

II

IMPLEMENTATION OF UNIFICATION POLICY

1. Process of Implementation

During the fifty years of national division, the ROK government has endeavored in various areas to achieve its ultimate goal: that is, to create a unified nation-state. Over this long period of time, it has developed many different policies and means to achieve national unification and constantly refined them in response to numerous changes in the political climate of the Korean peninsula as well as that of the international environment. Through such a painstaking process, the South has come to have a better understanding of the North and of the nature of the national division. As a result, its present approach and procedure for unification well reflect the reality that the two Koreas face.

Up until the 1960's, the South had viewed the North regime as an illegitimate puppet government created according to the expansionist strategy of the Soviet Union and, hence, an object of recovery. By the 1970's, however, it had come to realize that while not recognizing the legitimacy of North Korea, it should acknowledge the *de facto* existence of the regime as a reality and that its approach to unification would become more practical only when based on such a

realization.

In his Liberation Day message on August 15, 1970, President Park Chung-hee announced the Idea for Peaceful Unification of 1970, which was made based on the recognition of the reality that there exist two independent political entities on the Korean peninsula. The declaration, therefore, emphasized the importance of intra-Korean dialogue and exchanges built on such a realization. Subsequently, South and North Korea began formal intra-Korean dialogue for the first time ever in 1971, some 26 years after the division. On August 12, 1971, the National Red Cross of the Republic of Korea (KNRC) proposed to the Red Cross Society of the North (RCSNK) to convene talks to discuss the issues of the separated families. Finally, in July 1972, the two Koreas issued the South-North Joint Communiqué, on historic statement that announced their agreement on the principles for unification.

During the 1980's, the South began to realize that the restoration of a common economic, social, and cultural community prior to the completion of political unification might be a more practical step toward national unification. The ROK government, therefore, began to stress the coexistence and co-prosperity of the two Koreas through reconciliation and cooperation.

Based on such a realization, the ROK government presented its unification policy in the following series: the Formula for National Reconciliation and Democratic Unification of 1982; the Special Declaration for National Self-Esteem, Unification, and Prosperity of 1988 (hereafter the July 7 Declaration); and the Korean National Community Unification Formula of 1989. In particular, the July 7 Declaration recognized the North not as a hostile enemy but as a member of the national community with whom the South together

needed to pursue co-prosperity through mutual trust and cooperation. This marked a turning point in the way the South viewed the North.

Throughout the 1990's the South Korean government's understanding of the political reality became more clearly reflected in its unification policy. Consequently, the two Koreas were able to sign the Agreement on Reconciliation, Nonaggression, and Exchanges and Cooperation Between the South and the North (hereinafter the Basic Agreement) at the sixth round of the Intra-Korean High-level Talks held on February 19, 1992. With the effectuation of the Basic Agreement, the South and the North finally laid down a foundation upon which they could shake off the accumulated mistrust and confrontation and work toward peace and unification on the strength of their own efforts.

South Korea's desire to achieve unification based on an intra-Korean consensus was reaffirmed in the Three-phased Unification Formula for Building A Korean National Community announced in 1994 (hereinafter the Korean National Community Unification Formula or the KNCU Formula).

At the same time, South Korea's concept of unification also varied according to the way the government viewed the existence of North Korea and the reality of the national division. Up until the 1960's when the government denied the existence of North Korea, unification was identified with recovery of the territory over which the jurisdiction of the ROK government should be extended. In short, unification meant restoration of that northern region of the republic occupied by the North Korean communists.

In the 1970's, however, unification as the restoration of territory became outmoded. As the division had lasted over twenty years peo-

ple began to admit that by then each regime had been consolidated in its own way. Under such circumstances, a complete unification would certainly require the integration of two separate political entities. Yet, territorial and political unification still did not take into consideration of the integration of two societies that had become highly heterogeneous during the years of separation. Until then many believed that the wounds inflicted by the division would be easily healed once territorial or political unification was achieved.

In the 1980's attitudes began to change. The Korean people began to realize that it would take more than mere territorial recovery or political integration to resolve all the problems created by the national division. They came to understand that it would not be easy to achieve political unification in the near future when the two societies had developed along separate paths under totally different regimes. Even if unification were achieved in such a way, it would only be superficial, not a true integration in the sense that it would not unite the people of the two Koreas at the internal or psychological level.

