nuclear program because China has promised to help in the denuclearisation of the Peninsula as a part of the deal.³¹ Many analysts, however, believe that Pyongyang is not likely to stop its nuclear program until it develops a full fledged capability and there may be little China can do about it. If North Korea is bent on developing its nuclear capability, both Japan and South Korea could be forced to reconsider their own nuclear options. U.S. fears Japan's reactions to the threat of a nuclear armed North Korea far more than it does Pyongyang's nuclear capability. If North Korea does not abandon its nuclear weapons program there would be little possibility that US military presence in South Korea would be reduced. The new U. S. President

28. *Far Eastern Economic Review*, 26 September, 1992. p. 27.

29. *The Military Balance 1990-91* IISS, London. p. 166. and *The Military Balance 1992-93*. IISS, London. p. 152.

30. *Far Eastern Economic Review, Asia 1992 Yearbook*, p. 135.

31. *Far Eastern Economic Review*, 3 September, 1992 p. 8.

Bill Clinton has already said that the present U.S. forces would remain in Korea as long as necessary and pledged to support South Korean effort to remove a nuclear threat from North Korea.³² With the Peninsula continuing to be a flashpoint of nuclear confrontation the prospect of unification is obviously put into question.

III. IMPLICATIONS

The internal and external factors discussed earlier may change the political structure of the North. North Korean people's desire for democratic practices may influence the North Korean leaders to adopt democratic structures and practices. A political renewal has also began in North Korea. Kim Jong Il the son of Kim Il Song, is the latter's designated successor. This change of leadership may be conducive for democracy because Kim Jong Il may use democratic reforms as an instrument to achieve people's support for strengthening his staying in power. External pressures would also effect the political structure of the North. Since North Korea is trying hard to acquire U.S. and Japanese assistance, there is a possibility that the political structure of the North may undergo changes leading to some liberalization. As the advocates of democracy and open market economy, the U.S. and Japan are likely to put forward conditions for democratising the political structure and adopting market economy before extending any kind of assistance to the North. If North Korea goes for market economy it would have to introduce democratic reforms because the success of market economy very much depends on democracy and democratic practices. The process of transition leading to such democratisation is bound to be full of tensions.

United Korea's joint economy would be promising in future. The Korea Institute for International Economic Policy estimated that a united Korea would have a gross national product of \$ 1,125 billion and per capita

32. *The Bangladesh Observer*, 15 November, 1992.

GNP of \$ 14,368 by the year 2010. This institute also predicted that it would be the 10th largest economic power in the world.³³ North Korea at present is far behind the level of South Korean Economy, but its economic potentials may reduce the gap. North Korea is a mineral resource country, and has relatively skilled and cheap labour compared to those of many developing countries, and its economic infrastructures are not too bad to meet the modern requirements. South and North may jointly and calculatively use these potentials for uplifting their combined economy. If the two Koreas specially the South can develop new managerial ideas for using the cheap labour and abundant resources of the North in the united Korea's industries and manufacturing companies, this would bring positive results.

South Korean economy is basically an export-led economy which suffered a set-back in 1991 and export fell sharply. The emergence of regional economic blocs (such as NAFTA, EC etc.) has considerably reduced the possibility of increased export of Korean products to other regions, particularly the west. In that case, South Korea can try to utilize own domestic market including that of the North Korea for introducing a new dimension in her economy. Their combined efforts as a united Korea may be useful in earning a competitive edge and in opening their market in ASEAN nations or in other developing countries of the world.

Japan is now considering seriously to provide North Korea with economic aid which could be fostered if the two Koreas move closely to each other for unification. Japan's assistance may help modernize North Korean economy and thereby reduce the cost of South Korean government for unification. South Korea and Japan are both members of Asia Pacific Economic Cooperation (APEC) and increased efforts are continuing to bring the major Asia Pacific nations under the umbrella of APEC for economic development of this region. North Korea's involvement with APEC as united Korea may give APEC a solid base and direction, because if the two

33. *The Bangladesh Observer*, 27 November, 1992.

Koreas become united, the possibility of tension in this region is bound to ease which will pave the way for fruitful economic cooperation among the APEC nations.