Through an evolutionary process, therefore, the unification policy of South Korea has come to incorporate a gradual and step-by-step approach to unification: the current ROK formula suggests that political unification should be achieved after the establishment of a national community predicated on peaceful coexistence of both Korean regimes. The Korean National Community Unification Formula of 1989 was the first integrated and systematic unification formula that incorporated such an approach. This formula was later refined by the Kim Young-sam Administration and developed into the Three-phased Unification Formula for Building A Korean

National Community of 1994 (the KNCU Formula).

As shown above, South Korea's unification policy has undergone a series of modifications over the past several decades. Nonetheless, there are two common elements that have been imbedded in all those formulas—spirits of peace and democracy. The South has been steadfast in its position that unification must be achieved in a peaceful manner and also in a way in which all the members of the Korean community are free to express their own opinions and to make their own choices.

Peace is a critical element directly related to the security and survival of the Korean people and, therefore, can never be compromised under any circumstance. Moreover, the South suffered enormous pains and sacrifices in a tragic and senseless war started by the North. In the past, North Korea's reckless attempt at armed aggression against the South, while claimed by Pyongyang to have been made in the name of unification, only resulted in national disaster; furthermore, it consolidated the division of the nation. Likewise, any attempt to achieve unification by means of war or use of force would be not only condemnable but also impractical.

Peaceful unification can be achieved in an orderly manner through a democratic process. "Democratic" means that the opinions of the entire Korean people must be freely reflected in the political process of the unification. In addition, democracy also requires that the type of system to be adopted by a unified Korea must be determined by national consensus. National consensus can be built through a free election. It is mandatory to hold a general election throughout all of Korea in order to integrate the South and the North and form a congress and an administration for a new unified republic. Of course, the election must follow the democratic procedure.

The North, however, must be transformed into a pluralistic society before a free election could be held in Korea. In other words, North Korea must be transformed into a liberal, democratic nation similar to South Korea. This is why the two Koreas must first restore a sense of homogeneity through a confidence-building process. Mutual trust will be recovered when the two societies eventually dissolve the political tension and military hostility between them and expand intra-Korean dialogue and cooperation.

Table 2-1 The History of South Korea's Unification Policy

Period	View of North Korea	Approach to Unification	Major Statements
The First Republic (1948-60)	No recognition of North Korea Subject of territorial recovery	Free general election within the North according to the UN resolution Free general election throughout Korea under the monitoring of the United Nations	The Resolution To Be Sent To The North Korean Residents adopted by the Constitutional Assembly (June 12, 1948) Foreign Minister's address at the Geneva Political Conference (May 22, 1954)
The Second Republic (1960-61)	No recognition of North Korea Subject of territorial recovery	Free general election throughout Korea under the monitoring of the United Nations	The Measures to Reform Unification and Foreign Policies announced by the Democratic Party (July 26, 1960)

Period	View of North Korea	Approach to Unification	Major Statements
The Third Republic (1963-72)	No recognition of North Korea Subject of territorial recovery	Free general election based on population ratio throughout Korea under the monitoring of the United Nations * Reconstruction Before Unification	Resolution of the 25th General Meeting of the Sixth National Assembly (Nov. 29, 1964) The Conception of Peaceful Unification (Aug. 15, 1970)
The Fourth Republic (1972-81)	Recognition of North Korea Subject of peaceful coexistence	General election in the entire Korea based on the native residents ratio	The June 23 Declaration (June 23, 1973) The Three Basic Principles for Peaceful Unification (Aug. 15, 1974)
The Fifth Republic (1981-88)	Recognition of North Korea Subject of peaceful coexistence	General election based on the constitution of unified Korea Temporary Treaty on the Basic Intra-Korean Relations	The Formula for National Reconciliation and Democratic Unification (Jan. 22, 1982)

continued

Period	View of North Korea	Approach to Unification	Major Statements
The Sixth Republic (1988-93)	Cross-recognition of each other's regime A partner in goodwill	After the transitional stage of Korean commonwealth, general election based on the constitution of a unified Korea	The July 7 Special Declaration (July 7, 1988) The Korean National Community Unification Formula (Sept. 11, 1989)
The Current Administration (1993-Present)	Cross-recognition of each other's regime A partner for reconciliation and cooperation	Three-phased approach: reconciliation and cooperation → Korean commonwealth → unified nation-state	KNCU Formula (Aug. 15, 1994)

2. Korean National Community Unification Formula (KNCU Formula)

1 — Background

By the 1990's a new international order had emerged as the Cold War ended with the collapse of the Soviet Union and the East European bloc along with the unification of Germany. The basic ideologies of the new order were liberty, welfare, and open market economy. Under the new international order, the dignity of individuals

was respected more highly and peace and cooperation between nations were more strongly needed than ever before. At the same time, the pursuit of one's own interests became the rule of the new game and economic capability emerged as a factor that could change the dynamics of the international system.

After overcoming various difficulties, South Korea succeeded in both industrialization and democratization. In particular, since the inauguration of a civilian administration the ROK government has successfully launched a reform campaign that swept across society. As a result, democracy has become deeply rooted in South Korean society and the spirits of the Korean people have been reinvigorated.

North Korea, too, faces a turning point in its history with the death of Kim Il-sung, who had ruled the country over half a century. The Pyongyang regime, however, has refused to adapt to the international currents of reform and liberalization and has held onto its closed socialist system. As a result, the North now faces a severe economic crisis, not to mention isolation from the international community.

In response to such changes in the domestic and international environments, the ROK government clarified its position regarding the principles and procedure of unification as well as the future of a unified Korea on August 15, 1994. These were laid out in the KNCU Formula presented by President Kim Young-sam in his speech on the 49th anniversary of national liberation.

2—Contents

Basic Philosophy

The KNCU Formula clarifies two major concepts in the unification policy of South Korea which, until then, had been presented in a rather ambiguous manner. One is ‘liberal democracy’ as the basic philosophy in pursuit of unification and the other is ‘national community’ as an approach to unification. The philosophy of liberal democracy suggests that liberty and democracy are crucial values that must be pursued consistently not only in the process and procedure of unification but also in the future of a unified Korea.

The formation of the national community reflects that unification of the nation must be achieved following the integration of people and their societies. That is, the South and the North should first form and develop a socio-economic and cultural community. The next step, then, is to move toward political unification in a peaceful and gradual manner. The unification efforts must be focused on how the Korean people should live together, rather than on how power should be shared. It should be based not on ideology built around a particular class or group, but rather on a system of liberal democracy in which the liberty, welfare, and dignity of each individual member of the Korean community are respected.

Principles

The KNCU Formula presents three basic principles that must be maintained in the pursuit of unification. First, the principle of ‘independence’ requires that unification be achieved based on the capabilities of the Korean people without any outside interference. In

other words, in accordance with the spirit of self-determination the two Koreas should strive for unification based on their own wishes and determination through direct dialogue between them.

Second, the principle of 'peace' dictates that unification must be achieved in a peaceful manner, not through a war or overthrowing the other side. Although unification may be a national mandate, it should never entail violence, force, or any form of forced sacrifice on the part of the Korean people.

Finally, the principle of 'democracy' demands that unification be achieved in a form of democratic integration in which the liberty and rights of every member of the Korean community are secured. This means not only that the process of unification must be democratic, but also that a unified Korea must be a society in which its individual members are able to live like decent human beings.

At the same time, another idea embedded in the concept of 'democracy' is that individuals are given the right to participate in the process of determining the methods and procedures of unification as well as the fair opportunity to contribute to it.

Process

With the gradual creation of a single national community as its ultimate goal, the KNCU Formula proposes three phases in the process of unification: reconciliation and cooperation, a Korean commonwealth, and then a single nation-state.