However, North Korea may also face immediate economic problems if the two Koreas are united hurriedly. North Korean economic infrastructures, basically its closed economy has so far accounted for the comparatively lower quality of its products compared to that of the south. North Korean market may be flooded with improved South Korean products if the two Koreas are united which may lead to the collapse of North Korean industries. It would take a considerable time for North Korea to make its products competitive with the South. Flooding of the North Korean market by South Korean products may result in the increase of unemployment in the North, because if North Korean industries fail to compete with those of the South, North may be forced to take steps to reduce workers in its industries in an attempt to reduce loss. Moreover, large scale unemployment in the north would reduce the buying capacity, internal savings and consumption. The snow-ball effect of this will not also spare the economy of the South. All these would lead to various types of social, economic and political disturbances.

United Korea's Joint military capability may pose threat to the peace and stability of the region. The Annexed table shows the main elements of their armed forces. Together they would add upto the largest defence establishment in the region after China's but they would be better equipped than China's. Infact, both Koreas would probably cut their forces after unification, since the justification for their present size is that each is threatened by the other. But even a slimmer force could still be strong. At present, maritime air defence is a low priority for the South Korean Airforce. The growing threat posed by an increased awareness of the growth of Japanese naval power - might see a shift of defence resources into beefing up the neglected and increasingly obsolete South Korean navy. The command of the sea is becoming increasingly important to South Korea's

national development. More funds are already being ploughed into boosting naval forces and the capabilities of South Korea are gradually increasing. DPRK is not apart from that track. DPRK now has 40,000 Naval forces and PRK has 60,000 including 25,000 marines, while the figures in 1988-89 were 39,000 in North Korea and 54,000 in South Korea.³⁴

Worries over Japan and other neighbours, such as China may also feature increasingly in united Korea's defence planning over the longer term. South Korea's opposition political parties believe that defence priorities should be geared to meet potential threats from neighboring countries. There is a growing feeling, particularly among the opposition political parties that a united Korea would need to maintain high levels of defence spending to counter Japanese and Chinese military buildup. Problems would mount further if United Korea decides to go nuclear. Western intelligence agencies have long suspected the North of building the wherewithal to produce such weapons. Although denuclearization of North Korea appears to be amongst the bargaining chips in the process of unification, it may be unrealistic to underestimate the potential nuclear capabilities and ambitions of an eventually united Korea.

At the moment the North East Asia region appears to be drawing comparatively lower priority in the strategic interest of the United States, the lone superpower. But Japan's remarkable economic success and its emerging role in world politics are viewed to be an important potential source of interest of U.S. in the region. The U.S. would not wholeheartedly appreciate Japan's dominance in the socio-political and economic affairs of the North East Asia region. Therefore, to balance the growing influence of Japan in the region, U.S. in future may contribute to a stronger United Korea economically and militarily. If it would so happen, it would be difficult to rule out the possibility of a confrontation between Korea and Japan in future in which China is also likely to be dragged in, thereby posing a threat to the peace and stability of the region.

34. *The Military Balance 1988-89* (The International Institute For Strategic Studies, London). pp. 167-168.

IV. CONCLUSION

Efforts for normalising relationships between the two Koreas have brought them notably close to each other. This is an outcome of domestic and global political, economic and strategic imperatives. Moreover, the people of both Koreas have the same ethnic, religious, and cultural bindings which inspired them to proceed towards unification. There is no doubt that prospects for unification now are brighter than ever and depends on the continuous international support and conciliatory attitudes of the leaders of two Koreas. Much would depend on the internal political developments of the two countries, particularly North Korea which would need to get itself adjusted to the liberal political ideas and institutions. The process of adjustment will not certainly be an easy one and may entail tensions which may be contained by firm political commitment of leaders of both Koreas for a united and prosperous Korea. Economic imperatives and the continued favourable international and regional climate will also significantly contribute to future course of the unification process.

ANNEX

Military Balance of North and South Korea

Item	North Korea	South Korea
Men	1,132,000	633,000
Divisions	30	23
Independent Brigades	12	13
Tanks	3,000	1,840
Smaller Armoured Vehicles	840	1000
Artillery	9,200	4,630
Combat Aircraft	966	455
Warships	38	38
Armed helicopters	50	0

Source: *The Economist*, October 10-16 1992, p. 28.