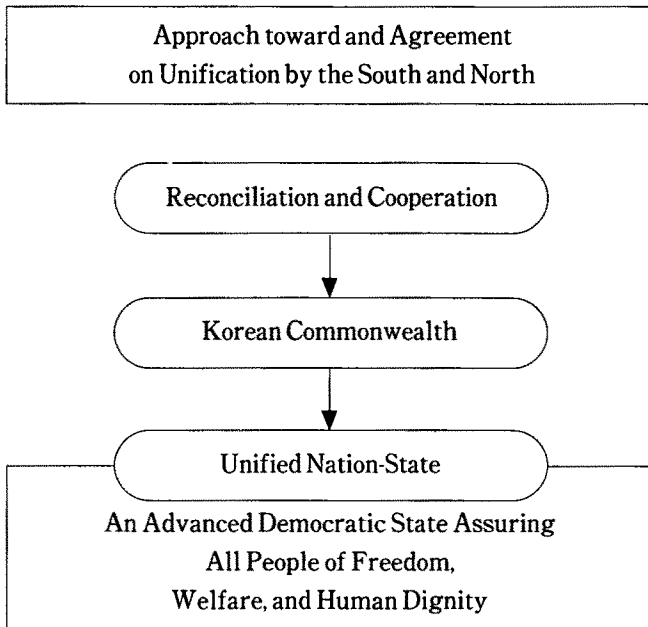
In the first phase, the two Koreas are to recognize each other's system and dissolve the mutual mistrust and hostility. Then, based on this newfound mutual trust, they are to institutionalize their efforts for reconciliation and expand intra-Korean exchanges and

cooperation. This is a stage where the two Koreas maintain peace while remaining in a state of division and increase cooperation in the economic, social, and cultural areas. As intra-Korean exchange and cooperation flourish and mutual trust builds up, the two Koreas would be then ready to move onto the next phase of commonwealth-building.

The Korean commonwealth formed during the second phase is an interim arrangement on the way to complete unification. It is a socio-economic and cultural community under which intra-Korean peace is institutionalized. During this phase the South and the North are to prepare the legal and institutional groundwork for a unified Korea. The two Koreas are to form several institutions to discuss various issues related to nation building. Though it is up to the South and the North together to decide what kinds of institutions are to be established under the Korean commonwealth, such institutions as intra-Korean summit meetings and intra-Korean cabinet conferences must be established to meet regularly to discuss the pending issues while an intra-Korean congress prepares the necessary legal procedures for the completion of unification.

In the final phase of a single nation-state, the two Koreas that have already formed a common living sphere are to integrate their systems completely into a single political entity and create a community of one nation and one people. A democratic election is to be held according to the constitution prepared by the intra-Korean congress to establish the government and congress of a unified Korea. These bodies will then complete the process of unification by integrating the institutions and systems of the two previous regimes.

The creation of the unified nation, however, will not mean the end

Figure 2-1 Process of Unification

of all problems. Various forms of aftershocks and side effects may arise because the South and the North have been divided for such a long time. Therefore, one of the most crucial tasks for all Koreans in the final phase is to do their best to eliminate the socio-cultural, economic, and psychological scars of the division and create a true national community.

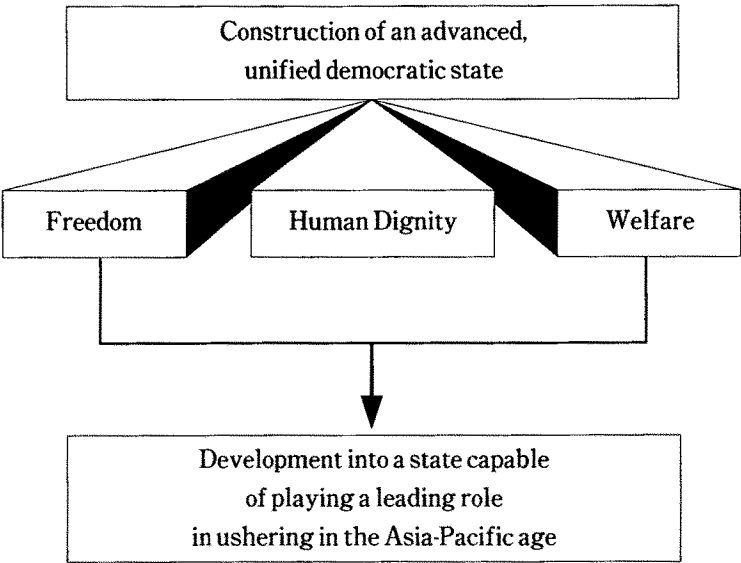
The Future of a Unified Korea

The KNCU Formula envisions an advanced democratic nation as the future of a unified Korea. It describes a unified Korea as a nation where its members are the masters of their own destiny and individual freedom, welfare, and dignity are respected. Of course, this

nation must be built based on a consensus formed during the process of unification. In detail, a unified Korea guarantees political and economic freedom and respects individual welfare and human rights. In short, it is a liberal democracy where welfare of its citizens is secured.

The unified Korea represents a clean and healthy society where all the pathological symptoms of national division are completely cured. Moreover, it provides permanent peace and security in society where everybody acts responsibly. Ultimately, a unified Korea will become a hub of the international community as it contributes to the peace and prosperity of the world.

Figure 2-2 Goal of Unification



3 — The Main Philosophies and Major Features

Liberal Democracy as the Main Philosophy

The KNCU Formula reaffirms that the unification policy of South Korea is based on the philosophy of liberal democracy. This policy reflects the spirit of the time as a new chapter in human history is being opened. It also succeeds the heritage of Korean history.

The ideological competition between the West and the East has ended in the victory of liberal democracy with the collapse of the socialist bloc. Liberal democracy is the spirit of the new age. It is a universal value that has been revered and pursued by mankind for ages. Consequently, the South Korean unification policy which embraces it as an underlying theme of the national unification is in tune with the currents of the world history.

Over the last one hundred years the Korean people have consistently endeavored to achieve self-reliant independence and to build a strong, liberal democratic nation. The ROK has a constitution rooted in liberal democracy and a social order founded on the same ideology. The reason why South Korea must present liberal democracy as the basic philosophy of unification springs from such an ideological underpinning.

The Entire Korean People as the Main Actors in Unification

In the light of liberal democracy, the three principles for unification—*independence, peace, and democracy*—proposed in the KNCU Formula stress freedom and the fair participation of individual Koreans throughout the entire process of unification. Unification

will have serious effects not only on the survival and security of the individual members of the Korean community but also on the future of the entire Korean people. Therefore, decisions for unification must be made by all the members of the Korean community, not by any particular class or a group of individuals. Unification must also be achieved through a democratic procedure in which the participation of all the members of the Korean community is guaranteed. The unified Korea must be a nation in which all 70 million members of the Korean community are the masters of their own destiny.

National Community as A New Paradigm for Unification Policy

The KNCU Formula proposes a national community as a new paradigm in unification policy. A national community provides a communal society where all the members share common values and care about each other. A national community binds together a people with common ethnic heritage. It is, therefore, the very source of power that enables the national unification.

The South has long maintained that the two Koreas should eventually create a single national democratic welfare community by restoring the sense of common heritage through intra-Korean exchanges and cooperation. This concept of national community emphasizes the question of “how the Korean people can live together,” rather than “which class or group will take power.” Consequently, it provides that in the first stage of unification the two Koreas should concentrate on developing an economic, social, cultural, and information community. Then, during the process of social integra-

tion, only when the conditions are finally ripe for political unification, should the creation of a single nation-state be completed.

Embedded in the concept of a national community is the idea for a common national living sphere. Unification would naturally follow once the South and the North begin to form common living spheres in various areas and learn how to live together and to cooperate in pursuit of economic prosperity.

Description of the Unified Korean Nation

According to universal values of humankind as well as the particular experiences in Korean history, the ideal feature of a unified Korea should be a nation for the Korean people, by the Korean people, and of the Korean people, where the freedom and welfare of individual members are protected and the civil rights and dignity of the people are respected.

Consequently, it is necessary to first recover the homogeneity of the national community regardless of the time of unification. The national community that is restored during the process of unification should be a society that ensures the prosperity of all the Korean people and, furthermore, contributes to welfare of all humankind. Prosperity of the nation will be attained only when the freedom, welfare, and dignity of its individual members are secured. Toward this end, the values of democracy must be pursued throughout the process and procedure of unification and even afterward. Moreover, unification should not be an obstacle in developing the country into an advanced industrialized nation. Rather, it should lead the country toward democracy and prosperity and promote the utilization of nation's creative potential.

Table 2-2 Comparison Between the Unification Formulas of South and North Korea

Categories \ Parties	South Korea	North Korea
Name of the Formula	Korean National Community Unification Formula	Formula for Creating a Democratic Confederation of Koryo
Basic Philosophy	Liberal democracy (human-centered)	Juche (self-reliance) ideology (class-centered)
Main Actors in Unification	All the members of the Korean community	Proletariat class
Process of Unification	Three phases: reconciliation and cooperation → a Korean commonwealth → a unified single Korean nation-state Priority on recovery of national society (social integration → political unification)	Gradual completion of a confederation Priority on formation of state structure (political unification → social integration)
Interim Arrangement	Korean commonwealth	None
Procedure for Unification	General election throughout Korea under the constitution of the unified Korea	A series of political conferences
Format of a Unified Korea	Unified single nation-state with one system and one government	Confederation of two states, each with its own system and own government
Features of a Unified Korea	Advanced democratic country where freedom, welfare, dignity of individual citizens are respected	None

A unified Korea is the very essence of the New Korea which the Kim Young-sam Administration has presented as the blue print for the future of South Korea. It is also the completion of the reforms carried out by the same administration. The ROK government believes that the first step toward a unified Korea must be taken by South Koreans within their society. To be able to form a successful intra-Korean community, the South should first learn how to build an ideal democratic community within itself.

3. The Kim Young-sam Administration's Policy Toward North Korea

1 — The Four-party Talks

The Maintenance of Peace on the Peninsula

The most important task in realizing unification is to secure peace on the Korean peninsula. Through the Korean War (1950-53), the Korean people have already experienced enormous sacrifices and a destruction of peace. Despite the state of sharp confrontation, the two Koreas have been able to maintain peace over the last half a century based on the Armistice Agreement signed at the end of the Korean War in 1953. It was the only legal and institutional device that has suspended the state of war and sustained the "fragile" stability and peace in the peninsula. Recently, however, this armistice arrangement has been put to a serious test.

North Korea, which had already violated the agreement numerous times since it was signed, arbitrarily withdrew its representa-

tives from all the armistice structures, including the Military Armistice Commission (MAC) and the Neutral Nations Supervisory Commission (NNSC). Moreover, it has continually attempted to invalidate the agreement by staging demonstrations of armed forces and military provocations in the Demilitarized Zone (DMZ), thus creating a serious threat to the stability of the peninsula.

In Article 5 of the the Basic Agreement effectuated on February 19, 1992, the two Koreas already agreed to “endeavor together to transform the present state of armistice into a solid state of peace between the South and the North and to abide by the present Military Armistice Agreement until such a state of peace has been realized.” Nevertheless, the North argues that since the South is not one of the original signatories to the agreement a new peace treaty must be signed between North Korea and the United States. Accordingly, North Korea is avoiding dialogue with South Korea. Consequently, South Korea faces a serious difficulty in its efforts to build durable peace on the peninsula.

Under such circumstances, President Kim Young-sam, in his speech on the 50th anniversary of national liberation celebrated on August 15, 1995, proclaimed the Basic Principles for Construction of Peace Regime in the Korean Peninsula. First, the issue of a peace arrangement in the Korean peninsula must be resolved through discussions between the South and the North. Second, every agreement made between the two Koreas, including the Basic Agreement and the Joint Declaration of the Denuclearization of Korean Peninsula, must be respected. Third, the effectiveness of the peace arrangement in the Korean peninsula must be reinforced with the cooperation and support from the surrounding countries. Those principles were further developed in the joint proposition for the

Four-party Talks made at the US-ROK summit held on April 16, 1996.

Proposition for the Four-party Talks

President Kim Young-sam of the Republic of Korea and President Bill Clinton of the United States held a summit meeting in Cheju Island on April 16, 1996. At the end of the summit, they released a US-ROK joint statement which contained the following:

First, President Clinton pledged the steadfast US commitment to the security of the Republic of Korea and reaffirmed the strength of the US-Korea security alliance.

Second, both Presidents agreed that the present Armistice Agreement should be maintained until it is succeeded by a permanent peace arrangement.

Third, both Presidents agreed that South and North Korea should take the lead in a renewed search for a permanent peace arrangement, and that separate negotiations between the United States and North Korea on peace-related issues cannot be considered.

Fourth, President Kim affirmed that the Republic of Korea is willing to meet without any precondition at the governmental level with representatives of the North; President Clinton affirmed that the United States is prepared to play an active and cooperative role in support of this effort; and both Presidents agreed that China's cooperation on this matter would be extremely helpful.

Fifth, the two Presidents proposed to convene Four-party Talks among representatives of the Republic of Korea, the North Korea, the United States, and People's Republic of China as soon as possible

without any precondition.

Sixth, the two Presidents agreed that this peace process should also address a wide range of tension-reducing measures.

The aim of the Four-party Talks is to reduce tension and establish a durable peace arrangement on the Korean peninsula. It has the following significance:

First, by proposing the Four-party Talks, South Korea changed its policy from a passive response to the North Korean violation of the Armistice Agreement to the presentation of a constructive and future-oriented structure for peace.

Second, the Four-party Talks are an attempt to resolve the Korean question through a multinational channel. Realizing the international features of the Korean question and, thus, admitting the need for the support of the surrounding countries in resolving the problems, South Korea has made clear of its intention to actively take advantage of their cooperation in the process of unification.

Third, North Korea is being given a maximum room in making its decision to accept the proposition because the South has loosened the format of the talks from "2+2" to "four-party" participation, attached no preconditions to the proposition, and insinuated the inclusion of comprehensive tension-reducing measures in addition to discussion of a peace treaty in the agenda of the talks.

Fourth, the South made it clear that discussion of the peace arrangements must be initiated by the two Koreas while separate negotiations between the United States and North Korea must be avoided.

Finally, the Four-party Talks provides a multinational table which can contribute to the stability and peace of Northeast Asia and an institutional mechanism through which regional security

issues may be discussed.

In his speech delivered on the 51st anniversary of national liberation on August 15, 1996, President Kim Young-sam summed up the position of the South Korean government on intra-Korean peace and cooperation as follows:

First, the South wishes for stability in North Korea.

Second, the South does not wish for the isolation of North Korea from the international community.

Third, the South is not pursuing a one-sided unification.

The purpose of the Four-party Talks is to materialize the spirits of peace and cooperation into feasible realities. Consequently, the South stresses that the possible agenda of the talks may include but will not be limited to (i) comprehensive issues related to reducing tension and bringing peace to the peninsula, (ii) issues related to the creation of a peace arrangement and mutual trust in military relations, and (iii) intra-Korean economic cooperation as a means to reduce tension between the South and the North.

The South believes that if the North truly wishes to improve the intra-Korean relations and establish permanent peace, it must accept the offer for the Four-party Talks. The North may also be able to use that opportunity as a means to overcome the various difficulties it now faces. The security of its unstable regime can be guaranteed; its economic crisis can be overcome; and a chance to join the international community as a responsible member will be open.

2 — The Light-Water Reactor Project

The North Korean nuclear threat developed into a serious issue when Pyongyang refused the IAEA's request for a special inspec-

tion of its nuclear facilities and declared its withdrawal from the NPT on March 13, 1993. The ROK government, however, consistently maintained the position that the nuclear issue must be resolved in a peaceful manner not to provoke tension on the Korean peninsula and tried its best to resolve the issue through cooperation with the members of the international community, including the United States, Japan, and the IAEA.

In his congratulatory message on National Liberation Day in 1993, President Kim Young-sam announced that if and when the North guarantees the transparency of its nuclear activities and comes forward for intra-Korean dialogue with sincerity, the ROK government would actively cooperate with the North in developing natural resources, including nuclear energy, expand intra-Korean cooperation in various fields, and help North Korea to improve relationships with the friends of South Korea. In the similar congratulatory message delivered a year later, President Kim reaffirmed that if and when the North guarantees the transparency of its nuclear activities, the ROK Government is ready to support its development of the peaceful use of nuclear energy by providing Pyongyang with the necessary capital and technology. In the same speech, he also stressed that, this could be the leading to the first joint project for national development, establishment of a single community of the Korean people.

As a result of such efforts by the ROK government and the support of the international community, the Agreed Framework was signed between North Korea and the United States in Geneva on October 21, 1994. According to this agreement, North Korea was to remain under the NPT regime and accept the IAEA's inspections of all its nuclear facilities, while the United States was to arrange for

the provision of two 1,000 MWe light-water reactors by the year 2003.

The North Korean nuclear crisis was gradually resolved as the provisions of the Agreed Framework were implemented one after another: North Korea and the United States came to an agreement that the type of reactors to be supplied to North Korea would be the Korean standard model and the Korean Peninsula Energy Development Organization (KEDO), an international organization which would be responsible for the financing and supply of the light-water reactor project, was established with South Korea playing the central role in it. The supply of the Korean standard model of light-water reactors would open a new chapter in intra-Korean relations through exchanges of people and materials during the nearly ten year construction period.

3 — The Expansion of Intra-Korean Exchanges and Cooperation

The two Koreas cannot waste their national potential when all other countries are leaping over the ideological barriers of the past age and pursuing their interests and prosperity in the international arena. If the South and the North continue to confront and have conflict with each other in destructive competition, there can be no prosperous future for the Korean people.

Now South and North Korea have to place the welfare and prosperity of the Korean nation at the core of intra-Korean relations and prepare together for the age of international competition through reconciliation and cooperation. In particular, North Korea needs to see the trend of human history correctly and move along on the

road to transformation and reformation.

The ROK government for a long time has tried to expand the window of opportunity for intra-Korean exchanges and cooperation in more feasible areas. As a result, the intra-Korean exchange of people and commodities has constantly increased. In addition, the ROK government has now opened the door wide for South Korean businesses to invest in the North. It was June 12, 1989, when the ROK government enacted the Guideline on Intra-Korean Exchanges and Cooperation. Since then, 1,244 South Korean citizens have visited the North while 575 North Korean residents have visited the South as of the end of 1995. During this period, the total number of separated families, businessmen, scholars, religious leaders, and athletes who have met each other in the third countries reached 5,225. Meanwhile, the total amount of intra-Korean trade during the same period was \$122 billion.

In November 1994, the ROK government announced the measures to promote intra-Korean economic cooperation which permitted cross visits by businessmen, visits by engineers and technicians, and sending of equipments for processing trade. These measures gave an opportunity for South Korean businesses to make investments in North Korea.

Unfortunately, despite of such endeavors by the ROK government, intra-Korean relations are currently in a deadlock. Due to the negative attitude of North Korea there exist many limitations in expanding intra-Korean trade. Nevertheless, the ROK government believes that the efforts to remove those obstacles should be continued in the conviction that in the long run it will increase the common interests of the Korean national community.

4 — Food Assistance

Ever since Korea became divided into two, the North has suffered from food shortages. The Soviet style farming system has caused inefficiency in agricultural production and lowered the productive spirits of the North Korean farmers. Underdevelopment of agricultural technology and shortage of pesticides, fertilizers, and other farm equipment have also contributed to the failure of North Korean agriculture. Furthermore, floods in 1995 and 1996 have inflicted tremendous damage to its productive capacity and severely aggravated the food situation. Consequently, North Korea's estimated grain production for 1995 was about 3,450,000 tons, and even adding the imports and assistance from other countries of about 700,000 tons, plus the 1,200,000 tons in storage, North Korea has been short about 2 million tons of grain every year.

Sympathizing with North Korea's hardships, the ROK government has provided food assistance to Pyongyang out of pure humanitarian concerns. In 1995, for example, the South furnished a total of 150,000 tons of rice for free. In 1996, in a response to an appeal by the World Food Program (WFP) and other international organizations it has contributed \$2 million in cash as well as \$1 million worth of dry milk.

Moreover, during the period from September 1995 to September 1996 the ROK National Red Cross has sent various food stuffs worth in total about \$1.8 million, including flour, vegetable oil, dry milk, and instant noodles. In addition, President Kim Young-sam, in his speech on the 51st anniversary of national liberation in 1996, has made it clear that the ROK government was willing to help the North Koreans solve the food shortage at its roots. In detail, he sug-

gested that South Korea would be able to assist in various ways to improve North Korea's agricultural productivity and to recover the farm lands lost in the floods by lending the necessary equipment.

His suggestions also included investment by South Korean businesses in the Rajin-Sunbong free trade zone that North Korea has opened up for foreign capital. Furthermore, he said, the government would expand intra-Korean trade so that North Korea would be supplied with what it needs while permitting South Korean tourists to visit the North. Finally, he offered that those measures for agricultural cooperation could be further discussed at the Four-party Talks proposed jointly at the ROK-US summit meeting on April 16, 1996.